

# OFFICIAL STATEMENT

New Issues  
Book-Entry Only

Rating: Moody's "Aaa"

*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 Tennessee franchise and excise taxes. (See "Tax Matters" herein).*

## WILLIAMSON COUNTY, TENNESSEE \$14,700,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2020A \$32,000,000 COUNTY DISTRICT SCHOOL BONDS, SERIES 2020A

Dated: Issue Date

Due: April 1, as shown on the inside cover

Williamson County, Tennessee (the "County") will issue its \$14,700,000 General Obligation School Bonds, Series 2020A (the "General Obligation Bonds") and its \$32,000,000 County District School Bonds, Series 2020A (the "County District Bonds" and collectively with the General Obligation Bonds, 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 October 1, 2020, 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 subject to optional redemption on and after April 1, 2030 at a price of par, plus accrued interest to the redemption date.

The General Obligation 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 General Obligation Bonds, the full faith and credit of the County are irrevocably pledged.

The County District Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County lying outside the territorial limits of the Franklin Special School District. Subject to the limitations set forth in the preceding sentence, for the prompt payment of principal of and interest on the County District Bonds, the full faith and credit of the County are irrevocably pledged.

*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 opinions will be delivered with the Bonds. Certain legal matters will be passed upon for the County by Buerger, Moseley & Carson, P.C., 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 August 20, 2020.*

July 29, 2020

### GENERAL OBLIGATION BONDS

<u>Maturity (April 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number</u>	<u>Maturity (April 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number</u>
2023	\$560,000	5.000%	0.150%	969872TL4	2032	\$870,000	3.000%	1.050% <sup>c</sup>	969872TV2
2024	600,000	5.000	0.180	969872TM2	2033	900,000	1.625	1.630	969872TW0
2025	625,000	5.000	0.260	969872TN0	2034	910,000	1.625	1.700	969872TX8
2026	655,000	5.000	0.360	969872TP5	2035	925,000	1.750	1.760	969872TY6
2027	685,000	5.000	0.470	969872TQ3	2036	940,000	1.750	1.810	969872TZ3
2028	720,000	5.000	0.540	969872TR1	2037	950,000	1.750	1.860	969872UA6
2029	750,000	5.000	0.620	969872TS9	2038	975,000	1.875	1.900	969872UB4
2030	800,000	5.000	0.680	969872TT7	2039	990,000	1.875	1.940	969872UC2
2031	835,000	4.000	0.800 <sup>c</sup>	969872TU4	2040	1,010,000	1.875	1.980	969872UD0

### COUNTY DISTRICT BONDS

<u>Maturity (April 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number</u>	<u>Maturity (April 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number</u>
2023	\$1,225,000	5.000%	0.160%	969872UE8	2032	\$1,900,000	2.000%	1.150% <sup>c</sup>	969872UP3
2024	1,285,000	5.000	0.200	969872UF5	2033	1,935,000	2.000	1.300 <sup>c</sup>	969872UQ1
2025	1,350,000	5.000	0.280	969872UG3	2034	1,975,000	2.000	1.400 <sup>c</sup>	969872UR9
2026	1,415,000	5.000	0.400	969872UH1	2035	2,020,000	2.000	1.500 <sup>c</sup>	969872US7
2027	1,485,000	5.000	0.510	969872UJ7	2036	2,050,000	2.000	1.600 <sup>c</sup>	969872UT5
2028	1,560,000	5.000	0.580	969872UK4	2037	2,100,000	2.000	1.650 <sup>c</sup>	969872UU2
2029	1,640,000	5.000	0.670	969872UL2	2038	2,135,000	2.000	1.700 <sup>c</sup>	969872UV0
2030	1,720,000	5.000	0.750	969872UM0	2039	2,180,000	2.000	1.750 <sup>c</sup>	969872UW8
2031	1,800,000	5.000	0.900 <sup>c</sup>	969872UN8	2040	2,225,000	2.000	1.800 <sup>c</sup>	969872UX6

<sup>c</sup> Yield to April 1, 2030 Call Date

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 Williamson County, Tennessee (the "County") from time to time, 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.

All CUSIP information provided herein is subject to copyright 2014, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the County or the Underwriters and are included solely for the convenience of the registered owners of the applicable Bonds. Neither the County nor the Underwriters are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**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.**

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*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 Bonds.*

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**Williamson County, Tennessee  
1320 W. Main Street, Suite 125  
Franklin, Tennessee 37064**

**Officials**

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Rogers C. Anderson  
County Mayor

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**Board of Commissioners**

Dwight Jones  
Ricky D. Jones  
Judy Herbert  
Betsy Hester  
Jennifer Mason  
Keith Hudson  
Chad Story  
Gregg Lawrence

Beth Lothers  
Thomas Little  
Erin Nations  
Paul Webb  
Bert Chalfant  
Tom Tunncliffe  
Jerry Rainey  
Barb Sturgeon

Chas Morton  
Matt Williams  
David Landrum  
Robbie Beal  
Brian Beathard  
Sean Aiello  
Steve Smith  
Dana Ausbrooks

**County Officials**

County Clerk  
Budgets & Purchasing Director  
Trustee

Elaine H. Anderson  
Nena Graham  
Karen Paris

**Counsel for the County**

Buerger, Moseley & Carson, P.C.  
Franklin, Tennessee

**Bond Counsel**

Bass, Berry & Sims PLC  
Nashville, Tennessee

**Registration and Paying Agent**

U.S. Bank National Association  
Nashville, Tennessee

**Municipal Advisor**

Stephens Inc.  
Nashville, Tennessee

**Underwriter – General Obligation Bonds**

Raymond James & Associates, Inc.  
Memphis, Tennessee

**Underwriter – County District Bonds**

Robert W. Baird & Co., Inc.  
Milwaukee, Wisconsin

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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> .....	Williamson County, Tennessee (the "County").
<b>ISSUES</b> .....	\$14,700,000 General Obligation School Bonds, Series 2020A (the "General Obligation Bonds") and \$32,000,000 County District School Bonds, Series 2020A (the "County District Bonds") (collectively, the "Bonds").
<b>PURPOSE</b> .....	The General Obligation Bonds are being issued to fund capital improvements to County high schools and pay issuance costs. The County District Bonds are being issued to fund capital improvements to County K-8 school facilities and pay issuance costs.
<b>SECURITY</b> .....	<p>The General Obligation 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 General Obligation Bonds, the full faith and credit of the County are irrevocably pledged.</p> <p>The County District Bonds shall be payable primarily from unlimited ad valorem taxes to be levied on all taxable property located outside the territorial limits of the Franklin Special School District. Subject to the limitations set forth in the foregoing sentence, for the prompt payment of principal of and interest on the County District Bonds, the full faith and credit of the County are irrevocably pledged.</p>
<b>DATED DATE</b> .....	Settlement Date.
<b>INTEREST DUE</b> .....	Each April 1 and October 1, commencing October 1, 2020.
<b>PRINCIPAL DUE</b> .....	April 1, 2023 through April 1, 2040, as set forth on the inside front cover.
<b>SETTLEMENT DATE</b> .....	August 20, 2020.
<b>OPTIONAL REDEMPTION</b> .....	The Bonds of both series are subject to redemption at the option of the County on and after April 1, 2030 at the price of par.

**RATING** ..... "Aaa" by Moody's Investors Service ("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, the Municipal Advisor nor the Underwriters make 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. 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 ratings may be obtained from Moody's. See "Rating" herein.

**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 Tennessee franchise and excise taxes. (See "Tax Matters" herein).

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

**MUNICIPAL ADVISOR**..... Stephens Inc., Nashville, Tennessee.

**UNDERWRITERS** ..... General Obligation Bonds -- Raymond James & Associates, Inc.  
County District Bonds – Robert W. Baird & Co., Inc.

## **Official Statement**

**Williamson County, Tennessee**

**\$14,700,000 General Obligation School Bonds, Series 2020A**  
**\$32,000,000 County District School Bonds, Series 2020A**

### **Introduction**

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Williamson County, Tennessee (the "County") of \$14,700,000 General Obligation School Bonds, Series 2020A (the "General Obligation Bonds") and \$32,000,000 County District School Bonds, Series 2020A (the "County District Bonds" and together with the General Obligation Bonds, the "Bonds").

The Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 49-3-1001 et seq., Tennessee Code Annotated, and pursuant to resolutions adopted by the Board of County Commissioners of the County on March 9, 2020 (the "Resolutions") authorizing the execution, terms, issuance and sale of the Bonds.

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 General Obligation Bonds are being issued to fund capital improvements to various County high schools (the "General Obligation Projects") and pay costs of issuing the General Obligation Bonds. The County District Bonds are being issued to fund capital improvements to County K-8 school facilities (the "County District Projects" and, together with the General Obligation Projects, the "Projects") and pay costs of issuing the County District 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, which shall be computed 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 October 1, 2020.

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

## **Registration and Payment**

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 Resolution 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.

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

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 Bond certificate for each maturity of each series of Bonds will be issued for the Bonds, 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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds 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 Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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, the Registration Agent, or the 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 Bonds 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, Bond 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, Bond 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 RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.**

### **Optional Redemption**

The Bonds of each series are subject to redemption prior to maturity at the option of the County, in whole or in part, at any time on or after April 1, 2030, at a price equal to the par amount of such Bonds plus accrued interest to the redemption date.

If less than all the Bonds of a series shall be called for redemption, the maturities to be redeemed shall be selected by the Board of County Commissioners of the County in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

### **Notice of Redemption**

Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent not less than 30 nor more than 60 days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any such defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

### **Security and Sources of Payment**

The General Obligation 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 General Obligation Bonds, the full faith and credit of the County are irrevocably pledged.

The County District Bonds are primarily payable from unlimited ad valorem taxes to be levied on all taxable property located within the County lying outside the territorial limits of the Franklin Special School District. Subject to the limitations set forth in the preceding sentence, for the prompt payment of principal of and interest on the County District Bonds, the full faith and credit of the County are irrevocably pledged.

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 hereby made to the respective Resolutions.

## **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.

## **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 or redemption, 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 or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(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 Resolution, 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 obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.



**Plan of Financing**

**Sources and Uses of Funds**

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

<u>Sources of Funds</u>	<u>General Obligation Bonds</u>	<u>County District Bonds</u>
Par Amount	\$14,700,000.00	\$32,000,000.00
Reoffering Premium	<u>1,854,844.35</u>	<u>4,670,077.35</u>
Total Sources	<u>\$16,554,844.35</u>	<u>\$36,670,077.35</u>
<u>Uses of Funds</u>		
Deposit to Project Fund	\$16,469,370.85	\$36,426,538.61
Costs of Issuance <sup>(1)</sup>	<u>85,473.50</u>	<u>243,538.74</u>
Total Uses	<u>\$16,554,844.35</u>	<u>\$36,670,077.35</u>

(1) *Includes all fees and expenses, including underwriter's discount and expenses*

**Application of Bond Proceeds**

The proceeds of the General Obligation Bonds and the County District Bonds will be applied to finance the General Obligation Projects and the County District Projects, respectively, and to pay Bond issuance costs. Pursuant to the Resolutions, Bond proceeds will be deposited into one or more project funds and used to pay costs of the Projects. Moneys in the project fund(s) will be invested as permitted by Tennessee law and may not be used for any purpose other than the Projects.

**Rating**

The Bonds have been assigned a rating of "Aaa" by Moody's Investors Service, Inc. ("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, the Municipal Advisor nor the Underwriters 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. 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 Agreement 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 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 its previous continuing disclosure 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. "Debt Statement";
2. "Long-Term Debt";
3. "Per Capita Debt Ratios";
4. "Debt Ratios";
5. "Debt Trend";
6. "General Obligation Debt Service Requirements";
7. "County District School Bonds Debt Service Requirements";
8. "Fund Balances";
9. "Top Taxpayers";
10. "Local Sales Tax Collections";
11. "Privilege Tax and Adequate Facilities Tax Data";
12. "Property Valuation and Property Tax";

13. "County Tax Rates";
14. "Tax Collections"; and
15. "Combined Statement of Revenues and Expenditures and Fund Balances – General Fund for Years Ending June 30".

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 Resolution.
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;
- 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 County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, 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 County, any of which reflect financial difficulties.

### **Termination of Reporting Obligation**

The County's obligations under the Disclosure Agreement 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 Agreement, the County may amend the Disclosure Agreement, and any provision of the Disclosure Agreement 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 Resolution for amendments to the Resolution with the consent of the respective

Holder, 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 Agreement, 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 Agreement, 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 Agreement. A default under the Disclosure Agreement shall not be deemed an event of default, if any, under the Resolution, and the sole remedy under the Disclosure Agreement in the event of any failure of the County to comply with the Disclosure Agreement shall be an action to compel performance.

### **Future Issues**

The County continues to be one of the fastest growing counties in Tennessee. The need for additional capital improvements financing is likely to be correlated with the rate at which this population growth continues. Specifically, as school enrollment continues to increase, the need for new school facilities is also expected to increase. Similarly, as the general population of the County grows, as it is expected to do, the need for additional infrastructure is likely to result in additional financing needs. The complexity of forecasting future growth and economic conditions makes long-term financing needs and timing difficult to predict.

The County School Board continues to anticipate additional funding needs for new school construction to accommodate expected growth in student enrollment. School officials have identified approximately \$475 million of additional land acquisition and construction projects that will need to be funded over the next five years. The Bonds are being issued to expedite the commencement and financing of a portion of these school projects. Additionally, County officials have preliminarily identified approximately \$175 million or more of general government capital improvement projects to be funded over the next five years. These projects include animal control facilities, parks and recreation facilities and other government purposes. In addition, the County is in the planning stage for development of new court and justice center facilities, the costs of which could exceed \$250 million.

Many of the contemplated projects are in the planning stages and the final amounts and timing have not been determined and are subject to change. Most projected future capital needs of the County Schools and County Government have not, yet, been approved by the Board of County Commissioners.

## **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 opinions of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinions will be available upon delivery of the Bonds. (See Appendix A). Certain legal matters will be passed upon for the County by Buerger, Moseley & Carson, P.C., 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 Issuer and assuming compliance by the Issuer 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, as amended (the "Code"), and
- is not a preference item for a bondholder under the federal alternative minimum tax on individuals.

The Code imposes requirements on the Bonds that the Issuer must continue to meet after the Bonds are issued. These requirements generally involve the way that Bond proceeds must be invested and ultimately used. If the Issuer 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 Issuer has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder 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.

## **Changes in Federal and State Tax Law**

From time to time, there are Presidential proposals, proposals of various federal 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. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued 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 thereby. 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 or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The information set forth herein has been obtained from the County and other sources believed to be reliable, but has not been independently verified by Municipal Advisor.

The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds.

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 General Obligation Bonds for an aggregate purchase price of \$16,527,970.85, which is par, plus net original issue premium of \$1,854,844.35, less \$26,873.50 underwriter's discount.

Robert W. Baird & Co., Inc., Milwaukee, Wisconsin, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the County District Bonds for an aggregate purchase price of \$36,529,927.36, which is par, plus original issue premium of \$4,670,077.35, less \$140,149.99 underwriter's discount.

The Underwriters 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 Underwriters.

### **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.

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**Certificate of County Mayor**

I, Rogers C. Anderson, do hereby certify that I am the duly qualified and acting County Mayor of Williamson County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated July 29, 2020 issued in connection with the sale of the County's \$14,700,000 General Obligation School Bonds, Series 2020A and its \$32,000,000 County District School Bonds, Series 2020A, 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 20<sup>th</sup> day of August, 2020.

/s/ Rogers C. Anderson  
County Mayor

I, Elaine H. Anderson, do hereby certify that I am the duly qualified and acting County Clerk of Williamson County, Tennessee, and as such official, I do hereby certify that Rogers Anderson 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 Williamson County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ Elaine H. Anderson  
County Clerk

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**APPENDIX A**

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

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(Form of Opinion of Bond Counsel – General Obligation Bonds)

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

August 20, 2020

We have acted as bond counsel to Williamson County, Tennessee (the "Issuer") in connection with the issuance of \$14,700,000 General Obligation School Bonds, Series 2020A, 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 Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit. 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.

4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) 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, 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.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution 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



(Form of Opinion of Bond Counsel – County District Bonds)

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

August 20, 2020

We have acted as bond counsel to Williamson County, Tennessee (the "Issuer") in connection with the issuance of \$32,000,000 County District School Bonds, Series 2020A, 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 resolution of the Board of County Commissioners of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Issuer lying outside the territorial limits of the Franklin Special School District. Subject to the limitations in the preceding sentence, for the prompt payment of principal and interest on the Bonds, the Issuer has 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, 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.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the County District School Bonds and the resolution 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

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## GENERAL INFORMATION

Williamson County (the “County”) is located in Middle Tennessee and continues to be one of Tennessee's and one of the nation's fastest-growing communities. The County is adjacent to the southern boundary of Metropolitan Nashville-Davidson County and includes the cities of Brentwood, Fairview, Franklin, Nolensville, Thompson's Station and a portion of Spring Hill. In recent years, the County has benefited from its status as the county with the highest per capita income and one of the lowest unemployment rates in the State. Williamson County is noted for its high quality of life, excellent public school system, upscale neighborhoods, commercial office and retail parks, and rolling farmland.

The historic City of Franklin is the county seat of Williamson County. Franklin is approximately 15 miles south of Nashville, Tennessee. Franklin was founded in 1799 and is built around a restored historic downtown district. The City of Franklin covers an area of approximately 41 square miles and serves an estimated population of approximately 83,097. The City of Brentwood is the second largest city in the County with an estimated population of 42,783. Brentwood also covers approximately 41 square miles and is located adjacent to the southern border of the Metropolitan Government of Nashville and Davidson County. Brentwood is an affluent area that is known for its quality office parks and executive living. The city of Fairview, with an estimated population of 9,146, is situated in the northwest corner of Williamson County and it is convenient to Interstate 40 and State Route 840. Nolensville, population 10,062, is one of Tennessee's newest cities and is located in the northeastern section of the County. The town of Thompson's Station, with an estimated population of 6,567, is a small town located south of Franklin and north of Spring Hill. The city of Spring Hill forms the southern portion of Williamson County and the northern portion of Maury County. Spring Hill's total population of 43,769 is approximately split 70/30 between Williamson County and Maury County.

Two of the State's largest office parks, Maryland Farms and Aspen Grove, and one of its largest shopping malls, Cool Springs Galleria, are located in Williamson County. The County is also home to 12 of the largest 25 publicly traded companies in the Nashville region. One large employer, Nissan North America, moved its North American Headquarters to the Cool Springs area of Williamson County in 2008 from Los Angeles. In June 2019, Mitsubishi Motors of North America announced that they are relocating their headquarters from California to Williamson County, Tennessee.

The County is a convenient drive from the Nashville International Airport, a multi-air carrier commercial aviation facility. Interstate 40 and 65 and State Route 840 traverse the County. Interstate 24 is also located nearby. Other land transportation is served by U.S. Highways 31 and 431 and State Highways 96 and 100. Rail transportation is provided by CSX Transportation Group.

The Nashville area is just one of six areas in the nation intersected by three or more interstate highways. State Route 840 connects five Tennessee counties and intersects four of the six interstate spokes. SR 840 intersects Interstates 65 and 40 near Franklin and Fairview respectively, and connects with Interstate 24 near Murfreesboro in adjoining Rutherford County and Interstate 40 in western Wilson County and eastern Dickson County.

The governing body of the County is a 24 member Board of Commissioners that are elected to concurrent four-year terms of office by direct vote of the voters in each district represented. The County Mayor is the chief financial and administrative officer of the County and is elected by a direct vote of the people to a four-year term of office. The current terms of office for the Board of Commissioners and the County Mayor began on September 1, 2018 and will expire on August 31, 2022.

## 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 July 20, 2020, Williamson County has approximately 1,534 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 \$258 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 \$70 million. Approximately \$66 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 5.4% over fiscal year 2018-2019. This increase was due to the fact that the County was approximately nine months into the fiscal year before the Covid-19 outbreak. The County estimates that sales tax collections in the months of April, May and June decreased approximately 5.3% from the same period in the prior year.

The County also collects other tax revenues such as business taxes that are expected to be materially affected by business closures and reduced economic activity resulting from the COVID-19 outbreak. Such revenues typically consist of less than 20% of the County’s revenues.

The County, and especially Williamson County Schools, also receives funding from the State of Tennessee and the federal government. The County has budgeted State funding of approximately \$145 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 has not been informed as to the timing or amount of 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 have been forced to reduce 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.

## **CYBER-SECURITY**

The County utilizes various computer systems and network technology to perform many of its vital operations. Such operations often include the storage and transmission of sensitive information, and as a result, the County may be the target of cyberattacks attempting to gain access to such information. In addition to intentional attacks, information breaches may occur due to unintentional employee error. A successful cyberattack or unintentional breach may require the expenditure of an unknown amount of money or time to resolve, substantially interrupt municipal services and operations and subject the County to legal action. The County has no knowledge of, nor historical record of any successful cyber-security breach or related attack. Attempted cyber-security attacks, whether anonymous or targeted, occur on a periodic frequency that is not uncommon to organizations or agencies of similar characteristics. To mitigate against such risks, the County has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber-security training and awareness for all employees. The County also maintains insurance against cyber-security incidents, up to a coverage maximum of \$5,000,000. Despite the County's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

## SOCIAL, ECONOMIC, AND 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 by 180,304 since 1980, 156,623 since 1990, 110,311 since 2000 and 54,269 since 2010. Various socioeconomic factors are indicated below.

	<b>Population</b>		<b>Percentage Change</b>		
	<b>Williamson</b>		<b>Williamson</b>		
	<b>County</b>	<b>Tennessee</b>	<b>County</b>	<b>Tennessee</b>	
1980	58,108	4,600,252			
1990	81,789	4,890,626	1980 - 1990	40.8%	6.3%
2000	128,101	5,703,719	1990 - 2000	56.6%	16.6%
2010	184,143	6,355,311	2000 - 2010	43.7%	11.4%
2012 (est.)	193,211	6,453,898	2010 - 2012	4.9%	1.6%
2013 (est.)	199,143	6,494,340	2010 - 2013	8.1%	2.2%
2014 (est.)	205,334	6,541,223	2010 - 2014	11.5%	2.9%
2015 (est.)	211,605	6,591,170	2010 - 2015	14.9%	3.7%
2016 (est.)	218,903	6,646,010	2010 - 2016	18.9%	4.6%
2017 (est.)	226,048	6,708,799	2010 - 2017	22.8%	5.6%
2018 (est.)	231,978	6,771,631	2010 - 2018	26.0%	6.6%
2019 (est.)	238,412	6,829,174	2010 - 2019	29.5%	7.5%

Source: U. S. Census Bureau

### Per Capita Personal Income

The County's per capita personal income according to the Bureau of Economic Analysis was \$94,872 in 2018.

	<b>County</b>	<b>Tennessee</b>	<b>% of State</b>
2009 Per Capita Personal Income	\$58,687	\$34,260	171.3%
2010 Per Capita Personal Income	\$65,353	\$35,653	183.3%
2011 Per Capita Personal Income	\$71,293	\$37,627	189.5%
2012 Per Capita Personal Income	\$78,406	\$39,312	199.4%
2013 Per Capita Personal Income	\$79,618	\$39,427	201.9%
2014 Per Capita Personal Income	\$84,595	\$40,801	207.3%
2015 Per Capita Personal Income	\$91,767	\$42,593	215.5%
2016 Per Capita Personal Income	\$92,654	\$43,726	211.9%
2017 Per Capita Personal Income	\$91,001	\$44,950	202.4%
2018 Per Capita Personal Income	\$94,872	\$46,900	202.3%

Source: Bureau of Economic Analysis, CA1-3 Personal Income Summary



## Median Housing Values

	<b>Williamson</b>		
	<b>County</b>	<b>Tennessee</b>	<b>% of State</b>
2009 Median Housing Value	319,300	148,000	215.7%
2010 Median Housing Value	330,265	149,900	220.3%
2011 Median Housing Value	335,000	150,925	222.0%
2012 Median Housing Value	334,899	160,000	209.3%
2013 Median Housing Value	355,000	165,000	215.2%
2014 Median Housing Value	370,219	166,000	223.0%
2015 Median Housing Value	390,000	175,000	222.9%
2016 Median Housing Value	419,000	185,000	226.5%
2017 Median Housing Value	445,000	196,000	227.0%
2018 Median Housing Value	477,055	210,000	227.2%

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.

## Taxable Parcels

Tax Year	<b>Real Property Parcels</b>			<b>Personal Property</b>	Total	Change
	Residential	Commercial /		All		
		Industrial	Other			
2010	65,952	3,065	4,487	10,261	83,765	0.9%
2011	65,860	3,093	4,509	11,048	84,510	0.9%
2012	66,240	3,109	4,533	11,437	85,319	1.0%
2013	67,255	3,128	4,834	11,652	86,869	1.8%
2014	68,468	3,140	4,479	11,867	87,954	1.2%
2015	71,092	3,184	4,466	11,360	90,102	2.4%
2016	73,457	3,209	4,421	11,646	92,733	2.9%
2017	76,009	3,225	4,380	11,963	95,577	3.1%
2018	78,192	3,252	4,358	12,243	98,045	2.6%
2019	80,319	3,266	4,339	12,639	100,563	2.6%

Source: State Board of Equalization Tax Aggregate Reports of Tennessee for 2010-2019 and County officials.

## LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT DATA

### Labor Force

The labor force within the County has increased from 94,495 in 2010 to 119,932 in June 2020, reflecting a 27% increase. The Covid-19 outbreak, and the impact on economic conditions, resulted in a sharp increase in the unemployment rate in 2020. As of June 2020, the County's estimated unemployment rate is 6.7% which still compares favorably to the State average of 9.7% and the U. S. average of 11.1%. Given the uncertainties surrounding Covid-19, the County cannot predict how much future employment numbers will be negatively impacted.

Year	Employment	Unemployment	Total Labor Force	Unemployment Percent		
				County	State	U.S.
2010	88,258	6,237	94,495	6.6%	9.6%	9.6%
2011	91,667	5,747	97,414	5.9%	9.0%	8.9%
2012	94,064	4,951	99,015	5.0%	7.8%	8.1%
2013	95,911	5,261	101,172	5.2%	7.7%	7.4%
2014	98,611	4,647	103,258	4.5%	6.6%	6.2%
2015	102,923	4,288	107,211	4.0%	5.6%	5.3%
2016	109,317	3,848	113,165	3.4%	4.7%	4.9%
2017	116,032	3,220	119,252	2.7%	3.8%	4.3%
2018	121,960	3,127	125,087	2.5%	3.5%	3.9%
2019	127,091	3,125	130,216	2.4%	3.4%	3.7%
Jun-20	111,897	8,035	119,932	6.7%	9.7%	11.1%

Source: Bureau of Labor Statistics

## Major Employers

The following table includes numerous major employers in Williamson County. This information was compiled prior to the outbreak of Covid-19 and might not reflect negative changes which have occurred since the outbreak. The County believes it is likely that some firms on this list have reduced the number of employees as a result of slowing economic conditions. Given the uncertainties surrounding the Covid-19 outbreak, it is not known whether employee reductions, in general, will be temporary or permanent.

<b>Employer</b>	<b>Estimated 2019 Employees</b>	<b>Product or Service</b>
Williamson County Schools	6,766	Education
CoolSprings Galleria	3,500	Retail Mall
Community Health Systems	2,652	Health Services - Headquarters
HCA	2,002	Healthcare Services
Nissan North America	1,850	Automotive - North American Headquarters
Williamson County Government	1,650	County Government
United Health Group	1,467	Healthcare Claims Resolution and Information Management
Williamson Medical Center	1,330	Health Services
Optum	1,000	Healthcare IT Software for Hospital Management
Comdata	1,000	Transaction Process Solutions
Tractor Supply Company	1,000	Headquarters of Retail Farm and Ranch Stores
Lee Company	963	Home Services
Franklin Special School District	923	Education
Ford Motor Credit	875	Customer Care Center for Finance Department
Schneider Electric	850	Energy Management
Mars Petcare	800	Pet Food Manufacturer
City of Franklin Government	719	City Government
DaVita	701	Dialysis Treatment and Support Services
Ramsey Solutions	685	Publishing, Radio and Education
Brookdale Senior Living	668	Senior Living and Healthcare Provider
eviCore healthcare	653	Medical Benefits Management
Vanderbilt University Medical Center	580	Health Services
GEODIS	536	Global Supply Chain Management Solutions
Jackson National Life Insurance Company	518	Financial Services

Sources: Williamson County Chamber of Commerce, Economic Development Office, County Officials, the TN Department of Economic & Community Development and the Nashville Business Journal.

## Commercial Development Overview

Williamson County reports that substantial new and ongoing economic development projects continue in the County. Although economic development projects are continuing, the County cannot predict what impact the Covid-19 outbreak will have on new or future economic development plans.

In June 2020, Ramsey Solutions announced that they plan to invest approximately \$52 million and add 600 new positions by expanding their corporate headquarters in Williamson County. The expansion will include the addition of a 192,000 square foot, six story office building on their corporate campus in Franklin.

In February, 2020, Spirit Airlines announced that they are moving their operations control center from Florida to a nearly 49,000 square foot facility in Williamson County, Tennessee. The operations control center controls round-the-clock flight operations for more than 650 flights each day across the U.S., Latin America and the Caribbean. The project represents an investment of \$11.3 million and will bring 345 jobs to Tennessee over the next five years. Spirit Airlines is expected to relocate more than 240 positions

to Tennessee and create 100 additional jobs in Williamson County. The transition is expected to be completed by early 2021.

In June 2019, Mitsubishi Motors of North America announced that they are relocating their headquarters from California to Williamson County, Tennessee. The move is expected to create over 200 new jobs in the County in positions such as sales, marketing, IT, human resources, communications, planning, finance and legal.

In June 2017, Crescent Communities released plans for a new mixed-use project in the Cool Springs area of the County. Dubbed Bigby, the \$150 million project includes plans for 280,000 square feet of commercial office space and 30,000 square feet of restaurant retail space, a 12-acre park, 330 luxury apartments, 15 townhomes and a 200-room hotel.

Work continues on Ovation, a new development to be located in the Cool Springs area of Franklin. This \$700 million, 147-acre mixed-use master-planned community is expected to include 1.4 million square feet of office space; 350,000 square feet of retail space; two hotels with approximately 450 rooms; and a blend of residential living. Mars Petcare, which was already a large employer in the County, relocated to their new \$96 million headquarters in 2019.

Al. Neyer, in partnership with New York Life, finished construction of a 175,000 square foot office building in August of 2018, the beginning of a mixed-use development in the Cool Springs area called Mallory Green. The first of two planned hotels was delivered in 2019 with the second hotel and office building planned for 2020.

Harpeth Square, a \$90 million hotel, apartment and retail project covering a block in downtown Franklin is underway, with the first phase delivered in 2019. The project includes both upscale hotel and retail options, office space, apartments and is one of the most expensive developments underway in downtown Franklin.

Northside McEwen, a mixed-use project in the Cool Springs area, has begun construction. The initial phase includes 200,000 square feet of office space, 26,000 square feet of retail space, three restaurant pads and 330 upscale residential units. Phase 1 is set for a target delivery of Q2 2020. The total investment for phase 1 is estimated at \$120 million.

Franklin Park, on the Northwest corner of the Carothers McEwen intersection, is preparing for its 3rd office building slated to be 11 stories and 312,000 square feet. Buildings 1 and 2 are 90% leased, and when completed, the project will contain 1.3 Million square feet of office space.

Berry Farms is a 600 Acre Mixed-Use Master Planned community south of the Cool Springs office market. Located off I-65 and Highway 248, the first phase includes housing, retail, and several office buildings. Berry Farms is currently the home of Lee Company's new headquarters, and Dave Ramsey's new 600,000 square foot headquarters building which opened in September 2019.

Rachel Springs is a 9-acre, 100,000 square foot office project planned for Mack Hatcher. Currently undergoing site preparations, the project is being managed by Eakin Partners who is looking for a tenant interested in a purchase option for build-to-suit space.

Virginia Springs is slated to be the western anchor of the Maryland Farms office district in Brentwood and includes two multi-story office buildings. Building 1 is a 113,000 square foot building that opened fully leased. Building 2 is under development and is projected to offer 111,000 square feet of office space beginning in late 2020. Project costs have been estimated at \$37.8 million.

## WILLIAMSON COUNTY SCHOOL SYSTEM

The Williamson County school system provides public education in grades K-12 for the entire county lying outside the boundaries of the Franklin Special School District (“FSSD”). FSSD owns and operates its school system separate and apart from the County system, providing public education in grades K-8. Students residing inside FSSD attend grades 9-12 at one of the County’s ten high schools.

The Williamson County Board of Education operates the public education Williamson County school system. The Board consists of a Chairman and eleven members, each of whom is elected from a county school board district for a term of four years. The superintendent is appointed by the School Board.

The Williamson County School System is a K-12 public school district with 48 school sites: 10 high schools, 10 middle schools, 27 elementary schools and 1 K-8 school. The Tennessee Department of Education reports that average daily membership at Williamson County Schools increased 104% from the 2000-2001 school year to the 2018-2019 school year as presented below.

<b>AVERAGE DAILY MEMBERSHIP</b>		
<b>School Year</b>	<b>Williamson County Schools</b>	<b>Franklin Special School District</b>
2000-2001	19,666	3,818
2001-2002	20,133	3,796
2002-2003	21,032	3,777
2003-2004	21,914	3,708
2004-2005	23,616	3,783
2005-2006	25,440	3,800
2006-2007	27,301	3,781
2007-2008	28,585	3,825
2008-2009	29,762	3,720
2009-2010	30,517	3,688
2010-2011	31,275	3,748
2011-2012	31,949	3,671
2012-2013	32,912	3,710
2013-2014	33,916	3,633
2014-2015	34,991	3,585
2015-2016	36,303	3,438
2016-2017	37,661	3,537
2017-2018	38,685	3,528
2018-2019	39,879	3,451

Source: Tennessee Department of Education.

The Franklin Special School District (FSSD) operates a public school system providing public education in grades K-8 for a portion of the County located primarily within of the City of Franklin. The average daily membership for the 2018-2019 school year was 3,451.

Prior to 1987, the boundaries of FSSD included all the City of Franklin and some small unincorporated areas immediately adjacent thereto, and its boundaries were automatically extended with those of the City each time Franklin annexed new territory. In 1987, the Tennessee General Assembly enacted legislation permanently fixing the boundaries of FSSD to those which existed as of September 1, 1986.

## **RETIREMENT COMMITMENTS**

Employees of Williamson County and non-certified employees of the Williamson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). Teachers of the Williamson 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 now closed to new membership. Teachers with membership in TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement 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 administrations 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/tcrs](http://www.treasury.tn.gov/tcrs).

For detailed information on retirement commitments, see Appendix C, page 91, Note H of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

### **OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) DISCLOSURE STATEMENT**

All full-time employees hired before July 1, 2009, and eligible retirees of the primary government and the Williamson County School Department are eligible to participate in the health and dental insurance cost-sharing plan accounted for in the Self-Insurance Fund (internal service fund). Life insurance ranging from \$2,700 to \$15,000 is also provided at full cost to the retiree. For accounting purposes, the plan is an agent single-employer defined benefit OPEB plan. Benefits and premium requirements are established and amended by an insurance committee established by the County Commission. The plan is self-insured and financed on a pay-as-you-go basis. For detailed information on other post-employment benefits, see Appendix C, page 109, Note I of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

### **PROPERTY TAX FREEZE PROGRAM**

In its 2007 session, the 105th General Assembly enacted the *Property Tax Freeze Act* which authorizes the legislative body of any county and/or municipality to adopt the property tax freeze program for lower income senior citizens. The Act became effective on July 1, 2007.

Homeowners qualifying for an authorized program will have the property taxes on their principal residence frozen at a base tax amount, which is the amount of taxes owed in the year they first qualify for the program. Thereafter, as long as the owner continues to qualify for the program, the amount of property taxes owed for that property will not change, even if there is a property tax rate increase.

In order to qualify, the homeowner must file an application annually and must (a) Own their principal place of residence in a participating county and/or city, (b) be 65 years of age or older by the end of the year in which the application is filed, and (c) have an income from all sources that does not exceed the county income limit established for that tax year

The Williamson County Board of Commissioners created a property tax freeze program for qualifying citizens.

**GENERAL FINANCIAL INFORMATION - DEBT STATEMENT**

(As of June 30, 2020)<sup>(1)</sup>

<b>Outstanding Debt</b>	<b>County Wide</b>	<b>Rural District</b>
Bonds and Capital Outlay Notes (County-Wide)	\$464,550,000	\$367,266,031
Rural Bonds and Rural Notes (Outside Franklin SSD) <sup>(2)</sup>	386,330,000	386,330,000
<b>Gross Direct Debt</b>	<b>\$850,880,000</b>	<b>\$753,596,031</b>
Less: Self Supporting Hospital Bonds	(71,870,000)	(56,819,308)
<b>Net Direct Debt</b>	<b>\$779,010,000</b>	<b>\$696,776,722</b>
<b>Estimated Net Overlapping Debt</b> <sup>(3)</sup>	<b>\$262,691,452</b>	<b>\$125,535,448</b>
<b>Overall Net Debt</b>	<b>\$1,041,701,452</b>	<b>\$822,312,170</b>

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

(1) As of June 30, 2020, unaudited and adjusted for 2020A Bonds.

(2) As of Fiscal Year 2019-2020, approximately 78.73% of the County's assessed value is located outside of the Franklin Special School District.

(3) Net Overlapping Debt of the municipalities and special school district estimated as of June 30, 2019. Excludes self-supporting debt. Net Overlapping Debt for the Rural District includes Brentwood, Spring Hill, Fairview, Nolensville and a pro rata portion of the City of Franklin's debt that is secured by property outside the limits of the Franklin Special School District. Sources include Audits and Official Statements.

**LONG TERM DEBT<sup>(1)</sup>**

<b>Issue</b>	<b>Date Issued</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Principal Outstanding 6/30/2020</b>
General Obligation Refunding Bonds, Series 2010	04/01/10	04/01/26	4.50%-5.00%	17,500,000
General Obligation Bonds, Series 2010	10/26/10	04/01/21	3.450%	1,150,000
General Obligation (Hospital) Refunding Bonds, Series 2012A	03/21/12	05/01/25	2.00%-4.00%	9,505,000
General Obligation Refunding Bonds, Series 2012B	12/07/12	03/01/25	2.00%-4.00%	4,880,000
G.O. School & Pub. Imp. Bonds, Series 2013	11/20/13	05/01/34	4.00%-5.00%	45,340,000
G.O. School & Pub. Imp. Bonds, Series 2013 (Hospital Portion)	11/20/13	05/01/34	4.00%-5.00%	21,860,000
General Obligation Bonds, Series 2014	08/28/14	04/01/34	3.00%-5.00%	26,090,000
General Obligation School Bonds, Series 2015A	06/11/15	04/01/35	2.00%-4.00%	15,695,000
General Obligation School and Public Imp. Bonds, Series 2015B	10/29/15	04/01/30	2.00%-5.00%	14,705,000
General Obligation Refunding Bonds, Series 2016	01/05/16	04/01/21	4.000%	4,590,000
General Obligation Refunding Bonds, Series 2016A	03/10/16	04/01/29	2.75%-5.00%	22,935,000
General Obligation Public Improvement & School Bonds, Series 2016B	11/29/16	04/01/37	3.00%-5.00%	20,085,000
General Obligation Refunding Bonds, Series 2017	01/04/17	04/01/22	2.000%	3,860,000
General Obligation School Bonds, Series 2017A (Taxable)	08/30/17	06/01/34	1.72%-3.20%	4,740,000
General Obligation Public Improvement & School Bonds, Series 2017	11/21/17	04/01/38	2.25%-5.00%	50,230,000
G.O. Pub. Imp. & School Bonds, Series 2018 (Hospital Portion)	10/30/18	04/01/39	3.875%-5.00%	40,505,000
G.O. Pub. Imp. & School Bonds, Series 2018	10/30/18	04/01/39	3.875%-5.00%	43,615,000
General Obligation School Refunding Bonds, Series 2019	06/20/19	04/01/34	4.00%-5.00%	17,570,000
G.O. Pub. Imp. & School Bonds, Series 2019	11/15/19	04/01/40	3.00%-5.00%	75,100,000
General Obligation School Refunding Bonds, Series 2020	04/01/20	04/01/30	5.000%	9,895,000
General Obligation School Bonds, Series 2020A	08/20/20	04/01/40	1.625%-5.00%	14,700,000
				<b>\$464,550,000</b>
County District School Refunding Bonds, Series 2010	04/01/10	04/01/26	5.000%	17,870,000
County District School Bonds, Series 2010	10/26/10	04/01/21	3.450%	1,350,000
County District School Refunding Bonds, Series 2012	12/07/12	03/01/25	2.00%-4.00%	3,720,000
County District School Bonds, Series 2013	11/20/13	05/01/34	2.00%-5.00%	15,500,000
County District School Bonds, Series 2014A	08/28/14	04/01/34	3.00%-5.00%	13,100,000
County District School Refunding Bonds, Series 2014B	08/28/14	04/01/27	2.50%-5.00%	7,435,000
County District School Bonds, Series 2015A	06/11/15	04/01/35	3.00%-5.00%	11,615,000
County District School Bonds, Series 2015B	10/29/15	04/01/25	2.00%	2,885,000
County District School Refunding Bonds, Series 2016A	03/10/16	04/01/29	2.75%-5.00%	22,395,000
County District School Bonds, Series 2016B	04/28/16	04/01/36	1.75%-5.00%	12,695,000
County District School Bonds, Series 2016C	11/29/16	04/01/37	2.00%-5.00%	28,490,000
County District School Bonds, Series 2017A (Taxable)	08/30/17	06/01/34	1.72%-3.20%	4,320,000
County District School Bonds, Series 2017	11/21/17	04/01/38	2.25%-5.00%	74,530,000
County District School Bonds, Series 2018	10/30/18	04/01/39	4.00%-5.00%	45,265,000
County District School Refunding Bonds, Series 2019	06/20/19	04/01/34	2.50%-5.00%	31,740,000
County District School Bonds, Series 2019	11/15/19	04/01/40	3.00%-5.00%	49,780,000
County District School Refunding Bonds, Series 2020	04/01/20	04/01/30	5.000%	11,640,000
County District School Bonds, Series 2020A	08/20/20	04/01/40	2.00%-5.00%	32,000,000
				<b>\$386,330,000</b>
Total Current Outstanding Bonded Debt				<b>\$850,880,000</b>

## POPULATION

	<u>County</u>	<u>City of Franklin</u>	<u>Tennessee</u>
1970 U.S. Census	34,423	9,497	3,926,018
1980 U.S. Census	58,108	12,407	4,600,252
1990 U.S. Census	81,789	20,098	4,890,626
2000 U.S. Census	128,101	41,842	5,703,719
2010 U.S. Census	184,143	62,487	6,355,311
2011 U.S. Census Estimate	188,501	64,357	6,399,291
2012 U.S. Census Estimate	193,211	66,359	6,453,898
2013 U.S. Census Estimate	199,143	68,876	6,494,340
2014 U.S. Census Estimate	205,334	70,620	6,541,223
2015 U.S. Census Estimate	211,605	72,573	6,591,170
2016 U.S. Census Estimate	218,903	74,695	6,646,010
2017 U.S. Census Estimate	226,048	78,265	6,708,799
2018 U.S. Census Estimate	231,978	81,027	6,771,631
2019 U.S. Census Estimate	238,412	83,097	6,829,174

Source: U.S. Bureau of Census

## PER CAPITA DEBT RATIOS

	<u>County Wide</u> <sup>(1)</sup>	<u>Rural District</u> <sup>(1)</sup>
Gross Direct Debt	\$3,569	\$3,878
Net Direct Debt	\$3,267	\$3,585
Overall Net Debt	\$4,369	\$4,231

<sup>(1)</sup> Based on U.S. Census and Census estimates. Rural District population estimates are difficult to determine because there are no official population figures for this District. The population has been estimated by comparing residential parcels in the area of Franklin located both inside and outside of the FSSD.

## DEBT RATIOS

	<u>County Wide</u>	<u>Rural District</u>
Gross Direct Debt to Actual Value	1.64%	1.78%
Net Direct Debt to Actual Value	1.50%	1.64%
Overall Net Debt to Actual Value	2.01%	1.94%
Gross Direct Debt to Assessed Value	6.48%	7.26%
Net Direct Debt to Assessed Value	5.94%	6.72%
Overall Net Debt to Assessed Value	7.94%	7.93%

## DEBT TREND

	<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>
Bonded Debt <sup>(2)</sup>	\$652,415,000	\$628,710,000	\$537,055,000	\$517,540,000	\$522,435,000
Note Debt	10,000,000	0	15,000,000	0	0
Other Loans	367,460	0	0	0	0
<b>Total Net Debt</b>	<u>\$662,782,460</u>	<u>\$628,710,000</u>	<u>\$552,055,000</u>	<u>\$517,540,000</u>	<u>\$522,435,000</u>

(2) Includes bonded debt payable through the Rural Debt Service Fund. Excludes Hospital Bonds.

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, Nashville, Tennessee for the years ending June 30, 2015 through 2019 and County Finance Officials.



## GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Year Ending	Existing General Obligation Bonds and Notes <sup>(1)</sup>		Plus: GO School Bonds, Series 2020A		Total Gross Debt Service			Less: Self-Supporting Hospital Bonds		Total Net Debt Service			
	Principal	Interest <sup>(2)</sup>	Principal	Interest	Total Gross Principal	Total Gross Interest	Total Gross Debt Service	Principal	Interest	Total Net Principal	Total Net Interest	Total Net Debt Service	
2021	28,855,000	18,216,501		284,664	28,855,000	18,501,165	47,356,165	4,505,000	2,989,813	24,350,000	15,511,353	39,861,353	
2022	26,540,000	16,973,611		463,706	26,540,000	17,437,317	43,977,317	4,730,000	2,784,463	21,810,000	14,652,854	36,462,854	
2023	28,100,000	15,793,098	560,000	463,706	28,660,000	16,256,804	44,916,804	4,955,000	2,568,813	23,705,000	13,687,992	37,392,992	
2024	28,820,000	14,483,291	600,000	435,706	29,420,000	14,918,997	44,338,997	5,095,000	2,386,463	24,325,000	12,532,535	36,857,535	
2025	28,020,000	13,220,000	625,000	405,706	28,645,000	30.6%	13,625,707	42,270,707	4,115,000	2,207,888	24,530,000	11,417,819	35,947,819
2026	26,590,000	11,997,013	655,000	374,456	27,245,000		12,371,470	39,616,470	3,185,000	2,045,563	24,060,000	10,325,907	34,385,907
2027	25,770,000	10,788,942	685,000	341,706	26,455,000		11,130,648	37,585,648	3,325,000	1,900,913	23,130,000	9,229,736	32,359,736
2028	26,460,000	9,647,440	720,000	307,456	27,180,000		9,954,897	37,134,897	3,485,000	1,749,813	23,695,000	8,205,084	31,900,084
2029	26,550,000	8,514,008	750,000	271,456	27,300,000		8,785,465	36,085,465	3,640,000	1,591,363	23,660,000	7,194,102	30,854,102
2030	25,855,000	7,465,282	800,000	233,956	26,655,000	59.6%	7,699,238	34,354,238	3,805,000	1,425,763	22,850,000	6,273,476	29,123,476
2031	23,710,000	6,397,466	835,000	193,956	24,545,000		6,591,422	31,136,422	3,980,000	1,252,563	20,565,000	5,338,860	25,903,860
2032	24,670,000	5,430,285	870,000	160,556	25,540,000		5,590,841	31,130,841	4,160,000	1,071,313	21,380,000	4,519,529	25,899,529
2033	25,025,000	4,527,120	900,000	134,456	25,925,000		4,661,576	30,586,576	4,325,000	904,913	21,600,000	3,756,664	25,356,664
2034	25,680,000	3,602,747	910,000	119,831	26,590,000		3,722,578	30,312,578	4,495,000	731,913	22,095,000	2,990,666	25,085,666
2035	15,955,000	2,688,821	925,000	105,044	16,880,000	85.3%	2,793,865	19,673,865	2,600,000	552,113	14,280,000	2,241,753	16,521,753
2036	15,150,000	2,140,236	940,000	88,856	16,090,000		2,229,093	18,319,093	2,705,000	448,113	13,385,000	1,780,980	15,165,980
2037	15,675,000	1,617,743	950,000	72,406	16,625,000		1,690,149	18,315,149	2,815,000	339,913	13,810,000	1,350,236	15,160,236
2038	15,070,000	1,090,738	975,000	55,781	16,045,000		1,146,519	17,191,519	2,920,000	234,350	13,125,000	912,169	14,037,169
2039	11,800,000	584,650	990,000	37,500	12,790,000		622,150	13,412,150	3,030,000	121,200	9,760,000	500,950	10,260,950
2040	5,555,000	166,650	1,010,000	18,938	6,565,000	100.0%	185,588	6,750,588			6,565,000	185,588	6,750,588
	<u>\$449,850,000</u>	<u>\$155,345,642</u>	<u>\$14,700,000</u>	<u>\$4,569,846</u>	<u>\$464,550,000</u>		<u>\$159,915,487</u>	<u>\$624,465,487</u>	<u>\$71,870,000</u>	<u>\$27,307,238</u>	<u>\$392,680,000</u>	<u>\$132,608,250</u>	<u>\$525,288,250</u>

(1) Existing Principal and Interest illustrated as of June 30, 2020, unaudited.

(2) The interest expense numbers reflected in this table are net of Direct Payments payable by the United States Treasury to the County on the General Obligation School Bonds, Series 2010 (BABs) and General Obligation School Bonds, Series 2017A (QECB).

**COUNTY DISTRICT/RURAL SCHOOL BOND  
DEBT SERVICE REQUIREMENTS**

Year Ending June 30	Existing County District School Bonds <sup>(1)</sup>		Plus: County District School Bonds, Series 2020A		Total Debt Service		
	Total	Total	Total	Total	Total	Total	Total
	Principal	Interest <sup>(2)</sup>	Principal	Interest	Principal	Interest	Debt Service
2021	19,125,000	14,041,084		641,146	19,125,000	14,682,230	33,807,230
2022	17,095,000	13,190,932		1,044,400	17,095,000	14,235,332	31,330,332
2023	18,880,000	12,380,697	1,225,000	1,044,400	20,105,000	13,425,097	33,530,097
2024	19,690,000	11,469,320	1,285,000	983,150	20,975,000	12,452,470	33,427,470
2025	24,400,000	10,558,587	1,350,000	918,900	25,750,000	26.7% 11,477,487	37,227,487
2026	23,200,000	9,504,030	1,415,000	851,400	24,615,000	10,355,430	34,970,430
2027	22,435,000	8,446,423	1,485,000	780,650	23,920,000	9,227,073	33,147,073
2028	21,425,000	7,437,223	1,560,000	706,400	22,985,000	8,143,623	31,128,623
2029	20,565,000	6,624,466	1,640,000	628,400	22,205,000	7,252,866	29,457,866
2030	19,825,000	5,843,251	1,720,000	546,400	21,545,000	56.5% 6,389,651	27,934,651
2031	19,025,000	5,000,914	1,800,000	460,400	20,825,000	5,461,314	26,286,314
2032	19,725,000	4,302,389	1,900,000	370,400	21,625,000	4,672,789	26,297,789
2033	20,415,000	3,655,864	1,935,000	332,400	22,350,000	3,988,264	26,338,264
2034	20,765,000	2,966,813	1,975,000	293,700	22,740,000	3,260,513	26,000,513
2035	15,420,000	2,278,775	2,020,000	254,200	17,440,000	83.7% 2,532,975	19,972,975
2036	14,915,000	1,766,488	2,050,000	213,800	16,965,000	1,980,288	18,945,288
2037	14,420,000	1,266,206	2,100,000	172,800	16,520,000	1,439,006	17,959,006
2038	12,250,000	772,150	2,135,000	130,800	14,385,000	902,950	15,287,950
2039	7,070,000	357,550	2,180,000	88,100	9,250,000	445,650	9,695,650
2040	3,685,000	110,550	2,225,000	44,500	5,910,000	100.0% 155,050	6,065,050
	<u>\$354,330,000</u>	<u>\$121,973,713</u>	<u>\$32,000,000</u>	<u>\$10,506,346</u>	<u>\$386,330,000</u>	<u>\$132,480,059</u>	<u>\$518,810,059</u>

(1) Existing Principal and Interest illustrated as of June 30, 2020, unaudited.

(2) The interest expense numbers reflected in this table are net of Direct Payments payable by the United States Treasury to the County on the County District School Bonds, Series 2010 (BABs) and County District School Bonds, Series 2017A (QECB).

## MANAGEMENT DISCUSSION

The County’s 2019-2020 fiscal year ended on June 30, 2020. The impact of Covid-19 on FY 2020 financial conditions was manageable due to the fact that most revenues, including property taxes and sales taxes, were collected prior to the outbreak of Covid-19. While numbers are still preliminary, the County estimates the ending 2019-2020 General Fund balance was \$54 million. Additionally, the County estimates that the General Debt Service Fund balance and the Rural School Debt Service Fund balances were \$23.7 million and \$42.6 million, respectively. The relatively large Rural Debt Service Fund balance is a result of a temporary agreement to dedicate a recently approved sale tax increase to school debt service. This arrangement will end during fiscal year 2020-2021 and the County anticipates scheduled reductions in this fund balance over the coming years.

On July 13, 2020, the County adopted a budget for fiscal year 2020-2021. Due primarily to very conservative budgeting assumptions, the County typically budgets for reductions in fund balances. When revenues exceed projections and expenses are less than projections, such reductions are reduced or eliminated. For 2019-2020, the County budgeted a \$13.9 million reduction in the General Fund balance and finished the year with a surplus. The County’s 2020-2021 budget contemplates a \$17.2 million reduction in the General Fund balance. Given the very unusual difficulties of forecasting the impact of Covid-19 on the economy and financial operations, the County cannot predict whether there will be sufficient increased revenues or decreased expenses to offset this budgeted decline.

## FUND BALANCES

	<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>GOVERNMENTAL</b>					
General Government Fund	\$52,755,233	\$52,121,226	\$44,755,653	\$39,203,312	\$40,211,481
Special Revenue Fund / Sanitation	6,946,391	5,630,560	5,077,446	3,706,239	4,439,540
Highway/Public Works	15,041,853	12,756,335	17,107,272	16,494,376	15,593,009
General Debt Service Fund	22,640,259 <sup>(1)</sup>	20,563,640 <sup>(1)</sup>	15,332,562 <sup>(1)</sup>	16,069,271 <sup>(1)</sup>	17,210,346
Rural Debt Service Fund	16,262,627	13,646,535	7,363,466	7,688,869	9,729,805
Capital Project Funds	103,502,705	65,833,590	41,620,057	42,581,130	55,546,904
School Department Funds	48,901,230	37,403,691	32,682,499	29,553,768	32,634,204
Education Capital Project	72,603,377	70,904,279	49,078,494	34,069,752	51,288,822
<b>Total Governmental Funds</b>	<u>\$338,653,675</u>	<u>\$278,859,856</u>	<u>\$213,017,449</u>	<u>\$189,366,717</u>	<u>\$226,654,111</u>

<sup>(1)</sup> Includes long-term notes receivable from an agreement with the City of Spring Hill.

Sources: Annual Audited Financial Reports for the years ending June 30, 2015 through 2019 and County officials.

## TOP TAXPAYERS

<b>Business</b>	<b>Type of Business</b>	<b>Current Assessed Value</b>	<b>% of Total Assessed Value in Tax Year 2019</b>
Highwood Holdings	Office Buildings	\$181,129,700	1.38%
Boyle Properties	Office Buildings	122,570,400	0.93%
CBL/Galleria Associates	Shopping Center	94,136,300	0.72%
SVT	Flex/Industrial Office Building	79,879,000	0.61%
Northwest Mutual	Apartment/Office	69,737,100	0.53%
Middle Tennessee Electric	Electric Utility	66,370,000	0.51%
Spectrum Properties	Office Buildings	65,785,000	0.50%
Stock Bridge Capital	Office Buildings	61,825,600	0.47%
Crow Holdings	Apartments/Hotels	49,800,000	0.38%
HG Hill Realty	Retail/Office	42,160,400	0.32%
<b>TOTAL</b>		<b>\$833,393,500</b>	<b>6.35%</b>

Source: Williamson County's Property Assessor's Office

## LOCAL SALES TAX COLLECTIONS

Tennessee counties may, by a resolution approved by the governing body, levy a sales tax on the same privileges subject to the State sales tax. The local option sales tax rate cannot exceed 2.75%. Additionally, the local option sales tax is only applicable to the first \$1,600 of any single article of personal property. The sales tax collections are distributed in accordance with Tennessee law. One half of the tax is distributed to the municipal government in which the tax originated and one half is distributed to either Williamson County Schools or the Franklin Special School District. The County receives the portion of sales taxes originated in unincorporated areas. Sales tax revenues are an important part of the Williamson County School budget but not a large part of the Williamson County budget.

On February 6, 2018, voters in Williamson County approved a referendum to increase the local option sales tax rate from 2.25% to 2.75%. The new sales tax rate went into effect on April 1, 2018. For the first three years, all of the new .50% sales tax collections will go into a debt service fund to offset the impact of capital projects. After three years, 50% of new collections will go to the schools and 50% will go to the local government in which the tax was collected.

The County's 2019-2020 fiscal year ended on June 30, 2020. The County preliminarily estimates that the sales tax collections for FY 2019-2020 were approximately \$160 million or 5.4% more than FY 2018-2019. Approximately \$78.7 million of this amount was allocated to Williamson County and Williamson County Schools. Sales taxes are impacted by changes in economic conditions. Given the uncertainties surrounding Covid-19, the County cannot predict how much sales tax collections will be negatively impacted by the outbreak in FY 2021. The recently approved budget for FY 2020-2021 assumes an approximately 10% decline in sales tax revenues for the County.

	<u>FY2018-19*</u>	<u>FY2017-18*</u>	<u>FY2016-17</u>	<u>FY2015-16</u>	<u>FY2014-15</u>
<b>Rate (Percent of retail sales)</b>	2.75%	2.75%	2.25%	2.25%	2.25%
Rural Debt Service Fund	3,608,857	3,274,514	1,755,229	1,540,209	1,717,198
General Purpose School Fund	70,244,131	56,684,656	51,796,124	48,961,083	44,626,962
Cities Sales Tax Fund	71,994,246	57,017,115	54,171,328	51,450,021	46,892,174
Special School District Fund	<u>5,770,723</u>	<u>4,835,780</u>	<u>4,612,946</u>	<u>4,410,537</u>	<u>4,305,870</u>
<b>Total Amount Collected</b>	<u>\$151,617,957</u>	<u>\$121,812,065</u>	<u>\$112,335,627</u>	<u>\$106,361,850</u>	<u>\$97,542,204</u>
% of Increase	24.47%	8.44%	5.62%	9.04%	8.46%

Sources: Annual Audited Financial Reports for the years ending June 30, 2015 through 2019 and County Officials.

\* - On 2/6/2018, voters in Williamson County voted to increase the local sales tax rate to 2.75%. The effective date of the tax rate increase is 4/1/2018. FY2017-18 revenue includes two months at the 2.75% rate.

## PRIVILEGE TAX AND ADEQUATE FACILITIES TAX DATA

By Private Act of the Tennessee General Assembly, Williamson County implemented a privilege tax on new construction effective July 1, 1988. In July, 2005 the privilege tax rate increased from \$.90 per square foot to \$1.00 per square foot.

The revenue from the privilege tax on new construction is expended in four areas; schools, recreation, fire protection and highways. The square footage of heated or cooled space of new residential and commercial construction is calculated to determine the amount of the one-time privilege tax payment.

The Adequate Facilities Tax became effective July 1, 2007. Monies received from the Adequate Facilities Tax must be shared with the municipalities within the County and the Franklin Special School District. The Adequate Facilities Tax must be used for capital projects.

The County's 2019-2020 fiscal year ended on June 30, 2020. The County preliminarily estimates that fiscal year 2019-2020 privilege tax collections were \$15.2 million or 13.2% more than fiscal year 2018-2019. Privilege taxes are impacted by economic activity and a decline in economic activity can negatively impact collections. Given the uncertainties surrounding Covid-19, the County cannot predict how much privilege tax collections will be negatively impacted by the outbreak in FY 2021. The recently approved budget for FY 2020-2021 assumes \$12.6 million in privilege taxes for the coming year.

The following table shows the privilege tax collections and allocations in Williamson County since July 1, 2003.

Fiscal Year Ending 6/30	Adequate	Privilege Tax				Total
	Facilities Tax <sup>(1)</sup>	School	Recreation	Fire	Highways	
2004		5,955,877	700,765	28,667	285,547	6,970,856
2005		8,169,522	753,342	38,316	382,741	9,343,921
2006		9,433,857	882,178	41,357	418,798	10,776,190
2007		7,818,465	738,862	40,575	377,039	8,974,941
2008	3,726,032	4,311,662	411,403	26,632	228,073	8,703,802
2009	2,130,354	1,855,529	173,847	13,873	118,819	4,292,422
2010	2,395,737	2,031,431	187,631	11,443	110,290	4,736,532
2011	3,732,760	3,309,718	298,979	10,261	100,945	7,452,663
2012	5,094,792	4,516,240	406,248	17,417	165,961	10,200,658
2013	6,110,221	5,332,999	489,025	26,623	263,630	12,222,498
2014	7,618,311	6,621,435	608,296	337,016	37,049	15,222,107
2015	7,657,607	6,659,287	612,005	348,728	49,479	15,327,106
2016	8,861,691	7,709,306	707,032	388,114	45,097	17,711,240
2017	8,546,954	7,452,645	686,988	371,579	41,355	17,099,521
2018	7,799,782	6,839,434	630,180	312,666	41,202	15,623,264
2019	6,685,481	5,763,649	542,639	385,056	43,981	13,420,806
	<u>\$70,359,722</u>	<u>\$93,781,056</u>	<u>\$8,829,420</u>	<u>\$2,398,323</u>	<u>\$2,710,006</u>	<u>\$178,078,527</u>

(1)The Adequate Facilities Tax became effective July 1, 2007. Monies received from the Adequate Facilities Tax must be shared with the municipalities within the County and the Franklin Special School District. The Adequate Facilities Tax must be used for capital projects.  
Source: County Officials.

**PROPERTY VALUATION AND  
PROPERTY TAX**

	Fiscal Year Tax Year	2019-2020 2019	2018-2019 2018	2017-2018 2017	(Reappraisal) 2016-2017 2016	2015-2016 2015
<b>COUNTY WIDE</b>						
<b>ESTIMATED ACTUAL VALUES</b>						
Residential & Farm		\$39,297,588,764	\$38,076,702,029	\$32,617,759,336	\$31,106,446,036	\$28,086,905,330
Commercial & Industrial		10,825,425,685	10,210,094,791	8,781,750,630	8,484,934,330	7,138,626,250
Personal Tangible Property		1,274,096,293	1,256,807,724	1,159,604,777	967,564,797	1,007,529,601
Intangible Property		1,357,540	686,238	708,355	570,678	378,540
Public Utilities		409,503,750	399,463,222	425,514,300	445,365,242	380,388,250
<b>Total Estimated Actual Values</b>		<b>\$51,807,972,032</b>	<b>\$49,943,754,004</b>	<b>\$42,985,337,398</b>	<b>\$41,004,881,083</b>	<b>\$36,613,827,971</b>
Annual Percentage Change		3.73%	16.19%	4.83%	11.99%	14.23%
Estimated Per Capita Amount		\$217,304	\$215,295	\$189,985	\$187,333	\$173,151
<b>RECORDED ASSESSED VALUES</b>						
Residential & Farm (25%)		\$8,746,660,819	\$8,474,921,954	\$8,154,439,834	\$7,776,611,509	\$6,233,888,638
Commercial & Industrial (40%)		3,855,150,595	3,636,018,957	3,512,700,252	3,393,973,732	2,535,068,954
Personal Tangible Property (30%)		340,298,379	335,680,775	347,881,433	290,269,439	268,345,434
Intangible Property (40%)		483,447	244,383	283,342	228,271	134,427
Public Utilities		178,748,387	174,392,230	185,736,992	194,401,928	166,039,471
<b>Total Assessed Values</b>		<b>\$13,121,341,627</b>	<b>\$12,621,258,299</b>	<b>\$12,201,041,853</b>	<b>\$11,655,484,879</b>	<b>\$9,203,476,924</b>
Annual Percentage Change		3.96%	3.44%	4.68%	26.64%	3.66%
Estimated Per Capita Amount		\$55,036	\$54,407	\$53,926	\$53,249	\$43,524
<b>Appraisal Ratio</b>		89.03%	89.03%	100.00%	100.00%	88.78%
<b>Assessed Values to Actual Values</b>		25.33%	25.27%	28.38%	28.42%	25.14%
<b>RURAL (OUTSIDE FRANKLIN SSD)</b>						
<b>ESTIMATED ACTUAL VALUES</b>						
Residential & Farm		\$35,321,113,442	\$34,149,771,893	\$29,142,974,956	\$27,675,439,336	\$24,976,502,550
Commercial & Industrial		6,222,264,939	5,719,433,803	4,929,654,390	4,754,101,540	3,976,337,736
Personal Tangible Property		747,875,427	744,300,670	678,303,903	560,652,733	571,556,822
Intangible Property		1,357,540	686,238	708,355	570,678	378,540
Public Utilities		119,358,064	255,006,883	277,520,318	292,403,247	122,217,645
<b>Total Estimated Actual Values</b>		<b>\$42,411,969,412</b>	<b>\$40,869,199,487</b>	<b>\$35,029,161,922</b>	<b>\$33,283,167,534</b>	<b>\$29,646,993,293</b>
Annual Percentage Change		3.77%	16.67%	5.25%	12.26%	14.49%
Estimated Per Capita Amount		\$218,245	\$223,763	\$184,988	\$182,229	\$169,064
<b>ASSESSED VALUES</b>						
Residential & Farm (25%)		\$7,861,596,824	\$7,600,885,479	\$7,285,743,739	\$6,918,859,834	\$5,543,534,741
Commercial & Industrial (40%)		2,255,936,404	2,036,804,766	1,971,861,756	1,901,640,616	1,412,077,057
Personal Tangible Property (30%)		203,412,870	198,795,266	203,491,171	168,195,820	152,228,444
Intangible Property (40%)		483,447	244,383	283,342	228,271	134,427
Public Utilities		52,099,795	111,337,038	121,137,619	127,634,017	53,348,002
<b>Total Assessed Values</b>		<b>\$10,373,529,340</b>	<b>\$9,948,066,932</b>	<b>\$9,582,517,627</b>	<b>\$9,116,558,558</b>	<b>\$7,161,322,671</b>
Annual Percentage Change		4.28%	3.81%	5.11%	27.30%	3.63%
Estimated Per Capita Amount		\$53,380	\$54,467	\$50,605	\$49,914	\$40,838
<b>Appraisal Ratio</b>		89.03%	89.03%	100.00%	100.00%	88.78%
<b>Assessed Values to Actual Values</b>		24.46%	24.34%	27.36%	27.39%	24.16%

Source: State Board of Equalization Tax Aggregate Reports of Tennessee for 2015-2019.

## County Property Tax Rates Fiscal Year 2019-2020 and Fiscal Year 2020-2021

Williamson County is required to conduct a reappraisal of all taxable property every five years. The County completed a reappraisal process in 2016. The reappraisal resulted in an approximately 26% increase in recorded property valuations. Upon completion of a reappraisal a county is required to calculate a certified tax rate which is revenue neutral. For Williamson County, the increase in property values resulted in a reduction of the prior tax rate of \$2.31 per \$100 of assessed values down to a new certified tax rate of \$1.8671 per \$100 of assessed values. The County Commission subsequently voted to increase the tax from \$1.8671 to \$2.15 for fiscal year 2016-2017 and kept the tax at \$2.15 for fiscal years 2017-2018 and 2018-2019. The Commission increased the tax rate to \$2.22 for fiscal year 2019-2020 with all of the increase allocated to schools. The County approved a new budget on July 13, 2020. The County's tax rate for Fiscal Year 2020-2021 will not change.

	Williamson	Cities of Brentwood, Fairview, Nolensville, and Thompson's Station	Cities of Franklin and Spring Hill (Outside FSSD)	Franklin Special School District (Inside Franklin)	Franklin Special School District (Outside Franklin)
General County	\$0.3800	\$0.3800	\$0.3800	\$0.3800	\$0.3800
Highway <sup>(1)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
General Purpose School	\$1.3400	\$1.3400	\$1.3400	\$1.3400	\$1.3400
General Debt Service	\$0.2600	\$0.2600	\$0.2600	\$0.2600	\$0.2600
Rural Debt Service	\$0.1800	\$0.1800	\$0.1800	\$0.0000	\$0.0000
Solid Waste	\$0.0600	\$0.0600	\$0.0000	\$0.0000	\$0.0600
Franklin Special School District (FSSD) <sup>(2)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.5564	\$0.5564
Bond & Interest FSSD <sup>(2)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.2726	\$0.2726
<b>Tax Year 2019 Property Tax Rate</b>	<b>\$2.2200</b>	<b>\$2.2200</b>	<b>\$2.1600</b>	<b>\$2.8090</b>	<b>\$2.8690</b>

<sup>(1)</sup> Not levied in Franklin, Brentwood and Fairview

<sup>(2)</sup> Franklin SSD is created by the State legislature as a separate agency. The County is not liable to the SSD or any of its bondholders for the payment of debt. The County has no authority over the District or to increase or decrease the property tax for the District.

Source: Williamson County Trustee

## Fiscal Year 2018-2019 County Property Tax Rates

	Williamson	Cities of Brentwood, Fairview, Nolensville, and Thompson's Station	Cities of Franklin and Spring Hill (Outside FSSD)	Franklin Special School District (Inside Franklin)	Franklin Special School District (Outside Franklin)
General County	\$0.3800	\$0.3800	\$0.3800	\$0.3800	\$0.3800
Highway <sup>(1)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
General Purpose School	\$1.2700	\$1.2700	\$1.2700	\$1.2700	\$1.2700
General Debt Service	\$0.2600	\$0.2600	\$0.2600	\$0.2600	\$0.2600
Rural Debt Service	\$0.1800	\$0.1800	\$0.1800	\$0.0000	\$0.0000
Solid Waste	\$0.0600	\$0.0600	\$0.0000	\$0.0000	\$0.0600
Franklin Special School District (FSSD) <sup>(2)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.5564	\$0.5564
Bond & Interest FSSD <sup>(2)</sup>	\$0.0000	\$0.0000	\$0.0000	\$0.2726	\$0.2726
<b>Tax Year 2018 Property Tax Rate</b>	<b>\$2.1500</b>	<b>\$2.1500</b>	<b>\$2.0900</b>	<b>\$2.7390</b>	<b>\$2.7990</b>

<sup>(1)</sup> Not levied in Franklin, Brentwood and Fairview

<sup>(2)</sup> Franklin SSD is created by the State legislature as a separate agency. The County is not liable to the SSD or any of its bondholders for the payment of debt. The County has no authority over the District or to increase or decrease the property tax for the District.

Source: Williamson County Trustee



## Tax Collection History

Williamson County has historically been successful at collecting property taxes in the current year for which they have been levied. The property tax delinquency rate has been relatively low. Given the uncertainties surrounding the Covid-19 outbreak, the County is unable to predict whether delinquencies will increase in the 2020-2021 fiscal year.

Fiscal Year Tax Year	2018-2019 2018	2017-2018 2017	2016-2017 2016	2015-2016 2015	2014-2015 2014
<b>Taxes Levied</b>	\$ 285,577,106	\$ 273,603,216	\$ 260,634,566	\$ 225,240,414	\$ 216,031,713
<b>Collections</b>					
Current Fiscal Year	\$ 282,198,488	\$ 270,696,493	\$ 257,424,942	\$ 222,369,490	\$ 213,160,388
Percent Collected Current FY	98.817%	98.938%	98.769%	98.725%	98.671%

Source: Williamson County Trustee

## General Fund Combined Statement of Revenues, Expenditures, and Fund Balances For Fiscal Years Ending June 30

	2019	2018	2017	2016	2015
<b><u>REVENUES:</u></b>					
Local Taxes	\$61,163,173	\$59,989,064	\$57,957,622	\$48,782,892	\$45,876,613
Licenses and Permits	2,070,658	1,869,568	1,984,582	1,918,618	1,818,629
Fines, Forfeitures and Penalties	831,971	851,547	845,548	795,978	802,217
Charges for Current Services	8,017,016	7,386,609	6,742,984	6,344,477	6,054,822
Other Local Revenue	1,636,622	1,291,245	935,426	836,236	820,134
Fees Received from County Officials	15,874,537	15,515,207	14,782,256	13,442,886	12,999,268
State of Tennessee	6,391,334	8,266,775	4,529,354	5,131,685	5,065,292
Federal Government	3,388,668	2,860,066	2,537,339	1,623,961	2,014,986
Other Governments and Citizens Groups	1,205,927	1,212,118	1,130,432	924,341	855,916
<b>Total Revenues</b>	<u>\$100,579,906</u>	<u>\$99,242,199</u>	<u>\$91,445,543</u>	<u>\$79,801,074</u>	<u>\$76,307,877</u>
<b>Other Sources:</b>					
Operating Transfers	\$34,988	\$58,045	\$81,969	\$35,111	\$59,551
Insurance Recovery	97,768	585,177	733,398	159,370	
<b>TOTAL REVENUES AND OTHER SOURCES</b>	<u>\$100,712,662</u>	<u>\$99,885,421</u>	<u>\$92,260,910</u>	<u>\$79,995,555</u>	<u>\$76,367,428</u>
<b><u>EXPENDITURES:</u></b>					
General Administration	\$97,210,340	\$89,920,616	\$84,695,469	\$79,567,799	\$74,641,997
Operating Transfers	2,868,315	2,599,232	2,013,100	1,435,925	445,764
<b>Total Expenditures</b>	<u>\$100,078,655</u>	<u>\$92,519,848</u>	<u>\$86,708,569</u>	<u>\$81,003,724</u>	<u>\$75,087,761</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>\$634,007</u>	<u>\$7,365,573</u>	<u>\$5,552,341</u>	<u>(\$1,008,169)</u>	<u>\$1,279,667</u>
Fund Balance - Prior Year	\$52,121,226	\$44,755,653	\$39,203,312	\$40,211,481	\$38,931,814
<b>Fund Balance - Current Year</b>	<u>\$52,755,233</u>	<u>\$52,121,226</u>	<u>\$44,755,653</u>	<u>\$39,203,312</u>	<u>\$40,211,481</u>

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, Nashville, Tennessee, for the years ending June 30, 2015 through 2019.

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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**  
**WILLIAMSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2019**



**DIVISION OF LOCAL GOVERNMENT AUDIT**



**ANNUAL FINANCIAL REPORT**  
**WILLIAMSON 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**

**KATIE ARMSTRONG, CPA, CGFM, CFE**  
**Senior Auditor**

**TAYLOR ERSKIN, CPA**  
**TYLER ENSMINGER, CPA**  
**CHRISVONTA SMITH**  
**State Auditors**

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

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## WILLIAMSON COUNTY, TENNESSEE

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# ***Summary of Audit Findings***

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

## ***Scope***

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

## ***Results***

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

Our audit resulted in one finding, which we have reviewed with Williamson County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

## ***Finding***

The following is a summary of the audit finding:

### **OFFICE OF COUNTY MAYOR**

- ◆ A cash shortage resulted from gift cards totaling \$2,000 being transferred to a fictitious employee as the result of a phishing scheme.

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# INTRODUCTORY SECTION

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# Williamson County Officials

## June 30, 2019

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### Officials

Rogers Anderson, County Mayor  
Eddie Hood, Highway Superintendent  
Jason Golden, Director of Schools  
Karen Paris, Trustee  
Brad Coleman, Assessor of Property  
Elaine Anderson, County Clerk  
Debbie McMillan Barrett, Circuit and General Sessions Courts Clerk  
Elaine Beeler, Clerk and Master  
Brenda Hyden, Juvenile Court Clerk  
Sherry Anderson, Register of Deeds  
Dusty Rhoades, Sheriff  
Nena Graham, Director of Accounts and Budgets

### Board of County Commissioners

Tommy Little, Chairman	Robbie Beal	Matt Williams
Steve Smith, Chairman Pro Tem	Chas Morton	David Landrum
Dwight Jones	Paul Webb	Brian Beathard
Betsy Hester	Bert Chalfant	Sean Aiello
Judy Herbert	Erin Nations	Ricky Jones
Jennifer Mason	Barb Sturgeon	Dana Ausbrooks
Gregg Lawrence	Jerry Rainey	Tom Tunncliffe
Beth Lothers	Chad Story	Keith Hudson

### Board of Education

Gary Anderson, Chairman	Brad Fiscus	Rick Wimberly
Angela Durham	Jay Galbreath	Eric Welch
Dan Cash	Sheila Cleveland	KC Haugh
Eliot Mitchell	Candy Emerson	Nancy Garrett

### Highway Commission

Rogers Anderson, County Mayor, Chairman  
Charles Wilson  
David Coleman  
Stan Tyson  
Wayne Davis

(Continued)

## Williamson County Officials (Cont.)

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### **Budget Committee**

Steve Smith, Chairman  
Rogers Anderson, County Mayor  
Beth Lothers  
Jennifer Mason  
Matt Williams

### **Audit Committee**

Paul Bolin, Chairman  
Kerri Perkinson  
Patricia Parsons

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## FINANCIAL SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson 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 the discretely presented Emergency Communications District, which represent .22 percent, .39 percent, and .37 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Also, we did not audit the financial statements of the discretely presented Williamson County Hospital District, which represent 28 percent, 34 percent, and 35 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented Williamson County Emergency Communications District and the discretely presented Williamson County Hospital District is based solely on the report of the other auditors. 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 report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

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



because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamson 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, Rural Debt Service, and General Capital Projects funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section and management's corrective action plan 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.

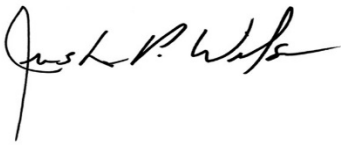
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service, Rural Debt Service, and General Capital Projects funds, combining and individual fund financial statements of the Williamson County School Department (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, Rural Debt Service, and General Capital Projects funds, combining and individual fund financial statements of the Williamson 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 management's corrective action plan 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 12, 2019, on our consideration of Williamson 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 Williamson 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 Williamson County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

December 12, 2019

JPW/kp

## Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2019. This discussion and analysis focuses on the primary government only and does not include discussions of discretely presented component units.

### Financial Highlights

- The liabilities and deferred inflows of Williamson County exceeded its assets and deferred outflows at the close of the fiscal year by \$287,432,059 (net position). The liabilities include \$502,858,460 in debt that is attributable to the Williamson County School Department.
- The government's total net position increased by \$5,195,881.
- At June 30, 2019, Williamson County's governmental funds reported combined ending fund balances of \$217,149,068, an increase of \$46,597,182 in comparison with the prior year.
- At June 30, 2019, unassigned fund balance for the General Fund was \$29,334,770 or 30 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2019, Williamson County's total debt had a net increase of \$34,072,460. During the year, \$59,300,000 of debt service bonded principal payments were made, capital leases principal payments of \$137,869 were made, and \$55,400,000 was refunded. There was \$148,910,329 of debt issued, which was for various education projects, parks, animal control, sheriff, emergency management operations, various general government maintenance and renovations, as well as capital leases for school laptops.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Williamson County's basic financial statements. The county's basic financial statements are composed of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Williamson County's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of Williamson County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net

position may serve as a useful indicator of whether the financial position of Williamson County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Williamson County, which are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; education; and interest on long-term debt. The government-wide financial statements can be found on Exhibits A and B of this report.

The government-wide financial statements include not only Williamson County (known as the primary government), but also a legally separate school department, Hospital District, and Emergency Communications District for which the county is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Williamson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Williamson County can be divided into three categories: governmental, proprietary, and fiduciary.

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

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

Williamson County maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Debt Service, Rural Debt Service, and General Capital Projects funds all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Williamson County adopts an annual appropriated budget for all funds except the Constitutional Officers - Fees Fund. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-6 of this report.

**Proprietary fund.** Williamson County has one proprietary fund. The county uses an internal service fund (Self-Insurance Fund) to account for the county's and school department's self-insured health programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

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

The basic fiduciary fund financial statement can be found on Exhibit E of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. Required supplementary information can be found after the basic financial statements section of this report.

The combining and individual fund statements and schedules for the nonmajor governmental funds can be found on Exhibits G-1 through G-4 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$287,432,059 at the close of the fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, when the Williamson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2019, the county had outstanding debt totaling \$502,858,460 for capital purposes for the Williamson County Board of Education, but the capital assets are reported in the financial statements of the Williamson County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net position. Allocation of school debt to the Williamson County Board of Education would result in Williamson County having a net position of \$215,426,401 at June 30, 2019.

The largest portion of Williamson County Government's net position totaling \$150,807,574 reflects its investment in capital assets (e.g., land, intangibles, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

Williamson County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Williamson County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## Williamson County's Net Position

	2019		2018	
	Governmental		Governmental	
	Activities		Activities	
Current and Other Assets	\$ 358,128,273	\$	301,410,830	
Capital Assets	265,382,893		262,187,247	
Deferred Outflows	16,754,498		13,523,288	
Total Assets and Deferred				
Outflows of Resources	\$ 640,265,664	\$	577,121,365	
Long-term Liabilities Outstanding	\$ 809,440,148	\$	755,922,801	
Other Liabilities	9,653,015		8,382,019	
Deferred Inflows	108,604,560		105,444,485	
Total Liabilities and Deferred				
Inflows of Resources	\$ 927,697,723	\$	869,749,305	
Net Position:				
Net Investment in Capital Assets	\$ 150,807,574	\$	146,575,771	
Restricted	6,931,230		6,577,177	
Unrestricted	(445,170,863)		(445,780,888)	
Total Net Position				
	\$ (287,432,059)	\$	(292,627,940)	

An additional portion of Williamson County's net position totaling \$6,931,230 represents resources that are subject to external restrictions on how they may be used. The restricted net position includes capital projects, debt service, highway/public works, all of the nonmajor funds, and other county general restricted or grant restrictions not accounted for in unrestricted net position.

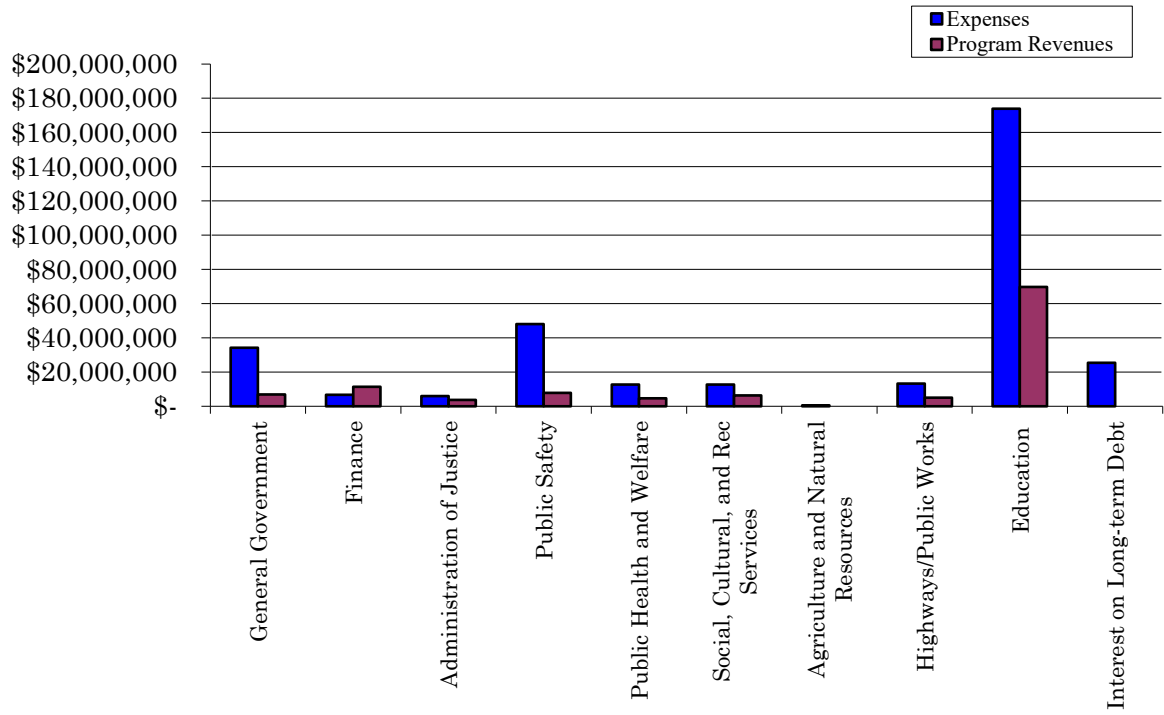
**Governmental activities.** Governmental activities increased Williamson County's net position by \$5,195,881. Elements of this increase are noted below:

## Williamson County's Change in Net Position

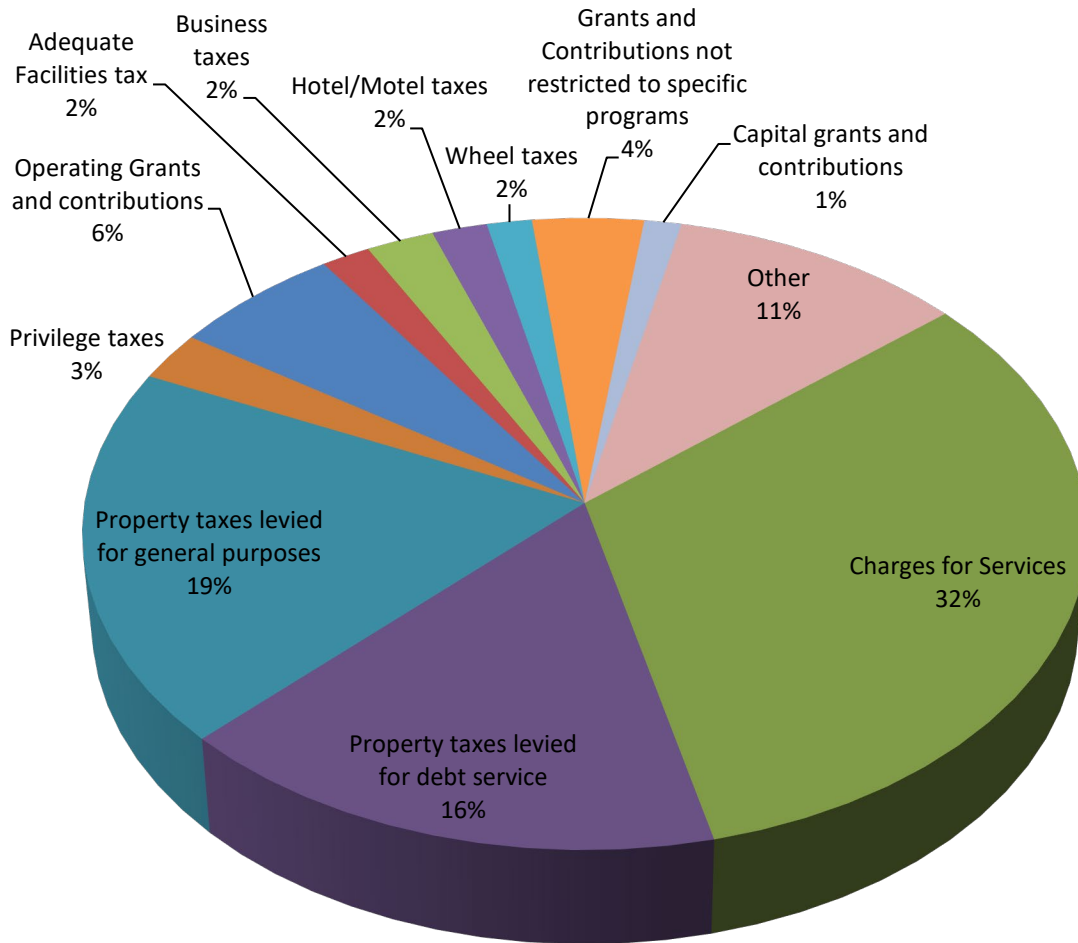
	2019 Governmental Activities	2018 Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services	\$ 97,989,645	\$ 94,299,991
Operating Grants and Contributions	38,546,665	17,585,446
Capital Grants and Contributions	2,209,168	3,836,486
Total Program Revenues	\$ 138,745,478	\$ 115,721,923
General Revenues:		
Property Taxes Levied for General Purposes	\$ 51,962,364	\$ 56,288,569
Property Taxes Levied for Debt Service	50,592,719	47,749,970
Local Option Sales Tax	3,542,758	3,386,244
Hotel/Motel Tax	5,649,047	5,694,181
Wheel Tax	4,721,822	4,649,656
Business Tax	7,066,747	7,006,466
Privilege Taxes	6,214,637	7,280,950
Adequate Facilities Tax	4,319,858	5,060,818
Other Local Taxes	20,463,247	18,615,905
Grants and Contributions Not		
Restricted to Specific Programs	7,689,474	11,498,157
Unrestricted Investment Earnings	5,283,391	2,279,124
Miscellaneous	5,874,275	6,269,355
Total General Revenues	\$ 173,380,339	\$ 175,779,395
Total Revenues	\$ 312,125,817	\$ 291,501,318
Expenses:		
Governmental Activities:		
General Government	\$ 29,178,895	\$ 34,143,258
Finance	6,347,493	6,703,176
Administration of Justice	6,101,067	5,911,927
Public Safety	48,424,782	48,083,267
Public Health and Welfare	13,218,266	12,732,406
Social, Cultural, and		
Recreational Services	24,945,267	12,785,167
Agriculture and Natural Resources	430,458	614,150
Highway/Public	13,384,140	13,221,533
Education	135,893,726	173,854,499
Interest on Long-term Debt	27,442,017	25,452,601
Loss on Refunding Using Current Resources	1,563,825	0
Total Expenses	\$ 306,929,936	\$ 333,501,984
Change in Net Position	5,195,881	(42,000,666)
Net Position - July 1	(292,627,940)	(214,818,572)
Restatement - See Note I.D.8.	0	(35,808,702)
Net Position - June 30	\$ (287,432,059)	\$ (292,627,940)



## Expenses and Program Revenues – Governmental Activities



## Revenues by Source - Governmental Activities



### Financial Analysis of the Government's Funds

As noted earlier, Williamson County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Williamson County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Williamson County's financing requirements.

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 purpose for which amounts in these funds may be spent. These classifications may consist of the following: nonspendable, restricted, committed, assigned, or unassigned.

**Nonspendable Fund Balance** – As of June 30, 2019, Williamson County does not report any nonspendable fund balance. Nonspendable fund balance would primarily include amounts that cannot be spent because either (a) they are not in spendable form or (b) they are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – As of June 30, 2019, Williamson County reports \$63,147,663 in restricted fund balance, which 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** – As of June 30, 2019, Williamson County reports \$103,418,421 in committed fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes pursuant to constraints imposed by formal resolution of the county commission, the county's highest level of decision-making authority.

**Assigned Fund Balance** – As of June 30, 2019, Williamson County reports \$21,248,214 in assigned fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes that are neither restricted nor committed.

**Unassigned Fund Balance** – As of June 30, 2019, Williamson County reports \$29,334,770 in unassigned fund balance. This classification represents fund balance that has not been restricted, committed, or assigned for specific purposes within the General Fund.

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$217,149,068, an increase of \$46,597,182 in comparison with the prior year. Approximately 14 percent of this total amount (\$29,334,770) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$29,334,770 while total fund balance was \$52,755,233. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30 percent of total General Fund expenditures, while total fund balance represents 54 percent of that same amount.

The fund balance of the General Fund increased by \$634,007 from the prior year. The primary factors of the increase were revenues exceeded projections and expenditures were less than budgeted.

The fund balance of the Highway/Public Works Fund had an increase of \$2,285,518 during the current fiscal year. The primary factor of the increase was expenditures were less than budgeted.

The fund balance of the General Debt Service Fund had a net increase of \$2,076,619 from the prior year due to revenues exceeding projections.

The fund balance of the Rural Debt Service Fund had a net increase of \$2,616,092 from the previous year due to revenues exceeding projections.

The fund balance of the General Capital Projects Fund had a net increase of \$37,669,115 from the prior year, which was primarily due to the collection of the Educational Impact Fee. The Educational Impact Fee is assessed to developers on the issuance of a new residential building permit for the proportionate share of new or expanded educational facilities needed to service new residential growth.

**Proprietary fund.** Williamson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

### **General and Highway/Public Works Funds Budgetary Highlights**

The final amended budget for General Fund expenditures reflected an increase of 5 percent above the original budget.

During the current fiscal year, the final amended budget for the Highway/Public Works Fund expenditures reflected an increase of 11 percent above the original budget.

### **Capital Assets and Debt Administration**

**Capital assets.** Williamson County's investment in capital assets for its governmental activities as of June 30, 2019, totaled \$265,382,893 (net of accumulated depreciation). This investment in capital assets includes land, intangibles, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in Williamson County's investment in capital assets for the current fiscal year was \$3,195,646. Williamson County completed various projects such as information technology network storage upgrades, land purchase for new parks and recreation community center, land purchase for future fire station, along with renovations and upgrades to various county facilities. Construction in progress totaling \$3,874,245 reflects Williamson County's Capital Recovery and Reinvestment project to improve energy and operation efficiency, as well as various ongoing construction and renovation projects within the general operations, the parks and recreation facilities, archives and storage facility, and landfill.

Williamson County's Capital Assets  
As of June 30  
(net of depreciation)

	2019 Governmental Activities	2018 Governmental Activities
Land	\$ 67,016,914	\$ 63,355,014
Intangibles - Indefinite Life	5,875,500	5,875,500
Construction in Progress	3,874,245	770,172
Buildings and Improvements	131,859,274	135,889,584
Infrastructure	25,553,240	26,227,926
Intangibles	487,570	874,546
Other Capital Assets	30,716,150	29,194,505
<b>Total</b>	<b>\$ 265,382,893</b>	<b>\$ 262,187,247</b>

**Long-term debt.** At the end of the current fiscal year, Williamson County had total bonded debt outstanding of \$652,415,000. All debt is backed by the full faith and credit of the county. Of the amount of total debt outstanding for governmental activities, \$502,858,460 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education, which makes up 76 percent of Williamson County's outstanding debt.

Williamson County's Outstanding Debt  
As of June 30

	2019 Governmental Activities	2018 Governmental Activities
Bonds Payable	\$ 652,415,000	\$ 628,710,000
Notes Payable	10,000,000	0
Capital Leases Payable	367,460	0
<b>Total</b>	<b>\$ 662,782,460</b>	<b>\$ 628,710,000</b>

- For the fiscal year ended June 30, 2019, Williamson County's total debt had a net increase of \$34,072,460. During the year, \$59,300,000 of debt service bonded principal payments were made, capital leases principal payments of \$137,869 were made and \$55,400,000 was refunded. There was \$148,910,329 of debt issued, which was for various education projects, parks, animal control, sheriff and emergency operations, various general government maintenance and renovations, as well as capital leases for school laptops.

The county maintains an Aaa bond rating from Moody's for general and rural obligation debt.

Additional information on the county's long-term debt can be found in Exhibits K-1 and K-2 of this report.

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

- The unemployment rate for the county as of June 30, 2019, was 3 percent, which is a .5 percent increase from the 2018 rate of 2.5 percent. This compares to the state's average unemployment rate of 3.4 percent and the national average rate of 3.7 percent as of the same time period.
- The occupancy rate of the government's central business district for the past two years was 94.4 percent for 2017, 88.3 percent for 2018. The occupancy rate decreased for 2019 to 87.2 percent due to an increase in inventory available from the completion of construction.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$13 billion .

All of these factors were considered in preparing the county's budget for the 2019 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of Williamson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounts and Budgets at 1320 West Main Street, Suite 125, Franklin, TN 37064.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	Component Units			
	Primary Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Communications District
<u>ASSETS</u>				
Cash	\$ 36,047	\$ 671,968	\$ 35,040,366	\$ 2,765,496
Cash with Paying Agent	1,737,000	0	0	0
Equity in Pooled Cash and Investments	225,147,129	143,472,109	0	0
Inventories	0	0	4,260,957	0
Investment in Joint Venture	6,794,625	0	15,841,284	0
Accounts Receivable	3,046,967	131,885	39,411,902	0
Allowance for Uncollectibles	0	0	(11,173,944)	0
Due from Other Governments	8,248,689	16,709,674	0	0
Due from Component Units	962,475	0	0	0
Property Taxes Receivable	107,641,598	164,494,148	0	0
Allowance for Uncollectible Property Taxes	(432,600)	(635,328)	0	0
Prepaid Items	0	0	2,377,449	0
Cash Shortage	134,329	0	0	0
Restricted Assets:				
Customer Deposits	1,428,565	642,555	3,564,796	0
Amounts Accumulated for Pension Benefits	0	1,097,907	0	0
Bond Reserves	0	0	3,309,063	0
Capital Improvements	0	0	35,682,537	0
Other Receivables	0	0	3,010,140	0
Net Pension Asset - Agent Pension Plan	663,449	618,826	0	0
Net Pension Asset - Teacher Retirement Plan	0	2,191,828	0	0
Net Pension Asset - Teacher Legacy Pension Plan	0	12,266,902	0	0
Notes Receivable - Long-term	2,720,000	0	0	0
Capital Assets:				
Assets Not Depreciated:				
Land	67,016,914	48,932,003	13,599,755	0
Intangibles	5,875,500	0	0	0
Construction in Progress	3,874,245	53,448,170	3,191,635	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	131,859,274	433,872,905	179,179,232	0
Infrastructure	25,553,240	0	0	0
Intangibles	487,570	0	0	0
Other Capital Assets	30,716,150	21,245,304	25,777,190	0
Total Assets	<u>\$ 623,511,166</u>	<u>\$ 899,160,856</u>	<u>\$ 353,072,362</u>	<u>\$ 2,765,496</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred Charge on Refunding	\$ 7,605,350	\$ 0	\$ 0	\$ 0
Excess Consideration Provided for Acquisition	0	0	1,559,126	0
Pension Changes in Assumptions	1,802,063	9,029,153	0	0
Pension Changes in Experience	1,750,094	4,236,082	0	0
Pension Contributions after Measurement Date	2,315,462	15,708,168	0	0
Pension Changes in Proportionate Share of NPL	0	1,817,363	0	0
OPEB Changes in Assumptions	3,281,529	14,097,814	0	0
Total Deferred Outflows of Resources	<u>\$ 16,754,498</u>	<u>\$ 44,888,580</u>	<u>\$ 1,559,126</u>	<u>\$ 0</u>

(Continued)



Exhibit A

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

	Component Units			
	Primary Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,124,388	\$ 322,889	\$ 10,324,856	\$ 4,000
Accrued Payroll	975	18,907,554	10,537,402	0
Accrued Interest Payable	6,193,376	0	527,876	0
Payroll Deductions Payable	183,998	5,381,813	0	0
Contracts Payable	701,374	8,772,874	0	0
Retainage Payable	3,717	434,854	0	0
Sales Tax	146	0	0	0
Due to Related Party	0	0	0	379,094
Other Accrued Expenses	0	0	2,432,373	0
Other Current Liabilities Payable from Restricted Assets	1,428,565	642,555	0	0
Estimated Amounts Due to Third-party Payors	0	0	969,684	0
Due to Primary Government	0	962,475	0	0
Other Current Liabilities	16,476	20,000	0	0
Noncurrent Liabilities:				
Due Within One Year - Debt	50,805,246	0	0	0
Due Within One Year- Other	13,807,212	1,022,700	21,940,496	0
Due in More Than One Year -Debt	669,954,838	0	0	0
Due in More Than One Year -Other	74,872,852	322,793,512	98,790,557	0
Total Liabilities	<u>\$ 819,093,163</u>	<u>\$ 359,261,226</u>	<u>\$ 145,523,244</u>	<u>\$ 383,094</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 106,194,567	\$ 162,431,999	\$ 0	\$ 0
Pension Changes in Investment Earnings	524,314	3,282,649	0	0
Pension Changes in Experience	216,269	16,838,046	0	0
Pension Changes in Proportionate Share of NPL	0	184,365	0	0
OPEB Changes in Assumptions	1,669,410	7,171,969	0	0
Total Deferred Inflows of Resources	<u>\$ 108,604,560</u>	<u>\$ 189,909,028</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 150,807,574	\$ 557,498,382	\$ 102,683,323	\$ 0
Restricted for:				
General Government	1,031,009	0	0	0
Finance	214,212	0	0	0
Administration of Justice	643,341	0	0	0
Public Safety	404,774	0	0	0
Public Health and Welfare	148,843	0	0	0
Highway/Public Works	346,014	0	0	0
Capital Outlay	700,798	0	0	0
Debt Service	2,778,790	0	0	0
Education	0	104,028	0	0
Hospital	0	0	4,322,040	0
Pensions	663,449	16,175,463	0	0
Unrestricted	<u>(445,170,863)</u>	<u>(178,898,691)</u>	<u>102,102,881</u>	<u>2,382,402</u>
Total Net Position	<u>\$ (287,432,059)</u>	<u>\$ 394,879,182</u>	<u>\$ 209,108,244</u>	<u>\$ 2,382,402</u>

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							
	Expenses	Program Revenues			Primary Government Total Governmental Activities	Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
Primary Government:								
Governmental Activities:								
General Government	\$ 29,178,895	\$ 5,359,135	\$ 88,591	\$ 0	\$ (23,731,169)	\$ 0	\$ 0	\$ 0
Finance	6,347,493	12,006,811	5,400	0	5,664,718	0	0	0
Administration of Justice	6,101,067	3,468,105	420,030	0	(2,212,932)	0	0	0
Public Safety	48,424,782	1,355,597	8,471,313	53,359	(38,544,513)	0	0	0
Public Health and Welfare	13,218,266	3,489,596	1,319,647	0	(8,409,023)	0	0	0
Social, Cultural, and Recreational Services	24,945,267	6,628,031	500,003	1,750,000	(16,067,233)	0	0	0
Agriculture and Natural Resources	430,458	0	0	0	(430,458)	0	0	0
Highway/Public Works	13,384,140	137,081	4,841,869	405,809	(7,999,381)	0	0	0
Education	135,893,726	65,545,289	22,899,812	0	(47,448,625)	0	0	0
Interest on Long-term Debt	27,442,017	0	0	0	(27,442,017)	0	0	0
Loss on Refunding Using Current Resources	1,563,825	0	0	0	(1,563,825)	0	0	0
<b>Total Primary Government</b>	<b>\$ 306,929,936</b>	<b>\$ 97,989,645</b>	<b>\$ 38,546,665</b>	<b>\$ 2,209,168</b>	<b>\$ (168,184,458)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Component Units:								
Williamson County School Department	\$ 430,500,133	\$ 18,914,789	\$ 13,447,251	\$ 72,761,927	\$ 0	\$ (325,376,166)	\$ 0	\$ 0
Williamson County Hospital District	251,745,328	240,789,633	1,657,280	0	0	0	(9,298,415)	0
Williamson County Emergency Communications District	2,534,374	2,622,648	0	0	0	0	0	88,274
<b>Total Component Units</b>	<b>\$ 684,779,835</b>	<b>\$ 262,327,070</b>	<b>\$ 15,104,531</b>	<b>\$ 72,761,927</b>	<b>\$ 0</b>	<b>\$ (325,376,166)</b>	<b>\$ (9,298,415)</b>	<b>\$ 88,274</b>

(Continued)

Exhibit B

Williamson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position						
		Program Revenues			Primary Governmental Total Activities	Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 51,962,364	\$ 148,403,843	\$ 0	\$ 0
Property Taxes Levied for Debt Service					50,592,719	0	0	0
Local Option Sales Tax					3,542,758	69,490,257	0	0
Wheel Tax					4,721,822	0	0	0
Business Tax					7,066,747	0	0	0
Hotel/Motel Tax					5,649,047	0	0	0
Adequate Facilities Tax					4,319,858	0	0	0
Privilege Tax					6,214,637	0	0	0
Other Local Taxes					20,463,247	0	0	0
Grants and Contributions Not Restricted to Specific Programs					7,689,474	141,494,561	2,703,645	0
Unrestricted Investment Income					5,283,391	3,455,495	1,290,176	58,036
Gain from Sale of Capital Assets					0	449,897	0	0
Miscellaneous					5,874,275	857,708	4,847,085	0
<b>Total General Revenues</b>					<b>\$ 173,380,339</b>	<b>\$ 364,151,761</b>	<b>\$ 8,840,906</b>	<b>\$ 58,036</b>
Change in Net Position					\$ 5,195,881	\$ 38,775,595	\$ (457,509)	\$ 146,310
Net Position, July 1, 2018					(292,627,940)	356,103,587	209,565,753	2,236,092
Net Position, June 30, 2019					<b>\$ (287,432,059)</b>	<b>\$ 394,879,182</b>	<b>\$ 209,108,244</b>	<b>\$ 2,382,402</b>

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

Exhibit C-1

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

	Major Funds				
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects
<u>ASSETS</u>					
Cash	\$ 18,996	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	49,841,628	14,985,360	19,220,864	13,472,260	105,014,773
Accounts Receivable	869,586	0	628,818	28,894	0
Due from Other Governments	5,567,921	768,897	271,386	937,521	702,964
Due from Other Funds	269,374	0	327,423	1,066,477	0
Due from Component Units	0	0	0	962,475	0
Property Taxes Receivable	50,173,548	0	34,329,270	18,847,039	0
Allowance for Uncollectible Property Taxes	(194,379)	0	(132,997)	(81,981)	0
Cash Shortage	134,329	0	0	0	0
Restricted Assets	0	0	0	0	1,428,565
Notes Receivable - Long-term	0	0	2,720,000	0	0
	<hr/>				
Total Assets	\$ 106,681,003	\$ 15,754,257	\$ 57,364,764	\$ 35,232,685	\$ 107,146,302
<u>LIABILITIES</u>					
Accounts Payable	\$ 316,508	\$ 110	\$ 0	\$ 0	\$ 806,977
Accrued Payroll	975	0	0	0	0
Contracts Payable	0	0	0	0	701,374
Retainage Payable	0	0	0	0	3,717
Claims and Judgments Payable	1,672,081	366,280	0	0	0
Due to Other Funds	422,316	0	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	0
Current Liabilities Payable From Restricted Assets	0	0	0	0	1,428,565
Sales Tax	146	0	0	0	0
Total Liabilities	\$ 2,412,026	\$ 366,390	\$ 0	\$ 0	\$ 2,940,633

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 49,541,119	\$ 0	\$ 33,896,555	\$ 18,557,561	\$ 0
Deferred Delinquent Property Taxes	373,049	0	244,718	182,497	0
Other Deferred/Unavailable Revenue	1,599,576	346,014	583,232	230,000	702,964
Total Deferred Inflows of Resources	<u>\$ 51,513,744</u>	<u>\$ 346,014</u>	<u>\$ 34,724,505</u>	<u>\$ 18,970,058</u>	<u>\$ 702,964</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 1,031,009	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Finance	214,212	0	0	0	0
Restricted for Administration of Justice	643,341	0	0	0	0
Restricted for Public Safety	102,759	0	0	0	0
Restricted for Public Health and Welfare	38,177	0	0	0	0
Restricted for Capital Outlay	0	0	0	0	60,689,781
Restricted for Debt Service	0	0	126,369	0	0
Committed:					
Committed for General Government	24,571	0	0	0	0
Committed for Administration of Justice	2,280	0	0	0	0
Committed for Public Health and Welfare	0	0	0	0	0
Committed for Social, Cultural, and Recreational Services	106,561	0	0	0	0
Committed for Highways/Public Works	0	15,041,853	0	0	0
Committed for Capital Outlay	0	0	0	0	42,812,924
Committed for Debt Service	0	0	22,513,890	16,262,627	0
Committed for Other Purposes	9,339	0	0	0	0
Assigned:					
Assigned for General Government	465,840	0	0	0	0

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Finance	\$ 66,442	\$ 0	\$ 0	\$ 0	\$ 0
Assigned for Administration of Justice	28,348	0	0	0	0
Assigned for Public Safety	927,831	0	0	0	0
Assigned for Public Health and Welfare	280,760	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	263,744	0	0	0	0
Assigned for Agriculture and Natural Resources	608	0	0	0	0
Assigned for Capital Projects	3,433,540	0	0	0	0
Assigned for Other Purposes	15,781,101	0	0	0	0
Unassigned	29,334,770	0	0	0	0
Total Fund Balances	<u>\$ 52,755,233</u>	<u>\$ 15,041,853</u>	<u>\$ 22,640,259</u>	<u>\$ 16,262,627</u>	<u>\$ 103,502,705</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 106,681,003</u>	<u>\$ 15,754,257</u>	<u>\$ 57,364,764</u>	<u>\$ 35,232,685</u>	<u>\$ 107,146,302</u>

(Continued)

Exhibit C-1

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

	<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
	Other Govern- mental Funds		Funds
<u>ASSETS</u>			
Cash	\$ 17,051	\$	36,047
Equity in Pooled Cash and Investments	7,130,834		209,665,719
Accounts Receivable	167,908		1,695,206
Due from Other Governments	0		8,248,689
Due from Other Funds	18,540		1,681,814
Due from Component Units	0		962,475
Property Taxes Receivable	4,291,741		107,641,598
Allowance for Uncollectible Property Taxes	(23,243)		(432,600)
Cash Shortage	0		134,329
Restricted Assets	0		1,428,565
Notes Receivable - Long-term	0		2,720,000
	<hr/>		<hr/>
Total Assets	\$ 11,602,831	\$	333,781,842
<u>LIABILITIES</u>			
Accounts Payable	\$ 553	\$	1,124,148
Accrued Payroll	0		975
Contracts Payable	0		701,374
Retainage Payable	0		3,717
Claims and Judgments Payable	329,413		2,367,774
Due to Other Funds	0		422,316
Due to Litigants, Heirs, and Others	16,476		16,476
Current Liabilities Payable From Restricted Assets	0		1,428,565
Sales Tax	0		146
	<hr/>		<hr/>
Total Liabilities	\$ 346,442	\$	6,065,491

(Continued)

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

DEFERRED INFLOWS OF RESOURCES

	<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
	Other Govern- mental Funds		Governmental Funds
Deferred Current Property Taxes	\$ 4,199,332	\$	106,194,567
Deferred Delinquent Property Taxes	63,166		863,430
Other Deferred/Unavailable Revenue	47,500		3,509,286
Total Deferred Inflows of Resources	<u>\$ 4,309,998</u>	\$	<u>110,567,283</u>

FUND BALANCES

Restricted:			
Restricted for General Government		\$ 0	\$ 1,031,009
Restricted for Finance		0	214,212
Restricted for Administration of Justice		0	643,341
Restricted for Public Safety	302,015		404,774
Restricted for Public Health and Welfare		0	38,177
Restricted for Capital Outlay		0	60,689,781
Restricted for Debt Service		0	126,369
Committed:			
Committed for General Government		0	24,571
Committed for Administration of Justice		0	2,280
Committed for Public Health and Welfare	6,644,376		6,644,376
Committed for Social, Cultural, and Recreational Services		0	106,561
Committed for Highways/Public Works		0	15,041,853
Committed for Capital Outlay		0	42,812,924
Committed for Debt Service		0	38,776,517
Committed for Other Purposes		0	9,339
Assigned:			
Assigned for General Government		0	465,840

(Continued)



Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned (Cont.):

	<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
	Other	Govern- mental	Funds
Assigned for Finance	\$ 0	\$	66,442
Assigned for Administration of Justice	0		28,348
Assigned for Public Safety	0		927,831
Assigned for Public Health and Welfare	0		280,760
Assigned for Social, Cultural, and Recreational Services	0		263,744
Assigned for Agriculture and Natural Resources	0		608
Assigned for Capital Projects	0		3,433,540
Assigned for Other Purposes	0		15,781,101
Unassigned	0		29,334,770
Total Fund Balances	<u>\$ 6,946,391</u>	<u>\$</u>	<u>217,149,068</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,602,831</u>	<u>\$</u>	<u>333,781,842</u>

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

Williamson 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)		\$ 217,149,068
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 67,016,914	
Add: intangibles	5,875,500	
Add: construction in progress	3,874,245	
Add: buildings and improvements net of accumulated depreciation	131,859,274	
Add: infrastructure net of accumulated depreciation	25,553,240	
Add: intangibles net of accumulated depreciation	487,570	
Add: other capital assets net of accumulated depreciation	<u>30,716,150</u>	265,382,893
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.		6,794,625
(3) Internal service funds are used to account for the county's and the school department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net position.		9,509,255
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Add: deferred amount on refunded debt	\$ 7,605,350	
Less: unamortized debt premiums	(57,977,624)	
Less: bonds payable	(652,415,000)	
Less: notes payable	(10,000,000)	
Less: capital leases payable	(367,460)	
Less: accrued interest on long-term debt	(6,193,376)	
Less: landfill closure/postclosure care costs	(72,660)	
Less: other postemployment benefits liability	(74,800,192)	
Less: compensated absences payable	<u>(3,822,258)</u>	(798,043,220)
(5) Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB/pensions will be amortized and recognized as components of OPEB/pension expense in future years:		
Add: deferred outflows of resources related to OPEB	\$ 3,281,529	
Less: deferred inflows of resources related to OPEB	(1,669,410)	
Add: deferred outflows of resources related to pensions	5,867,619	
Less: deferred inflows of resources related to pensions	<u>(740,583)</u>	6,739,155
(6) Net pension assets of the agent plans are not current financial resources and are therefore not reported in the governmental funds.		663,449
(7) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>4,372,716</u>
Net position of governmental activities (Exhibit A)		<u>\$ (287,432,059)</u>

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

Exhibit C-3

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

	Major Funds				
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects
<u>Revenues</u>					
Local Taxes	\$ 61,163,173	\$ 7,979,986	\$ 33,247,718	\$ 21,640,071	\$ 13,290,376
Licenses and Permits	2,070,658	0	0	0	0
Fines, Forfeitures, and Penalties	831,971	0	0	0	0
Charges for Current Services	8,017,016	0	0	0	0
Other Local Revenues	1,636,622	223,585	2,533,163	481,621	20,384,082
Fees Received From County Officials	15,874,537	0	0	0	0
State of Tennessee	6,391,334	5,809,886	380,438	0	0
Federal Government	3,388,668	0	689,924	1,021,325	29,679
Other Governments and Citizens Groups	1,205,927	116,924	421,228	22,899,812	7,350,010
Total Revenues	\$ 100,579,906	\$ 14,130,381	\$ 37,272,471	\$ 46,042,829	\$ 41,054,147
<u>Expenditures</u>					
Current:					
General Government	\$ 14,065,569	\$ 0	\$ 0	\$ 0	\$ 0
Finance	4,921,137	0	0	0	0
Administration of Justice	4,691,710	0	0	0	0
Public Safety	29,078,291	0	0	0	0
Public Health and Welfare	4,571,228	0	0	0	0
Social, Cultural, and Recreational Services	16,906,388	0	0	0	0
Agriculture and Natural Resources	441,733	0	0	0	0
Other Operations	22,534,284	0	0	0	0
Highways	0	12,058,113	0	0	0
Debt Service:					
Principal on Debt	0	0	26,595,000	32,842,869	0
Interest on Debt	0	0	13,776,616	15,254,274	0
Other Debt Service	0	0	938,296	835,104	0

(Continued)

Exhibit C-3

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

	Major Funds				
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,392,655
Capital Projects - Donated	0	0	0	0	72,244,468
Total Expenditures	<u>\$ 97,210,340</u>	<u>\$ 12,058,113</u>	<u>\$ 41,309,912</u>	<u>\$ 48,932,247</u>	<u>\$ 98,637,123</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,369,566	\$ 2,072,268	\$ (4,037,441)	\$ (2,889,418)	\$ (57,582,976)
<u>Other Financing Sources (Uses)</u>					
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 89,095,000
Notes Issued	0	0	0	0	10,000,000
Capital Leases Issued	0	0	0	0	0
Refunding Debt Issued	0	0	17,570,000	31,740,000	0
Premiums on Debt Sold	0	0	3,604,409	4,861,667	7,177,541
Insurance Recovery	97,768	10,102	0	0	0
Transfers In	34,988	203,148	6,000,000	5,300,000	3,244,956
Transfers Out	(2,868,315)	0	(83,486)	0	(14,265,406)
Payments to Refunded Debt Escrow Agent	0	0	(20,976,863)	(36,396,157)	0
Total Other Financing Sources (Uses)	<u>\$ (2,735,559)</u>	<u>\$ 213,250</u>	<u>\$ 6,114,060</u>	<u>\$ 5,505,510</u>	<u>\$ 95,252,091</u>
Net Change in Fund Balances	\$ 634,007	\$ 2,285,518	\$ 2,076,619	\$ 2,616,092	\$ 37,669,115
Fund Balance, July 1, 2018	<u>52,121,226</u>	<u>12,756,335</u>	<u>20,563,640</u>	<u>13,646,535</u>	<u>65,833,590</u>
Fund Balance, June 30, 2019	<u>\$ 52,755,233</u>	<u>\$ 15,041,853</u>	<u>\$ 22,640,259</u>	<u>\$ 16,262,627</u>	<u>\$ 103,502,705</u>

(Continued)

Exhibit C-3

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 4,122,402		\$ 141,443,726
Licenses and Permits	0		2,070,658
Fines, Forfeitures, and Penalties	162,073		994,044
Charges for Current Services	2,469,733		10,486,749
Other Local Revenues	990,736		26,249,809
Fees Received From County Officials	0		15,874,537
State of Tennessee	0		12,581,658
Federal Government	0		5,129,596
Other Governments and Citizens Groups	13,350		32,007,251
Total Revenues	<u>\$ 7,758,294</u>		<u>\$ 246,838,028</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 0		\$ 14,065,569
Finance	0		4,921,137
Administration of Justice	0		4,691,710
Public Safety	71,442		29,149,733
Public Health and Welfare	5,014,822		9,586,050
Social, Cultural, and Recreational Services	0		16,906,388
Agriculture and Natural Resources	0		441,733
Other Operations	991,199		23,525,483
Highways	0		12,058,113
Debt Service:			
Principal on Debt		0	59,437,869
Interest on Debt		0	29,030,890
Other Debt Service		0	1,773,400

(Continued)

Exhibit C-3

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

	<u>Nonmajor Funds</u>		<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<hr/>				
<u>Expenditures (Cont.)</u>				
Capital Projects	\$ 505,329	\$		26,897,984
Capital Projects - Donated	0			72,244,468
Total Expenditures	<u>\$ 6,582,792</u>	<u>\$</u>		<u>304,730,527</u>
 Excess (Deficiency) of Revenues Over Expenditures				
	<u>\$ 1,175,502</u>	<u>\$</u>		<u>(57,892,499)</u>
 <u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 0	\$		89,095,000
Notes Issued	0			10,000,000
Capital Leases Issued	505,329			505,329
Refunding Debt Issued	0			49,310,000
Premiums on Debt Sold	0			15,643,617
Insurance Recovery	0			107,870
Transfers In	0			14,783,092
Transfers Out	(365,000)			(17,582,207)
Payments to Refunded Debt Escrow Agent	0			(57,373,020)
Total Other Financing Sources (Uses)	<u>\$ 140,329</u>	<u>\$</u>		<u>104,489,681</u>
 Net Change in Fund Balances	<u>\$ 1,315,831</u>	<u>\$</u>		<u>46,597,182</u>
Fund Balance, July 1, 2018	5,630,560			170,551,886
 Fund Balance, June 30, 2019	<u>\$ 6,946,391</u>	<u>\$</u>		<u>217,149,068</u>

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

Exhibit C-4

Williamson 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)		\$ 46,597,182
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 15,181,235	
Less: current-year depreciation expense	<u>(11,860,574)</u>	3,320,661
(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		(125,015)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2018	\$ (5,398,426)	
Add: deferred delinquent property taxes and other deferred June 30, 2019	<u>4,372,716</u>	(1,025,710)
(4) The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Add: principal payments on bonds	\$ 59,300,000	
Add: principal payments on capital leases	137,869	
Add: bonds refunded	55,400,000	
Less: bond proceeds	(89,095,000)	
Less: note proceeds	(10,000,000)	
Less: capital lease proceeds	(505,329)	
Less: refunding debt proceeds	(49,310,000)	
Add: change in deferred amount on refunding debt	344,567	
Less: change in premium on debt issuances	<u>(10,288,737)</u>	(44,016,630)
(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	\$ (57,749)	
Change in other postemployment benefits liability	(8,336,774)	
Change in deferred outflows of resources related to OPEB	3,281,529	
Change in deferred inflows of resources related to OPEB	932,658	
Change in landfill closure/postclosure care costs	(1,633)	
Change in compensated absences payable	(436,765)	
Change in net pension liability/asset	1,080,553	
Change in deferred outflows of resources related to pensions	(394,886)	
Change in deferred inflows of resources related to pensions	<u>(263,929)</u>	(4,196,996)
(6) Internal service funds are used to account for the county's and the school department's self-insured health programs. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>4,642,389</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 5,195,881</u>

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

Exhibit C-5

Williamson 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 (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 61,163,173	\$ 0	\$ 0	\$ 61,163,173	\$ 57,422,402	\$ 57,740,570	\$ 3,422,603
Licenses and Permits	2,070,658	0	0	2,070,658	1,752,500	1,752,500	318,158
Fines, Forfeitures, and Penalties	831,971	0	0	831,971	497,800	522,800	309,171
Charges for Current Services	8,017,016	0	0	8,017,016	6,397,350	6,571,486	1,445,530
Other Local Revenues	1,636,622	0	0	1,636,622	830,000	830,000	806,622
Fees Received From County Officials	15,874,537	0	0	15,874,537	14,400,500	14,400,500	1,474,037
State of Tennessee	6,391,334	0	0	6,391,334	4,853,502	6,203,473	187,861
Federal Government	3,388,668	0	0	3,388,668	2,826,293	4,222,654	(833,986)
Other Governments and Citizens Groups	1,205,927	0	0	1,205,927	485,597	1,012,316	193,611
Total Revenues	\$ 100,579,906	\$ 0	\$ 0	\$ 100,579,906	\$ 89,465,944	\$ 93,256,299	\$ 7,323,607
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 974,521	\$ (1,430)	\$ 0	\$ 973,091	\$ 1,113,865	\$ 1,263,289	\$ 290,198
Board of Equalization	1,990	0	0	1,990	7,700	7,700	5,710
Beer Board	1,575	0	0	1,575	2,700	2,700	1,125
Other Boards and Committees	150	0	0	150	3,300	3,300	3,150
County Mayor/Executive	507,664	(25,753)	48,225	530,136	844,150	847,090	316,954
Personnel Office	262,149	0	0	262,149	320,576	320,576	58,427
County Attorney	791,490	0	0	791,490	760,000	855,000	63,510
Election Commission	845,969	(62,734)	13,698	796,933	656,770	954,545	157,612
Register of Deeds	678,758	(1,362)	0	677,396	688,733	758,233	80,837
Development	2,673,768	(880)	1,220	2,674,108	2,847,368	2,881,010	206,902
Planning	191,489	(157,820)	12,702	46,371	58,355	88,355	41,984
Building	26,662	(5,972)	5,699	26,389	36,125	36,125	9,736
Engineering	26,361	(5,461)	2,626	23,526	47,997	47,997	24,471
Codes Compliance	10,903	(5,359)	27,785	33,329	65,381	92,381	59,052
Geographical Information Systems	2,305,808	(34,149)	166,401	2,438,060	2,871,419	2,958,565	520,505
County Buildings	3,759,254	(61,494)	97,359	3,795,119	3,869,471	4,055,471	260,352
Other Facilities	250,340	(62,183)	2,024	190,181	236,748	236,748	46,567

(Continued)



Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Preservation of Records	\$ 226,942	\$ (8,311)	\$ 10,368	\$ 228,999	\$ 298,981	\$ 298,981	\$ 69,982
Risk Management	194,368	(228)	100	194,240	235,903	239,380	45,140
Other Risk Management	335,408	0	0	335,408	350,305	357,547	22,139
<u>Finance</u>							
Accounting and Budgeting	1,072,856	(3,284)	300	1,069,872	1,150,994	1,155,494	85,622
Property Assessor's Office	1,642,697	(139,487)	772	1,503,982	1,828,098	1,853,767	349,785
County Trustee's Office	591,510	(1,310)	6,257	596,457	677,307	679,307	82,850
County Clerk's Office	1,077,193	(2,062)	2,911	1,078,042	1,164,769	1,184,769	106,727
Other Finance	536,881	(91,136)	22,897	468,642	512,000	512,000	43,358
<u>Administration of Justice</u>							
Circuit Court	1,565,816	(9,884)	23,373	1,579,305	1,716,605	1,763,105	183,800
General Sessions Court	1,252,900	(144)	4,814	1,257,570	979,806	1,798,956	541,386
Drug Court	98,956	0	0	98,956	0	98,956	0
Chancery Court	519,655	(112)	159	519,702	532,109	553,892	34,190
Juvenile Court	556,122	(1,020)	0	555,102	579,256	588,346	33,244
Judicial Commissioners	352,435	(115)	0	352,320	430,578	436,078	83,758
Other Administration of Justice	256,991	0	0	256,991	332,499	332,499	75,508
Victim Assistance Programs	88,835	0	0	88,835	0	88,835	0
<u>Public Safety</u>							
Sheriff's Department	13,524,172	(835,574)	335,025	13,023,623	14,234,906	14,557,205	1,533,582
Traffic Control	183,364	(10,410)	2,497	175,451	294,312	294,312	118,861
Jail	7,256,976	(378,094)	413,471	7,292,353	7,778,835	8,243,899	951,546
Workhouse	164,288	(11,684)	10,975	163,579	187,500	190,994	27,415
Juvenile Services	2,259,838	(18,108)	11,241	2,252,971	2,145,273	2,573,684	320,713
Fire Prevention and Control	496,359	0	0	496,359	496,359	496,359	0
Other Emergency Management	5,546	0	75	5,621	0	25,000	19,379
County Coroner/Medical Examiner	301,650	0	0	301,650	282,675	301,650	0
Other Public Safety	4,886,098	(125,344)	265,488	5,026,242	5,164,879	5,685,073	658,831

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare</u>							
Local Health Center	\$ 1,037,215	\$ (3,936)	\$ 5,852	\$ 1,039,131	\$ 1,625,251	\$ 1,742,871	\$ 703,740
Rabies and Animal Control	1,388,673	(54,644)	37,694	1,371,723	1,505,640	1,556,864	185,141
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	0	0	0	0	9,576	9,576	9,576
Regional Mental Health Center	19,000	0	0	19,000	19,000	19,000	0
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	10,370	(564)	600	10,406	11,000	11,000	594
Other Local Welfare Services	1,200	0	0	1,200	3,000	3,000	1,800
Other Public Health and Welfare	49,713	(4,937)	34,264	79,040	78,410	107,910	28,870
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	22,732	0	0	22,732	45,464	45,464	22,732
Senior Citizens Assistance	56,552	0	0	56,552	61,552	61,552	5,000
Libraries	2,472,786	(24,183)	6,197	2,454,800	2,328,238	2,632,921	178,121
Parks and Fair Boards	13,183,483	(137,761)	176,003	13,221,725	13,870,973	14,614,096	1,392,371
Other Social, Cultural, and Recreational	1,170,835	(34,358)	26,859	1,163,336	1,368,284	1,408,706	245,370
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	385,243	0	608	385,851	502,878	502,878	117,027
Soil Conservation	56,490	0	0	56,490	55,604	56,509	19
<u>Other Operations</u>							
Other Economic and Community Development	400,000	0	0	400,000	400,000	400,000	0
Public Transportation	732,957	0	0	732,957	871,682	871,682	138,725
Veterans' Services	20,668	(1,243)	0	19,425	45,940	47,552	28,127
Other Charges	3,583,298	(36,083)	36,500	3,583,715	3,730,594	3,730,594	146,879
Employee Benefits	16,065,402	0	0	16,065,402	16,743,096	16,923,568	858,166
Miscellaneous	1,731,959	0	0	1,731,959	1,819,603	1,836,758	104,799
<b>Total Expenditures</b>	<b>\$ 97,210,340</b>	<b>\$ (2,358,613)</b>	<b>\$ 1,813,039</b>	<b>\$ 96,664,766</b>	<b>\$ 102,990,449</b>	<b>\$ 108,366,731</b>	<b>\$ 11,701,965</b>

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,369,566	\$ 2,358,613	\$ (1,813,039)	\$ 3,915,140	\$ (13,524,505)	\$ (15,110,432)	\$ 19,025,572
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 97,768	\$ 0	\$ 0	\$ 97,768	\$ 0	\$ 0	\$ 97,768
Transfers In	34,988	0	0	34,988	83,464	83,464	(48,476)
Transfers Out	(2,868,315)	0	0	(2,868,315)	0	(2,868,315)	0
Total Other Financing Sources	\$ (2,735,559)	\$ 0	\$ 0	\$ (2,735,559)	\$ 83,464	\$ (2,784,851)	\$ 49,292
Net Change in Fund Balance	\$ 634,007	\$ 2,358,613	\$ (1,813,039)	\$ 1,179,581	\$ (13,441,041)	\$ (17,895,283)	\$ 19,074,864
Fund Balance, July 1, 2018	52,121,226	(2,358,613)	0	49,762,613	44,828,436	44,828,436	4,934,177
Fund Balance, June 30, 2019	\$ 52,755,233	\$ 0	\$ (1,813,039)	\$ 50,942,194	\$ 31,387,395	\$ 26,933,153	\$ 24,009,041

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

Exhibit C-6

Williamson County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,979,986	\$ 0	\$ 0	\$ 7,979,986	\$ 7,977,450	\$ 7,993,928	\$ (13,942)
Other Local Revenues	223,585	0	0	223,585	55,000	158,788	64,797
State of Tennessee	5,809,886	0	0	5,809,886	5,502,000	5,948,199	(138,313)
Other Governments and Citizens Groups	116,924	0	0	116,924	50,000	50,000	66,924
Total Revenues	\$ 14,130,381	\$ 0	\$ 0	\$ 14,130,381	\$ 13,584,450	\$ 14,150,915	\$ (20,534)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 860,653	\$ (53,199)	\$ 57,491	\$ 864,945	\$ 1,028,715	\$ 1,030,245	\$ 165,300
Highway and Bridge Maintenance	6,420,518	(949,590)	898,983	6,369,911	6,560,077	6,995,466	625,555
Operation and Maintenance of Equipment	1,287,804	(317,570)	278,785	1,249,019	1,785,598	1,789,678	540,659
Quarry Operations	575,697	(74,274)	107,084	608,507	812,634	816,718	208,211
Other Charges	599,590	0	0	599,590	958,000	963,000	363,410
Employee Benefits	1,298,608	0	0	1,298,608	1,343,500	1,348,409	49,801
Capital Outlay	1,015,243	(225,666)	384,945	1,174,522	333,000	1,286,788	112,266
Total Expenditures	\$ 12,058,113	\$ (1,620,299)	\$ 1,727,288	\$ 12,165,102	\$ 12,821,524	\$ 14,230,304	\$ 2,065,202
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,072,268	\$ 1,620,299	\$ (1,727,288)	\$ 1,965,279	\$ 762,926	\$ (79,389)	\$ 2,044,668
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 10,102	\$ 0	\$ 0	\$ 10,102	\$ 0	\$ 0	\$ 10,102
Transfers In	203,148	0	0	203,148	85,000	203,148	0
Total Other Financing Sources	\$ 213,250	\$ 0	\$ 0	\$ 213,250	\$ 85,000	\$ 203,148	\$ 10,102
Net Change in Fund Balance	\$ 2,285,518	\$ 1,620,299	\$ (1,727,288)	\$ 2,178,529	\$ 847,926	\$ 123,759	\$ 2,054,770
Fund Balance, July 1, 2018	12,756,335	(1,620,299)	0	11,136,036	11,075,250	11,075,250	60,786
Fund Balance, June 30, 2019	\$ 15,041,853	\$ 0	\$ (1,727,288)	\$ 13,314,565	\$ 11,923,176	\$ 11,199,009	\$ 2,115,556

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

Exhibit D-1

Williamson County, Tennessee  
Statement of Net Position  
Proprietary Fund  
June 30, 2019

	Governmental Activities - Internal Service Fund
	<u>Self- Insurance Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash with Paying Agents	\$ 1,737,000
Equity in Pooled Cash and Investments	15,481,410
Accounts Receivable	<u>92,263</u>
Total Assets	<u>\$ 17,310,673</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 240
Payroll Deductions Payable	183,998
Claims and Judgments Payable	<u>7,617,180</u>
Total Liabilities	<u>\$ 7,801,418</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 9,509,255</u>
Total Net Position	<u><u>\$ 9,509,255</u></u>

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

Exhibit D-2

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

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
	<hr/>
<u>Operating Revenues</u>	
Charges for Services	\$ 72,184,442
Other Local Revenues	8,396,061
Total Operating Revenues	<hr/> <u>\$ 80,580,503</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 10,087,809
Life Insurance	243,057
Dental Insurance	3,941,597
Flexible Benefit Charges	2,333,245
Medical Claims	45,656,027
Other Self-Insured Claims	13,676,379
Total Operating Expenses	<hr/> <u>\$ 75,938,114</u>
Operating Income (Loss)	\$ 4,642,389
Net Position, July 1, 2018	<hr/> 4,866,866
Net Position, June 30, 2019	<hr/> <u>\$ 9,509,255</u>

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

Exhibit D-3

Williamson County, Tennessee  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2019

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Cash Flows from Operating Activities</u>	
Cash Receipts from Interfund Services Provided	\$ 63,683,657
Cash Receipts from Customers and Users	16,863,603
Cash Payments for Interfund Services Used	(75,453,249)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 5,094,011 <hr/>
Increase (Decrease) in Cash	\$ 5,094,011
Cash, July 1, 2018	<hr/> 12,124,399 <hr/>
Cash, June 30, 2019	<hr/> <hr/> \$ 17,218,410 <hr/> <hr/>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 4,642,389
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
(Increase) Decrease in Accounts Receivable	(33,243)
Increase (Decrease) in Accounts Payable	34,980
Increase (Decrease) in Claims and Judgments Payable	<hr/> 449,885 <hr/>
Net Cash Provided By (Used In) Operating Activities	<hr/> <hr/> \$ 5,094,011 <hr/> <hr/>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash With Paying Agents Per Net Position	\$ 1,737,000
Equity in Pooled Cash and Investments Per Net Position	<hr/> 15,481,410 <hr/>
Cash, June 30, 2019	<hr/> <hr/> \$ 17,218,410 <hr/> <hr/>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 15,262,383
Equity in Pooled Cash and Investments	1,521,991
Accounts Receivable	195,850
Due from Other Governments	13,492,423
Property Taxes Receivable	12,433,633
Allowance for Uncollectible Property Taxes	<u>(50,117)</u>
Total Assets	<u>\$ 42,856,163</u>
<u>LIABILITIES</u>	
Due to Other Funds	\$ 1,259,498
Due to Other Taxing Units	25,612,624
Due to Litigants, Heirs, and Others	15,411,810
Due to Joint Venture	<u>572,231</u>
Total Liabilities	<u>\$ 42,856,163</u>

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



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

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Williamson 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 Williamson County:

**A. Reporting Entity**

Williamson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Williamson County (the primary government) and its component units. 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 Williamson County School Department operates the public school system in the county, and the voters of Williamson 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 Williamson County Hospital District provides health care to the citizens of Williamson County, and the Williamson County Commission appoints its governing body. The county annually provides a subsidy to the hospital to help defray the costs of operating an ambulance service.

The Williamson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Williamson County, and the Williamson 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 Williamson 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 Williamson County Hospital District and the Williamson County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Williamson County Hospital District  
d/b/a Williamson Medical Center  
4321 Carothers Parkway  
Franklin, TN 37067

Williamson County Emergency  
Communications District  
304 Beasley Drive, Suite 145  
Franklin, TN 37064

**Related Organization** – The Williamson County Industrial Development Board and the War Memorial Public Library Board of Trustees are related organizations of Williamson County. The county’s officials are responsible for appointing the members of the boards, but the county’s accountability for these organizations does not extend beyond making the appointments.

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

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

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues totaling \$72,749,797 were contributed by the county to the school department during the year ended June 30, 2019.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities

of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Williamson 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 debt service funds for payments to be made early in the following year.

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

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

Williamson County reports the following major governmental funds:

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

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

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

**Rural Debt Service Fund** – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs specifically issued for K-8 schools outside the territorial boundaries of the Franklin Special School District.

**General Capital Projects Fund** – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Williamson County reports the following fund types:

**Internal Service Fund** – The Self-Insurance Fund is used to account for the county's and the school department's self-insured health programs. Amounts per employee are charged to the various funds, and employee payroll deductions are placed in this fund for the payment of claims.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Williamson County, property taxes for the City of Nolensville, City of Brentwood, City of Franklin and the Town of Thompson's Station, various cities' share of adequate facilities taxes collected by the county, the Franklin Special School District's share of educational revenues, funds held for the benefit of the Judicial District Drug Task Force, restricted revenues held for the benefit of the Office of District Attorney General, and assets held in a custodial capacity for the Williamson County Governmental Library Commission. 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 Williamson 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 the receipt of debt issued by Williamson County and contributed to the school department for building construction and renovations.

Additionally, the Williamson 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, committed, or assigned 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 one proprietary fund, an internal service fund, used to account for the county's and the school department's employee self-insurance health programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. Insurance contributions and premiums are the principal operating revenues of the internal service fund. Operating expenses for the internal service fund include administrative expenses and employee benefits.

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

**1. Deposits and Investments**

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

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 and the discretely presented Williamson 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 Purpose School, General Debt Service, General Capital Projects, and Education Capital Projects funds. Williamson County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to



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

**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 .21 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's General Capital Projects Fund represent deposits placed with Williamson County for road damage (\$1,428,565). Current liabilities payable from restricted assets reflected in the school

department's nonmajor governmental funds represent deposits placed with the school department for student meals (\$642,555). Claims and judgments payable are discussed in Note V.A. Risk Management.

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

**3. 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 Williamson 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 Williamson County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Williamson County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

**4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the primary government as assets with an initial, individual cost of \$10,000 (buildings/improvements and intangibles \$100,000; infrastructure \$50,000) or more and an estimated useful life of more than five years. Capital assets are defined by the school department as assets with an initial, individual cost of \$10,000 (buildings/improvements \$100,000; vehicles \$20,000) and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Intangibles	Various*
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20 - 50
Bridges	30 - 50

\*applicable legal life of the asset

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

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

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

net pension asset, other postemployment benefits changes in assumptions, other postemployment benefits paid after the measurement date, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated Absences**

It is the policy of Williamson County and the discretely presented Williamson County School Department to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Williamson County and the school department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the discretely presented school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

In the government-wide financial statements 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, claims and judgments, other postemployment benefits, and landfill closure/postclosure care costs are recognized to the extent that the liabilities have matured (come due for payment) each period.

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

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

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

The government-wide Statement of Net Position reports \$6,931,230 of restricted net position, of which \$1,755,341 is restricted by enabling legislation.

As of June 30, 2019, Williamson County had \$502,858,460 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Williamson 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 be reduced first followed 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 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 Williamson County’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Williamson 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 Williamson County School Department**

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

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

**Primary Government**

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

**Discretely Presented Williamson 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 Williamson 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 Williamson 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 Williamson 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, Beer Board, Other Boards and Committees, 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, Williamson County and the Williamson County School Department had outstanding encumbrances in the budget funds as follows:

Fund	Amount
Primary Government:	
General	\$ 1,813,039
Highway/Public Works	1,727,288
Nonmajor Governmental	428,551
School Department:	
General Purpose School	4,785,103
Nonmajor Governmental	191,391

**B. Cash Shortages – Prior Years**

The audit of Williamson County for the 2005-06 year reported a cash shortage of \$45,038 as of June 30, 2006, at the Fairview Recreational Center. This cash shortage resulted from collections that were not deposited or otherwise accounted for properly. On October 6, 2008, the defendant pled guilty and was sentenced to four years' probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. This note was extended for an additional four years in FY 2012 and again for an additional four years on November 21, 2016. During the 2018-19 fiscal year, this individual paid restitution totaling \$445, leaving the outstanding cash shortage of \$31,908 as of June 30, 2019.

A special report of the Williamson County Animal Control Department released on July 26, 2010, for the period May 17, 2005, through March 31, 2010, reported a cash shortage of \$106,446 from receipts that were not deposited with the county or otherwise accounted for properly. On November 15, 2010, the employee pled guilty to theft over \$60,000 and was sentenced to eight years' confinement, which was suspended to eight years' probation, and was ordered to pay restitution of \$106,446. During the 2018-19 fiscal year, this individual paid restitution of \$800 leaving the outstanding cash shortage of \$102,421 as of June 30, 2019.

An investigation by the Comptroller's Division of Investigations disclosed that a former employee of the Williamson County Parks and Recreation misappropriated funds designated for the adult softball league program. At June 30, 2018, the General Fund recognized an outstanding cash shortage of \$7,615 related to this report. On January 14, 2019, the former employee pled

guilty to one count of Theft under \$1,000 and one count of Official Misconduct, was sentenced to supervised probation, and paid court ordered restitution of \$7,615. The full amount of restitution was paid on February 2, 2019.

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. Deposits and Investments

Williamson County and the Williamson 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 and investments reflected on the balance sheets or statements of net position represent 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. Investments in the State Treasurer’s Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. 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, Williamson 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 Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Weighted Average Maturity (days)</u>	<u>Amortized Cost</u>
State Treasurer's Investment Pool	1 to 86	\$ 7,358,552

**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. Williamson 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. Williamson County has no investment policy that would further limit its investment choices. As of June 30, 2019, Williamson County’s investment in the State Treasurer’s Investment Pool was unrated.

## TCRS Stabilization Trust

**Legal Provisions.** The Williamson 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 Williamson 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 Williamson County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 340,351
Developed Market International Equity	N/A	N/A	153,707
Emerging Market International Equity	N/A	N/A	43,916
U.S. Fixed Income	N/A	N/A	219,582
Real Estate	N/A	N/A	109,790
Short-term Securities	N/A	N/A	10,979
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	219,582
<b>Total</b>			<b>\$ 1,097,907</b>

Investment by Fair Value Level	Fair Value 6-30-19	Fair Value Measurements Using			Amortized Cost NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 340,351	\$ 340,351	0	\$ 0	0
Developed Market International Equity	153,707	153,707	0	0	0
Emerging Market International Equity	43,916	43,916	0	0	0
U.S. Fixed Income	219,582	0	219,582	0	0
Real Estate	109,790	0	0	109,790	0
Short-term Securities	10,979	0	10,979	0	0
Private Equity and Strategic Lending	219,582	0	0	0	219,582
<b>Total</b>	<b>\$ 1,097,907</b>	<b>\$ 537,974</b>	<b>\$ 230,561</b>	<b>\$ 109,790</b>	<b>\$ 219,582</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 Williamson 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 Williamson 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. Williamson 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 Williamson 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. Notes Receivable**

Notes receivable in the General Debt Service Fund totaling \$2,720,000 resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and related infrastructure and is included in the committed fund balance account.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2019, is presented in the following table. This table does not include certain land, buildings, and equipment, which are titled to Williamson County and used by the Williamson

Medical Center. Title to these assets were transferred from the hospital to the county based on a 1992 refunding of the Series 1985, Hospital Revenue Bonds. These assets are reported in the financial statements of the discretely presented Williamson County Hospital District. Chapter 107, Private Acts of 1957, as amended, provides that “the Board of Trustees shall be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of the Hospital District ...”

### **Primary Government**

#### **Governmental Activities:**

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 63,355,014	\$ 3,693,913	\$ (32,013)	\$ 67,016,914
Intangible Assets- Indefinite Life	5,875,500	0	0	5,875,500
Construction in Progress	770,172	3,369,334	(265,261)	3,874,245
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 70,000,686</b>	<b>\$ 7,063,247</b>	<b>\$ (297,274)</b>	<b>\$ 76,766,659</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 195,295,494	\$ 597,592	\$ 0	\$ 195,893,086
Infrastructure	68,021,373	535,911	0	68,557,284
Intangibles	2,307,324	0	0	2,307,324
Other Capital Assets	74,464,738	7,249,746	(1,890,933)	79,823,551
<b>Total Capital Assets Depreciated</b>	<b>\$ 340,088,929</b>	<b>\$ 8,383,249</b>	<b>\$ (1,890,933)</b>	<b>\$ 346,581,245</b>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 59,405,910	\$ 4,627,902	\$ 0	\$ 64,033,812
Infrastructure	41,793,447	1,210,597	0	43,004,044
Intangibles	1,432,778	386,976	0	1,819,754
Other Capital Assets	45,270,233	5,635,099	(1,797,931)	49,107,401
<b>Total Accumulated Depreciation</b>	<b>\$ 147,902,368</b>	<b>\$ 11,860,574</b>	<b>\$ (1,797,931)</b>	<b>\$ 157,965,011</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 192,186,561</b>	<b>\$ (3,477,325)</b>	<b>\$ (93,002)</b>	<b>\$ 188,616,234</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 262,187,247</b>	<b>\$ 3,585,922</b>	<b>\$ (390,276)</b>	<b>\$ 265,382,893</b>



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

**Governmental Activities:**

General Government	\$ 1,883,908
Finance	182,524
Public Safety	3,835,350
Public Health and Welfare	824,216
Social, Cultural, and Recreational Services	3,108,033
Highways/Public Works	<u>2,026,543</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 11,860,574</u></u>

**Discretely Presented Williamson County School Department**

**Governmental Activities:**

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 48,064,414	\$ 2,465,301	\$ (1,597,712)	\$ 48,932,003
Construction in Progress	<u>90,861,815</u>	<u>44,551,300</u>	<u>(81,964,945)</u>	<u>53,448,170</u>
Total Capital Assets Not Depreciated	<u>\$ 138,926,229</u>	<u>\$ 47,016,601</u>	<u>\$ (83,562,657)</u>	<u>\$ 102,380,173</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 545,955,087	\$ 78,914,125	\$ 0	\$ 624,869,212
Intangibles	756,973	0	0	756,973
Other Capital Assets	<u>45,836,985</u>	<u>2,378,857</u>	<u>(911,571)</u>	<u>47,304,271</u>
Total Capital Assets Depreciated	<u>\$ 592,549,045</u>	<u>\$ 81,292,982</u>	<u>\$ (911,571)</u>	<u>\$ 672,930,456</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 177,274,199	\$ 13,722,108	\$ 0	\$ 190,996,307
Intangibles	756,973	0	0	756,973
Other Capital Assets	<u>23,613,385</u>	<u>3,357,153</u>	<u>(911,571)</u>	<u>26,058,967</u>
Total Accumulated Depreciation	<u>\$ 201,644,557</u>	<u>\$ 17,079,261</u>	<u>\$ (911,571)</u>	<u>\$ 217,812,247</u>
Total Capital Assets Depreciated, Net	<u>\$ 390,904,488</u>	<u>\$ 64,213,721</u>	<u>\$ 0</u>	<u>\$ 455,118,209</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 529,830,717</u></u>	<u><u>\$ 111,230,322</u></u>	<u><u>\$ (83,562,657)</u></u>	<u><u>\$ 557,498,382</u></u>

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

**Governmental Activities:**

Instruction	\$ 23,679
Support Services	16,907,232
Operation of Non-instructional Services	<u>148,350</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 17,079,261</u></u>

**D. Construction Commitments**

At June 30, 2019, Williamson County had uncompleted construction contracts of approximately \$20,795,075 in the General Capital Projects Fund for reroofing and building construction projects. Funding has been received for these future expenditures.

At June 30, 2019, the school department had uncompleted construction contracts of approximately \$38,146,492 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

**E. 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>
Primary Government:		
General	Fiduciary Funds	\$ 269,374
Rural Debt Service	"	990,124
"	General	76,353
General Debt Service	"	327,423
Nonmajor Governmental	"	18,540

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:**

Receivable Fund	Payable Fund	Amount
Primary Government: Rural Debt Service	Component Unit: School Department: General Purpose School	\$ 962,475

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In		
	General Fund	Highway/ Public Works Fund	General Debt Service Fund
General Capital Projects Fund	\$ 6,377	\$ 203,148	\$ 6,000,000
Fiduciary Funds	28,611	0	0
<b>Total</b>	<b>\$ 34,988</b>	<b>\$ 203,148</b>	<b>\$ 6,000,000</b>

Transfers Out	Transfers In		
	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 2,796,470	\$ 71,845
General Debt Service Fund	0	83,486	0
General Capital Projects Fund	5,300,000	0	2,755,881
Nonmajor governmental funds	0	365,000	0
<b>Total</b>	<b>\$ 5,300,000</b>	<b>\$ 3,244,956</b>	<b>\$ 2,827,726</b>

**Discretely Presented Williamson County School Department**

<u>Transfers Out</u>	<u>Transfers In</u>	
	General Purpose School Fund	Purpose
Nonmajor governmental funds	\$ 331,431	Indirect Costs

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

**F. Capital Leases**

On July 17, 2018, Williamson County entered into a four-year lease-purchase agreement for the school department for computers. The terms of the agreement require total lease payments of \$279,364 plus interest of 5.99 percent. Lease payments are made from the Rural Debt Service Fund. In the government-wide financial statements, the laptops were expensed in the year of acquisition because those items did not meet criteria of the school department’s capitalization policy.

On July 17, 2018, Williamson County entered into a four-year lease-purchase agreement for the school department for computers. The terms of the agreement require total lease payments of \$225,965 plus interest of 5.99 percent. Lease payments are made from the Rural Debt Service Fund. In the government-wide financial statements, the laptops were expensed in the year of acquisition because those items did not meet criteria of the school department’s capitalization policy.

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

Year Ending June 30	Governmental Funds
2020	\$ 137,869
2021	137,868
2022	137,868
Total Minimum Lease Payments	\$ 413,605
Less: Amount Representing Interest	(46,145)
Present Value of Minimum Lease Payments	<u>\$ 367,460</u>

**G. Long-term Debt**

**Primary Government**

**General Obligation Bonds and Notes**

General Obligation Bonds - Williamson 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 debt service funds.

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

General obligation bonds and capital outlay notes 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	1 to 5.75%	4-1-39	\$ 318,680,000	\$ 244,395,000
General Obligation Bonds - Refunding	1.39 to 5	4-1-34	135,310,000	86,185,000
County District School Bonds	.85 to 5.75	4-1-39	290,740,000	230,415,000
County District School Bonds - Refunding	2 to 5	4-1-34	122,610,000	91,420,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.98	12-31-19	10,000,000	10,000,000

The annual requirements to amortize all general obligation bond, county district school bonds, and capital outlay notes as of June 30, 2019, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 40,690,000	\$ 25,893,095	\$ 66,583,095
2021	43,475,000	24,628,424	68,103,424
2022	39,530,000	22,717,239	62,247,239
2023	37,995,000	20,935,724	58,930,724
2024	39,110,000	19,118,631	58,228,631
2025-2029	201,750,000	68,633,055	270,383,055
2030-2034	168,575,000	32,103,484	200,678,484
2035-2039	81,290,000	7,769,967	89,059,967
Total	\$ 652,415,000	\$ 221,799,619	\$ 874,214,619

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2020	10,000,000	140,800	10,140,800
Total	\$ 10,000,000	\$ 140,800	\$ 10,140,800

There is \$38,902,886 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$3,562, based on the 2010 federal census. Total debt per capita, including bonds, notes, capital leases, and unamortized debt premiums, totaled \$3,935, based on the 2010 federal census.

#### Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Capital Leases - Direct Placement	Notes - Direct Placement
Balance, July 1, 2018	\$ 628,710,000	\$ 0	\$ 0
Additions	138,405,000	505,329	10,000,000
Reductions	(114,700,000)	(137,869)	0
Balance, June 30, 2019	<u>\$ 652,415,000</u>	<u>\$ 367,460</u>	<u>\$ 10,000,000</u>
Balance Due Within One Year	<u>\$ 40,690,000</u>	<u>\$ 115,246</u>	<u>\$ 10,000,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 662,782,460
Less: Balance Due Within One Year - Debt	(50,805,246)
Add: Unamortized Premium on Debt	<u>57,977,624</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 669,954,838</u>

Advance Refunding

On June 20, 2019, Williamson County advance refunded a portion of a general obligation school bond issue with a separate general obligation school bond issue. The county issued \$17,570,000 of general obligation school refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the advance refunding, total debt service payments will be reduced by \$2,145,393, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,824,999 was obtained.

Also on June 20, 2019, Williamson County advance refunded a portion of a county district school bond issue with a separate county district school bond issue. The county issued \$31,740,000 of county district school refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the advance refunding, total debt service payments will be reduced by \$3,868,190, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$3,302,738 was obtained.

In-Substance Defeasance

On June 20, 2019, Williamson County placed existing resources (local option sales tax) totaling \$14,318,825 into an irrevocable trust to generate resources for future debt service payments of \$15,190,141 on existing school bonds, resulting in an in-substance defeasance and an economic loss of \$1,563,825. The escrow agent for the trust is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2019, the following outstanding bonds are considered defeased:

	<u>Amount</u>
County District School Bonds 2014A	\$ 3,000,000
County District School Refunding Bonds, Series 2014B	5,310,000
County District School Bonds 2016C	4,445,000

Arbitrage

The Tax Reform Act of 1986 requires governmental entities that issue tax-exempt debt subsequent to August 1986 to calculate and rebate arbitrage earnings to the federal government. The U.S. Treasury has issued regulations that define how the rebate should be calculated and reported. Governmental issuers must comply with the rebate regulations in order for their bonds to maintain tax-exempt status. The regulations require the excess of the aggregate amount earned on investments purchased with bond proceeds over the amount that would have been earned if the proceeds had been invested at a rate equal to the bond yield to be rebated to the federal government. Rebate payments are due at least once every five years over the life of the bonds. Arbitrage payments totaling \$97,550 were made during the year. Williamson County utilized an independent tax consultant to perform the calculation of the amount of the arbitrage paid.

**H. Long-term Obligations**

Changes in Long-term Obligations

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



	Claims and Judgments	Other Postemployment Benefits*	Closure/ Postclosure Care Costs
Balance, July 1, 2018	\$ 9,186,872	\$ 66,463,418	\$ 71,027
Additions	51,542,631	10,019,280	1,633
Reductions	(50,744,549)	(1,682,506)	0
Balance, June 30, 2019	<u>\$ 9,984,954</u>	<u>\$ 74,800,192</u>	<u>\$ 72,660</u>
Balance Due Within One Year	<u>\$ 9,984,954</u>	<u>\$ 0</u>	<u>\$ 0</u>

	Net Pension Liability - Agent Pension Plan*	Compensated Absences
Balance, July 1, 2018	\$ 417,104	\$ 3,385,493
Additions	1,901,528	3,841,578
Reductions	(2,982,081)	(3,404,813)
Balance, June 30, 2019	<u>\$ (663,449)</u>	<u>\$ 3,822,258</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 3,822,258</u>

\*At June 30, 2019, the Agent Pension Plan had a net asset balance.

Compensated absences, other postemployment benefits, and pension liability will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

The internal service fund primarily serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, claims and judgments are comprised of the following amounts.

Fund	Amount
Self-Insurance	\$ 7,617,180
General	1,672,081
Highway/Public Works	366,280
Solid Waste/Sanitation	<u>329,413</u>
Total	<u>\$ 9,984,954</u>

Analysis of Noncurrent Liabilities - Long-term Obligations Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 88,680,064
Less: Balance Due Within One Year - Debt	<u>(13,807,212)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 74,872,852</u>

**Discretely Presented Williamson County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Claims and Judgments	Other Postemployment Benefits
Balance, July 1, 2018	\$ 1,659,508	\$ 750,000	\$ 285,570,000
Additions	1,915,350	3,243,249	43,037,177
Reductions	<u>(1,876,506)</u>	<u>(3,225,303)</u>	<u>(7,257,263)</u>
Balance, June 30, 2019	<u>\$ 1,698,352</u>	<u>\$ 767,946</u>	<u>\$ 321,349,914</u>
Balance Due Within One Year	<u>\$ 254,754</u>	<u>\$ 767,946</u>	<u>\$ 0</u>

	Net Pension Liability - Agent Pension Plan*
Balance, July 1, 2018	\$ 390,767
Additions	1,773,632
Reductions	<u>(2,783,225)</u>
Balance, June 30, 2019	<u>\$ (618,826)</u>
Balance Due Within One Year	<u>\$ 0</u>

\*At June 30, 2019, the Agent Pension Plan had a net asset balance.

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2019	\$ 323,816,212
Less: Due Within One Year	<u>(1,022,700)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 322,793,512</u>

Compensated absences, other postemployment benefits, and net pension liability will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds. Claims and judgments will be paid from the General Purpose School Fund.

**I. Pledges of Receivables and Future Revenues**

In 2018, the citizens of Williamson County voted to increase the local option sales tax rate from 2.25 percent to 2.75 percent. The county, school department, and each incorporated municipality within Williamson County has pledged the additional sales tax collections generated from the increase over the next three years to be used towards Williamson County school purposes, including payment of principal and interest on bonds, notes, or other related indebtedness. For the current year, principal and interest paid and sales tax revenues generated by the increase was \$17,068,825 and \$22,500,629, respectively.

**V. OTHER INFORMATION**

**A. Risk Management**

Williamson County and the Williamson County School Department have chosen to establish the Self-Insurance Fund for risks associated with the employees' health insurance plans. The Self-Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$300,000 per specific loss. The plans do not carry aggregate reinsurance.

All full-time and certain retired employees of the primary government and the discretely presented Williamson County School Department are eligible to participate. A premium charge is allocated to each fund that accounts for its employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Self-Insurance Fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims.

The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2017-18	\$ 7,654,060	\$ 49,109,567	\$ (49,596,332)	\$ 7,167,295
2018-19	7,167,295	49,840,681	(49,390,796)	7,617,180

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss related to general liability, property, and casualty exceeding \$100,000 up to \$12,000,000 and any specific loss related to workers' compensation exceeding \$250,000 up to \$2,000,000. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

**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, Williamson 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 and the school department are involved in several pending lawsuits. Attorneys for the county and the school department estimate that the potential claims against the county and the school department not covered by insurance resulting from such litigation would not materially affect the financial statements of the county or the school department.

**D. Financial Guarantee**

Williamson County is contingently liable for certain revenue bonds and loans of the discretely presented Williamson County Hospital District. Williamson County would become liable for these bonds, loans, and the interest thereon, in case of default by the Williamson County Hospital District.

**E. Changes in Administration**

On August 31, 2018, Sadie Wade left the Office of Register of Deeds and was succeeded by Sherry Anderson.

On January 15, 2019, Jeff Long left the Office of Sheriff and was succeeded by Dusty Rhoades.

On May 20, 2019, Dr. Mike Looney left the Office of Director of Schools and was succeeded by Jason Golden.

**F. Landfill Closure/Postclosure Care Costs**

Williamson County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill, solid waste transfer station, demolition landfill, and a compost facility. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the State Department of Environment and Conservation.

State and federal laws and regulations require Williamson 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. The \$72,660 reported as landfill closure and postclosure care liability at June 30, 2019, represents the cumulative amount reported to date based on the use of

seven percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of \$965,347 if the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**G. Joint Ventures**

The Williamson County Joint Communication Network Authority is a joint venture formed by an interlocal agreement between Williamson County and the cities of Brentwood and Franklin. The purpose of the authority is to oversee the expansion, maintenance, operation, and access of an 800MHz trunked radio system with the intent to improve emergency dispatch and response throughout Williamson County. It is governed by a nine-member committee, which consists of three representatives from each governmental unit. The authority receives financial support from each of the three government entities that created it. During the year ended June 30, 2019, Williamson County contributed \$1,266,167 to the operations of the Williamson County Joint Communication Authority.

The Cool Springs Conference Center is a joint venture between Williamson County and the City of Franklin. The parties have agreed to share equally all revenues, expenses, and other legal obligations from the operation of the conference center. The county's net investment of \$6,794,625 is reported as an asset in the governmental activities column on the Statement of Net Position. The county's share of 2018-19 revenues (\$406,059) and expenditures (\$98,610) related to the conference center are included in the county's General Fund. Williamson County and the City of Franklin have contracted with VI/H Franklin Cool Springs, LLC, for the operation and maintenance of the conference center.

The Twenty-first Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-first Judicial District, Williamson, Perry, Lewis, and Hickman 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. Williamson County contributed \$71,845 to the DTF for the year ended June 30, 2019, but does not have any equity interest in this joint venture.

Complete financial statements for the Williamson County Joint Communication Network Authority, Cool Springs Conference Center, and the

Twenty-first Judicial District Drug Task Force can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Williamson County Joint Communication Network  
Authority  
Williamson County Office of Accounts and Budgets  
304 Beasley Drive, Suite 145  
Franklin, TN 37064

Cool Springs Conference Center  
City of Franklin  
P.O. Box 305  
Franklin, TN 37065-0305

Office of District Attorney General  
Twenty-first Judicial District Drug Task Force  
P.O. Box 937  
Franklin, TN 37065

**H. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Williamson County and non-certified employees of the discretely presented Williamson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 51.74 percent, the non-certified employees of the discretely presented school department comprise 48.26 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	890
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	2,763
Active Employees	2,534
 Total	 <u><u>6,187</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Williamson 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 Williamson County was \$4,544,295 based on a rate of 4.85 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Williamson 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)**

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Williamson 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	\$ 204,696,676	\$ 203,888,805	\$ 807,871
Changes for the Year:			
Service Cost	\$ 7,093,680	\$ 0	\$ 7,093,680
Interest	15,099,796	0	15,099,796
Differences Between Expected and Actual Experience	200,752	0	200,752
Changes in Assumptions	0	0	0
Contributions-Employer	0	3,490,036	(3,490,036)
Contributions-Employees	0	4,292,661	(4,292,661)
Net Investment Income	0	16,944,923	(16,944,923)
Benefit Payments, Including Refunds of Employee Contributions	(7,034,609)	(7,034,609)	0
Administrative Expense	0	(243,246)	243,246
Other Changes	0	0	0
Net Changes	\$ 15,359,619	\$ 17,449,765	\$ (2,090,146)
Balance, June 30, 2018	\$ 220,056,295	\$ 221,338,570	\$ (1,282,275)

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

		Total	Plan	Net
		Pension Liability	Fiduciary Net Position	Pension Liability (Asset)
Primary Government	51.74%	\$ 113,857,127	\$ 114,520,576	\$ (663,449)
School Department	48.26%	106,199,168	106,817,994	(618,826)
Total		\$ 220,056,295	\$ 221,338,570	\$ (1,282,275)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Williamson County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were

calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability	\$ 28,184,907	\$ (1,282,275)	\$ (25,718,159)

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

*Pension Expense or Negative Pension Expense.* For the year ended June 30, 2019, Williamson County recognized pension expense of \$3,675,160.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,382,478	\$ 417,992
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,013,364
Changes in Assumptions	3,482,921	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	4,544,295	N/A
Total	<u>\$ 11,409,694</u>	<u>\$ 1,431,356</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 Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 5,867,619	\$ 740,583
School Department	<u>5,542,075</u>	<u>690,773</u>
Total	<u>\$ 11,409,694</u>	<u>\$ 1,431,356</u>

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

Year Ending June 30	Amount
2020	\$ 2,916,744
2021	1,846,480
2022	(88,714)
2023	759,533
2024	0
Thereafter	0

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

**Discretely Presented Williamson County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Williamson County and non-certified employees of the discretely presented Williamson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 51.74 percent and the non-certified employees of the discretely presented school department comprise 48.26 percent of the plan based on contribution data.

## **Certified Employees**

### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Williamson 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 \$1,006,685, which is 1.94 percent of covered payroll. In addition, employer contributions of \$1,042,481, 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 (\$2,191,828) 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 4.832840 percent. The proportion as of June 30, 2017, was 5.082309 percent.

*Pension Expense.* For the year ended June 30, 2019, the school department recognized pension expense of \$748,789.

*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 Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 124,139	\$ 87,302
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	123,810
Changes in Assumptions	103,404	0
Changes in Proportion of Net Pension Liability (Asset)	60,384	52,991
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	1,006,685	N/A
Total	<u>\$ 1,294,612</u>	<u>\$ 264,103</u>

The school department's employer contributions of \$1,006,685, 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 June 30	Amount
2020	\$ (15,778)
2021	(19,707)
2022	(37,354)
2023	(5,002)
2024	11,493
Thereafter	90,172

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability      \$      338,858      \$      (2,191,828)      \$      (4,056,346)

*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 Williamson 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 Williamson County School Department for the year ended June 30, 2019, to the Teacher Legacy Pension Plan were \$12,472,650, 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, 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 (\$12,266,902) 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 3.485989 percent. The proportion measured at June 30, 2017, was 3.534152 percent.

*Pension Expense.* For the year ended June 30, 2019, the school department recognized (negative) pension expense of (\$2,828,550).

*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 Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,479,559	\$ 16,549,021
Changes in Assumptions	7,244,891	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,669,789
Changes in Proportion of Net Pension Liability (Asset)	1,756,979	131,374
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	<u>12,472,650</u>	<u>N/A</u>
Total	<u>\$ 23,954,079</u>	<u>\$ 19,350,184</u>

The school department's employer contributions of \$12,472,650 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 June 30	Amount
2020	\$ 3,211,660
2021	(3,234,554)
2022	(6,678,924)
2023	(1,166,937)
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 Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
			100	%
Total			100	%

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability \$ 94,561,004 \$ (12,266,902) \$ (100,652,110)

*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**

Primary Government

Williamson County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plan.

Discretely Presented Williamson County School Department

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

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year the school department contributed \$2,556,413 to this deferred compensation pension plan.



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

Williamson County and the discretely presented Williamson County School Department provide OPEB benefits to their retirees through a single commercial insurance plan administered by Cigna Insurance Company. For reporting purposes, the plan is considered a single-employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis, and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

*Plan Description.* All full-time employees hired prior to July 1, 2009, and eligible retirees of the primary government and the discretely presented Williamson County School Department are eligible to participate in the health insurance plan accounted for in the Self-Insurance Fund (internal service fund).

Benefits of the plan and premium requirements of plan members are established and amended by an insurance committee established by the county commission. The plan is self-insured and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active or retired employees' premiums.

*Benefits Provided.* The plan provides healthcare and dental insurance benefits to eligible retirees and their dependents. Vision insurance and life insurance are also available through the plan at full cost to the retiree.

An employee hired prior to July 1, 2009, who retires from Williamson County becomes eligible for retiree health coverage upon the earlier of attaining: (1) age 55 with ten continuous years of full-time service and active coverage for one year prior to retirement, or (2) any age with 30 continuous years of full-time service and active coverage for one year prior to retirement. Williamson County pays 80 percent of the costs of benefits. If the retiree is eligible for health and dental insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children that have had active coverage for one year prior to the employee's retirement. Medicare eligible retirees are automatically enrolled on the Medicare Advantage plan chosen by Williamson County.

### **Employees Covered by Benefit Terms**

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

Active Employees Not Fully Eligible to Receive Benefits	1,430
Active Employees Entitled to But Not Yet Receiving Benefits	664
Inactive Employees or Beneficiaries Currently Receiving Benefits	<u>1,134</u>
Total	<u><u>3,228</u></u>

**Total OPEB Liability**

The plan’s total OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

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

Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary
Discount Rate	3.5%
Salary Increase Rate	3.5%
Medical Consumer Price Index Trend	3.0%
Inflation Rate	3.0%
Healthcare Cost Trend Rates	4.5% for dental and administrative fees; 6.0% for Pre 65 medical/Rx and 5.0% for Post Medicare with both rates being reduced by 0.5% each year until reaching the ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	20%
Future Participation Rate	95%
Mortality Rates	RP-2014 generational table using MP-17 and applied on a gender-specific basis

The discount rate was based on the Bond Buyer 20 – Bond GO index.

The actuarial assumptions used for the June 30, 2019, valuation were based on plan data and costs presented by Williamson County with concurrence by the actuary and certain actuarial assumptions from the 2017 Tennessee Consolidated Retirement Plan valuation report.

*Changes in Assumptions.* The discount rate changed from 3.89 percent as of the beginning of the measurement period to 3.5 percent as of the measurement date of June 30, 2019.

Changes in the Total OPEB Liability

	<u>Share of Collective Liability</u>		<u>Total OPEB Liability</u>
	<u>Primary Government</u>	<u>School Department</u>	
Balance July 1, 2018	\$ 66,463,418	\$ 285,570,000	\$ 352,033,418
Changes for the Year:			
Service Cost	\$ 2,831,313	\$ 12,165,050	\$ 14,996,363
Interest	2,657,300	11,417,383	14,074,683
Changes in Assumptions	4,537,265	19,454,904	23,992,169
Benefit Payments	(1,689,104)	(7,257,423)	(8,946,527)
Net Changes	\$ 8,336,774	\$ 35,779,914	\$ 44,116,688
Balance June 30, 2019	\$ 74,800,192	\$ 321,349,914	\$ 396,150,106

During the year, the plan members' proportionate share of the collective OPEB liability was as follows: Primary Government 18.88 percent and school department 81.12 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the plan recognized OPEB expense of \$30,471,685, which was allocated as follows: Primary Government (\$5,753,597) and school department (\$24,718,088). At June 30, 2019, the plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 0	\$ 0
Changes in Assumptions	17,379,343	8,841,379
Benefits Paid After the Measurement Date	0	0
Total	\$ 17,379,343	\$ 8,841,379

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,281,529	\$ 1,669,410
School Department	14,097,814	7,171,969
Total	<u>\$ 17,379,343</u>	<u>\$ 8,841,379</u>

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

Year Ending June 30	Primary Government	School Department
2020	\$ 264,466	\$ 1,136,173
2021	264,466	1,136,173
2022	907,207	3,897,464
2023	175,980	756,035
2024	0	0
Thereafter	0	0

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the proportionate share of the total OPEB liability of the plan members calculated using the discount rate of 3.5 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.5%) or one percentage point higher (4.5%) than the current rate:

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Primary Government	\$ 90,529,600	\$ 74,800,192	\$ 62,734,653
School Department	388,970,400	321,349,914	269,546,347
<b>Total OPEB Liability</b>	<b>\$ 479,500,000</b>	<b>\$ 396,150,106</b>	<b>\$ 332,281,000</b>

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

	1% Decrease 3.5 to 5.0%	Current Trend Rates 4.5 to 6.0%	1% Increase 5.5 to 7.0%
Primary Government	\$ 63,053,158	\$ 74,800,192	\$ 89,751,933
School Department	270,914,842	321,349,914	385,629,067
<b>Total OPEB Liability</b>	<b>\$ 333,968,000</b>	<b>\$ 396,150,106</b>	<b>\$ 475,381,000</b>

**J. Office of Central Accounting, Budgeting, and Purchasing**

Williamson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and the highway superintendent. These funds are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets. Williamson County also operates under provisions of the Williamson County Budget Act, Chapter 56, Private Acts of 2001.

**K. Purchasing Laws**

Offices of County Mayor and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*. Purchasing procedures for the highway department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes require that purchase orders be issued for all purchases and that sealed bids be solicited on purchases exceeding \$25,000 for the Offices of

County Mayor and Highway Superintendent. Additionally, the county commission requires three quotes for purchases over \$10,000.

Office of Director of Schools

Purchasing procedures for the discretely presented Williamson County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids be solicited through newspaper advertisement on all purchases exceeding \$25,000.

**L. Subsequent Events**

On November 15, 2019, Williamson County issued the following debt: General Obligation Public Improvement and School Bonds in the amount of \$75,100,000 for various county projects, the school building program, and to retire a bond anticipation note; and County District School Bonds in the amount of \$49,780,000 to fund various projects in the school building program.

**VI. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT**

**A. Nature of operations**

Organization – Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

The primary mission of the medical center is to provide inpatient and outpatient health care services to citizens of Williamson County and surrounding areas. The medical center also provides ambulance services in Williamson County.

Williamson Medical Center Foundation is a tax-exempt organization, which was established in 2003. The foundation was formed to coordinate the fund-raising and development activities of the medical center, which is the sole

member of the organization. The activities of the foundation are reflected in the operating, nonoperating revenues (expenses) and capital grants and contributions as they relate to the foundation in the accompanying statements of revenues, expenses, and changes in net position. All assets of the foundation, other than unconditional promises to give, are shown as part of assets limited as to use in the accompanying Statement of Net Position. No contributions to the foundation were used for capital purposes, and thus all contributions during 2019 were classified as operating activities.

The medical center follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. As a result, the foundation is included in the accompanying financial statements as a discretely presented component unit of the medical center.

As required by accounting principles generally accepted in the United States of America, these financial statements present both Williamson Medical Center and its discretely presented component unit (collectively referred to as the reporting entity).

Financial statements for the discretely presented individual component unit may be obtained at the following address:

Williamson Medical Center  
4321 Carothers Parkway  
Franklin, TN 37067

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

Basis of Presentation – The medical center utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis, which is an economic resources measurement focus approach to accounting. In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre–November 30, 1989, FASB and AICPA Pronouncements*. GASB Statement No. 62 makes the *GASB Accounting Standards Codification* the sole source of authoritative accounting technical literature for governmental entities in the United States of America. In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*. GASB Statements No. 62 and No. 63 were effective for periods beginning after December 15, 2011.

Cash and Cash Equivalents – The medical center considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of amounts maintained in bank deposits and overnight repurchase agreements, which are insured by the Federal Deposit Insurance Corporation or are otherwise collateralized as required by state statutes.

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost, determined on the first-in, first-out (FIFO) basis, or market (net realizable value).

Assets Limited as to Use – Assets limited as to use include cash and investments designated by the Board of Trustees for future capital improvements and debt repayment, over which the board retains control and may at its discretion use for other purposes; cash and investments from county bond proceeds to be used for capital improvements; and restricted cash and investments from donors through the foundation. Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Property and Equipment – Property and equipment are recorded at cost. The medical center capitalizes purchases that cost a minimum of \$5,000 and have a useful life greater than two years. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements two to 25 years; buildings generally 40 years; fixed equipment five to 20 years; and major movable equipment three to 20 years. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation and amortization expense and accumulated depreciation and amortization, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and minor repairs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Investment in Joint Ventures – Investments in joint ventures are accounted for under the equity method of accounting and the medical center recognizes its proportionate share in the results of the underlying activities of the joint ventures.

Excess Consideration Provided for Acquisition – The medical center evaluates excess consideration provided for acquisition for impairment on an annual basis or more frequently if impairment indicators arise. In the event excess consideration provided for acquisition is considered to be impaired, a charge to earnings would be recorded during the period in which management makes such impairment assessment. The excess consideration provided for acquisition is amortized over 10 years on a straight-line basis in accordance with GASB No. 69, *Governmental Combinations and Disposals of Government Operations*.

Accrual for Compensated Absences – The medical center recognizes an expense and accrues a liability for compensated future employee absences in the period in which employees' rights to such compensated absences are earned. Compensated absences consist of paid days off, including holiday, vacation, and sick days to qualifying employees.



Patient Service Revenue – The medical center has agreements with third-party payors that provide for payments to the medical center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per-diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Risk Management – The medical center is exposed to various risks of loss from medical malpractice; torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. Commercial insurance is purchased for claims arising from such matters. The medical center is self-insured for employee medical and other health care benefit claims and judgments as discussed Note VI.O.

Income Taxes – The medical center and its blended component unit are classified as an organization exempt from federal income taxes as it is a political subdivision of Williamson County. The foundation is classified as an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Net Position – The medical center’s net position is classified in three components. The *net investment in capital assets* consist of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the purchase or construction of those assets. The *restricted net position* is the noncapital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the medical center, including amounts related to county contributions and bond indebtedness restricted for specific purposes. The *unrestricted net position* is the remaining net position that does not meet the definition of net investment in capital assets or restricted. The medical center first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. As of June 30, 2019, the medical center did not have a permanently or temporarily restricted net position.

Operating Revenues and Expenses – The medical center’s statement of revenues, expenses, and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, the medical center’s principal activity. Nonexchange revenues, including grants and contributions received by the medical center for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

Charity Care – The medical center accepts all patients, regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the medical center. In assessing a patient’s inability to pay, the medical center utilizes generally recognized poverty income levels. Because the medical center does not pursue collection of amounts determined to qualify as charity care, charges related to charity care are not included in net patient service revenue. These costs are estimated based on the ratio of total costs to gross charges. In addition to these charity care services, the medical center provides a number of other services to benefit underprivileged patients for which little or no payment is received, including providing services to TennCare and state indigent patients and providing various public health education, health evaluation, and screening programs.

Contributed Resources – The medical center receives grants from the county, as well as from individuals and private organizations through the foundation. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts received by the medical center that are unrestricted or that are restricted for specific operating purposes are reported as nonoperating income (expenses). Amounts received by the foundation that are unrestricted or that are restricted for specific operating purposes are reported as operating revenues. Amounts restricted to capital acquisitions are reported as other increases in net position.

Adoption of New Accounting Pronouncement - In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective clauses. This accounting standard is effective for financial statements for fiscal years beginning after June 15, 2018. The medical center adopted this standard at the beginning of fiscal year 2019. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Performance Indicator – Excess of revenues over expenses reflected in the accompanying statement of revenues, expenses, and changes in net position is a performance indicator.

Events Occurring After Reporting Date – The medical center has evaluated events and transactions subsequent to the date the financial statements were available to be issued for possible recognition or disclosure in the financial statements.

**C. Fair Value Measurements**

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2), and the reporting entity's own assumptions about market participant assumptions (Level 3). The medical center does not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2019. All of the medical center's investments are classified as Level 1 under the hierarchy above.

Financial Assets – The carrying amount of financial assets, consisting of cash, accounts receivable, accounts payable, accrued expenses, and current portions of long-term debt and capital lease obligations approximate their fair value due to their relatively short maturities. Long-term debt and capital lease obligations are carried at amortized cost, which approximates fair value.

Non-financial Assets – The medical center's non-financial assets, which include property and equipment, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required, and the medical center is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at the fair value. During the year ended June 30, 2019, there were no triggering events that prompted an asset impairment test of the medical center's non-financial assets. Accordingly, the medical center did not measure any non-recurring, non-financial assets or recognize any amounts in earnings related to changes in fair value for non-financial assets for the year ended June 30, 2019.

**D. Net Patient Service Revenue**

A significant portion of the amount of services provided by the medical center is to patients whose bills are paid by third-party payors such as Medicare, TennCare, and private insurance carriers.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net position is as follows:

Gross Patient Service Charges	\$ 774,955,077
Less:	
Medicare Contractual Adjustments	(240,587,212)
TennCare Contractual Adjustments	(34,455,478)
Other Contractual Adjustments	(246,116,039)
Bad Debt	(16,216,369)
Charity Care	<u>(483,167)</u>
Net Patient Service Revenue	<u><u>\$ 237,096,812</u></u>

Net patient accounts receivable consists of the following:

Commercial and Managed Care Plans	\$ 17,230,050
Medicare	6,238,549
TennCare	877,588
Patients, Including Self-Insured	15,065,715
Less: Allowance for Uncollectible Accounts	<u>(11,173,944)</u>
Total	<u><u>\$ 28,237,958</u></u>

**E. Third-party Reimbursement Programs**

The medical center renders services to patients under contractual arrangements with the Medicare and Medicaid programs. Effective January 1, 1994, the Medicaid program in Tennessee was replaced with TennCare, a managed-care program designed to cover previous Medicaid-eligible enrollees, as well as other previously uninsured and uninsurable participants.

Amounts earned under these contractual arrangements are subject to review and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. Activity with respect to audits and reviews of governmental programs and reimbursement has increased and is expected to increase in the future. No additional reserves or allowances have been established with regard to these increased audits and reviews as management is not able to estimate such amounts. In the opinion of management, any adjustments, which may result from such audits and reviews, will not have a material impact on the financial statements; however, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in the future. In addition, participation in these programs subjects the medical center to significant rules and regulations; failure to adhere to such could result in fines, penalties, or expulsion from the programs.

The Medicare program pays for inpatient services on a prospective basis. Payments are based upon diagnostic-related group assignments, which are determined by the patient's clinical diagnosis and medical procedures utilized.

The Medicare program reimburses for outpatient services under a prospective method utilizing an ambulatory payment classification system, which classifies outpatient services based upon medical procedures and diagnosis codes.

The medical center contracts with various managed care organizations under the TennCare program. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts.

Net patient service revenue related to Medicare and TennCare was approximately \$72,546,000 and \$4,821,000, respectively, in 2019.

The medical center has also entered into reimbursement agreements with certain commercial insurance companies, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, per-diem rates, case rates, and discounts from established charges.

The American Recovery and Reinvestment Act of 2009 (ARRA) established incentive payments under the Medicare and Medicaid programs for hospitals that implemented "meaningful use" certified electronic health record (EHR) technology. In order to receive incentive payments, a hospital that is able to meet the meaningful use criteria must attest that during the EHR reporting period, the hospital used certified EHR technology and specify the technology used, satisfied the required meaningful use objectives and associated measures for the applicable stage, and must also specify the EHR reporting period and provide the result of each applicable measure for all patients admitted to the inpatient or emergency department of the hospital during the EHR reporting period for which a selected measure is applicable. A hospital may receive an incentive payment for up to four years, provided it successfully demonstrates meaningful use of certified EHR technology for the EHR reporting period. Hospitals that adopt a certified EHR system and are meaningful users can begin receiving incentive payments in any federal fiscal year from 2011 (October 1, 2010 – September 30, 2011) to 2015; however, the incentive payments will decrease for hospitals that first start receiving payments in federal fiscal year 2014 or 2015.

**F. Assets Limited as to Use**

Assets limited as to use consist of the following:

By Board for Capital Improvements:	\$ 35,682,537
By Board for Bond Principal and Interest Payments:	
Cash	3,309,063
By Donors:	
Cash and Cash Equivalents	1,011,773
Investments	<u>2,553,023</u>
 Total Assets Limited as to Use	 <u>\$ 42,556,396</u>

Balances consist of cash and mutual funds and an investment in real estate at June 30, 2019. The mutual funds are held by the foundation, which is a discretely presented component unit of the medical center and a 501(c)(3) organization. Amounts are classified as noncurrent assets to the extent they are not expected to be used to satisfy current obligations.

Amounts classified as current assets will be used to make bond principal and interest payments. All assets limited as to use relating to the primary enterprise at June 30, 2019, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool. See Note VI.O. for additional information related to the medical center's risks with respect to its investments.

## G. Property and Equipment

The major classifications and changes in property and equipment, as of and for the year ended June 30, 2019, are as follows:

	Balance 7-1-18	Additions	Retirements	Balance 6-30-19
Land	\$ 13,599,755	\$ 0	\$ 0	\$ 13,599,755
Land Improvements	2,442,942	0	0	2,442,942
Building and Improvements	202,111,882	52,392,771	0	254,504,653
Equipment	113,082,252	9,523,484	0	122,605,736
Equipment Under Capital Leases	15,238,516	0	0	15,238,516
Subtotal	<u>\$ 346,475,347</u>	<u>\$ 61,916,255</u>	<u>\$ 0</u>	<u>\$ 408,391,602</u>
Less: Accumulated Depreciation and Amortization	(177,180,780)	(12,654,645)	0	(189,835,425)
Add: Construction in Progress	16,245,844	45,684,236	(58,738,445)	3,191,635
 Total	 <u>\$ 185,540,411</u>	 <u>\$ 94,945,846</u>	 <u>\$ (58,738,445)</u>	 <u>\$ 221,747,812</u>

The construction in progress at June 30, 2019, consists primarily of various projects related to road work construction surrounding the hospital, department expansions, and various renovations. Estimated costs to complete these projects amount to approximately \$2,500,000 at June 30, 2019.

## H. Investments in Joint Ventures

The medical center has an investment in Shared Hospital Services, Inc. (S.H.S.), which provides laundry and linen services. This investment is in a joint venture in which the medical center owns approximately seven percent at June 30, 2019. Equity earnings are distributed based upon tons of laundry processed by S.H.S.

The medical center paid S.H.S. approximately \$593,000 for laundry services for 2019.

The medical center has a 49 percent ownership interest in Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC (VHWMCCS). VHWMCCS owns and operates two primary care, walk-in clinics located in Williamson County, Tennessee.

The medical center has a 20 percent ownership interest in Williamson Imaging, LLC, doing business as Cool Springs Imaging, LLC.

Summary information for the joint ventures as of June 30, 2019, and for the year then ended, is as follows:

Total Assets	<u>\$ 28,179,000</u>
Total Liabilities	<u>\$ 6,942,000</u>
Net Revenues	<u>\$ 41,596,000</u>
Net Earnings	<u>\$ 6,106,000</u>

Medical Center's Interest:

Investment in Joint Ventures	<u>\$ 15,841,284</u>
Equity in Earnings of Joint Ventures	<u>\$ 1,236,043</u>

Financial statements for the joint ventures can be obtained from their respective administrative offices at the following addresses:

Shared Hospital Services, Inc.  
641 Mainstream Drive  
Nashville, TN 37228

Vanderbilt Health and Williamson  
Medical Center Clinics and Services, LLC  
512 Autumn Springs Court, Suite C  
Franklin, TN 37067

Cool Springs Imaging, LLC  
2000 Richard Jones Rd  
Century Plaza, Suite 720  
Nashville, TN 37215

**I. Williamson County Ambulance Service**

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to the medical center of \$1,943,624 in 2019, which is included in nonoperating income in the accompanying statements of revenues, expenses, and changes in net position. For the year ended June 30, 2019, the medical center received an additional \$760,021 from the county in order to reimburse the medical center for the purchase of ambulances. This amount is included within nonoperating income in the accompanying statements of revenues, expenses, and changes in net position. The agreement also provides for the medical center to return all related assets (as defined) of the Ambulance Service to the county at the end of the contract period. The net book value of assets related to the Ambulance Service was \$1,694,486 at June 30, 2019.

**J. Long-term Debt**

A schedule of changes in the medical center's long-term debt is as follows:



	Balance			Balance	Amounts
	7-1-18	Additions	Reductions	6-30-19	Due Within
					One Year
General Obligation Refunding Bonds Series 2012A	\$ 13,265,000	\$ 0	\$ (1,845,000)	\$ 11,420,000	\$ 1,915,000
3.005% Note Payable to Bank	3,526,071	0	(373,290)	3,152,781	3,152,781
2.90% Note Payable to Bank	3,128,959	0	(248,343)	2,880,616	2,880,616
4.5% Note Payable to Bank	138,785	0	(138,785)	0	0
General obligation School and Public Improvement Bonds, Series 2013	24,025,000	0	(1,055,000)	22,970,000	1,110,000
Premium on Series 2013 Bonds	1,707,727	0	(109,587)	1,598,140	109,587
2.2% Note payable to bank	1,681,115	0	(246,022)	1,435,093	257,567
2.4% Note payable to bank	4,705,236	0	(4,705,236)	0	0
2.2% Note payable to bank (2016)	2,713,687	0	(176,807)	2,536,880	189,456
Revolving Line of Credit Loan	0	10,000,000	0	10,000,000	10,000,000
2.2% Note payable to bank	0	18,175,635	0	18,175,635	878,505
General Obligation Public Improvement and School Bonds, Series 2018	0	41,795,000	0	41,795,000	1,290,000
Premium on Series 2018 Bonds	0	3,205,000	(104,656)	3,100,344	156,984
<b>Total</b>	<b>\$ 54,891,580</b>	<b>\$ 73,175,635</b>	<b>\$ (9,002,726)</b>	<b>\$ 119,064,489</b>	<b>\$ 21,940,496</b>

In June 2012, the county issued \$17,780,000 in General Obligation Refunding Bonds, Series 2012A. The Series 2012A Bonds bear interest at rates ranging from two to four percent and are due through May 1, 2025. The trust indentures related to the Bonds contain certain covenants and restrictions, involving the issuance of additional debt and income available for debt service.

In November 2013, the county issued \$30,000,000 in General Obligation School and Public Improvement Bonds, Series 2013 for the purpose of funding the Vanderbilt Pediatrics Clinic expansion project pursuant to a resolution of the county commission. The bonds were issued at a premium resulting in future principal payments of \$27,790,000. The bond premium totaling \$2,210,000 is amortized as a reduction to interest expense over the term of the bonds. The Series 2013 Bonds bear interest at rates ranging from three percent to five percent and are due through May 1, 2034.

In October 2018, the county issued \$45,000,000 in General Obligation Public Improvement and School Bonds, Series 2018. The bonds were issued at a premium resulting in future principal payments of \$41,795,000. The bond premium in the amount of \$3,205,000 is amortized as a reduction to interest

expense over the term of the bonds. The Series 2018 Bonds bear interest at rates ranging from 3.75 percent to five percent and are due through April 1, 2039.

The bonds discussed above provide for certain events of default to include failure to pay obligations, failure to observe and perform covenants, making false representations or defaulting under other loan agreements. In the event of default, all amounts due under the loans may become immediately due and payable. The full faith and credit of Williamson County, Tennessee, is irrevocably pledged to pay principal, redemption premiums, if any, and interest on all bonds. The bonds are secured by a pledge of the net revenues to be derived from the operation of the medical center. The bond agreements also contain provisions allowing ad valorem taxes to be levied and collected by Williamson County, Tennessee, on all taxable property within Williamson County should funds from the medical center be insufficient to pay amounts due under the loans.

The medical center also issues notes payable to finance certain property and equipment additions. The 3.005 percent note payable to bank represents amounts drawn under a \$7.5 million construction loan, which converted to a term loan on December 1, 2008, and was amended again in November 2016 to extend monthly principal and interest payments of \$39,628 through November 2019. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The 2.9 percent note payable to bank was amended in April 2017 and is payable in monthly amounts of principal and interest of \$28,062 through March 2020 with all outstanding principal and interest payments due in April 2020 and is secured by certain accounts receivable of the medical center. The amendment also increased the interest rate from 2.7 percent to 2.9 percent. The 2.46 percent note payable to bank secured by certain personal property of the medical center and the 1.44 percent note payable to bank secured by accounts receivable were refinanced in June 2016 with the 2.4 percent note payable. The 2.4 percent note payable to bank is payable in monthly principal and interest payments of \$135,595 based on a 5-year amortization and was set to mature in June 2019. The 2.4 percent note payable was refinanced in June 2019 with the 3.2 percent note payable. The 3.2 percent note payable to bank is payable in monthly principal and interest payments of \$127,273 based on a 15-year amortization and matures in July 2022. The 3.2 percent note payable to bank contains a provision that in an event of default, outstanding amounts become immediately due if the Medical Center is unable to make payment. The 4.5 percent note payable to the bank was payable in monthly amounts of principal and interest of \$20,390 through February 2019 and is secured by the medical center's deposit accounts and security interest in accounts receivable, excluding Medicare payments. The 2.2 percent note payable to bank is payable in monthly principal and interest payments of \$23,902 based on a 20-year amortization, and matures on October 9, 2020. In November 2017, the interest rate was adjusted to an annual rate equal to 1.3 basis points in excess of the weekly average yield on United States Treasury securities adjusted to a constant maturity of three years. The interest rate will never exceed 3 percent and all outstanding principal and interest is

due on October 9, 2020. The loan is secured by the encumbering property. The 2.2 percent note payable to bank (2016) is payable in monthly principal and interest of \$20,236 through April 2031 and is secured by the encumbering property.

In March 2018, the medical center entered into a revolving line of credit loan with a bank in the amount of \$10,000,000. The revolving loan bears interest at a variable rate of prime rate as stated in the Wall Street Journal minus 1.2 percent. There were no borrowings made on the revolving loan during 2018. In March 2019, the medical center borrowed the entire \$10,000,000 on the revolving loan. There were no unused lines of credit as of June 30, 2019. The entire unpaid principal balance and all accrued interest was paid by the medical center on July 1, 2019.

The debt service requirements at June 30, 2019, related to long-term debt are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2020	\$ 21,940,496	\$ 3,621,000
2021	7,130,594	3,318,000
2022	6,214,454	3,070,000
2023	20,712,253	2,384,000
2024	5,568,064	2,156,000
2025-2029	20,630,834	8,219,000
2030-2034	22,052,170	4,099,000
2035-2039	14,815,624	950,000
Total	<u>\$ 119,064,489</u>	<u>\$ 27,817,000</u>

The medical center did not capitalize any interest relating to construction projects in 2019.

Further detail of future maturities and interest of long-term debt by issue is as follows:

Year Ending June 30	County Bonds		
	Principal	Interest	Total
2020	\$ 4,581,571	\$ 2,901,000	\$ 7,482,571
2021	4,771,571	2,723,000	7,494,571
2022	4,996,571	2,518,000	7,514,571
2023	5,221,571	2,302,000	7,523,571
2024	5,361,571	2,120,000	7,481,571
2025-2029	19,082,835	8,162,000	27,244,835
2030-2034	22,052,170	4,099,000	26,151,170
2035-2039	14,815,626	951,000	15,766,626
Total	\$ 80,883,486	\$ 25,776,000	\$ 106,659,486

Year Ending June 30	Notes to Banks		
	Principal	Interest	Total
2020	\$ 17,358,925	\$ 720,000	\$ 18,078,925
2021	2,359,023	595,000	2,954,023
2022	1,217,883	552,000	1,769,883
2023	15,490,682	82,000	15,572,682
2024	206,493	36,000	242,493
2025-2026	1,547,997	56,000	1,603,997
Total	\$ 38,181,003	\$ 2,041,000	\$ 40,222,003

#### **K. Other Receivables**

Other current and long-term receivables at June 30, 2019, include receivables from certain physicians and donors and miscellaneous non-patient receivables. Receivables from certain physicians, which were made as part of the medical center's recruitment program to attract physicians to the medical center's service area totaled \$249,644 at June 30, 2019. Under terms of the related agreements, such receivables will be forgiven over a period of time, generally over three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments. Contributions receivable totaled \$757,244 at June 30, 2019. The foundation solicits pledges of support from board members and others for contributions to be used for specific purposes. The pledges are discounted when recorded to reflect the present value of expected future collections due after one year.

Contributions receivable are reported as restricted net assets in the accompanying financial statements and are scheduled to be received as follows:

	<u>2019</u>
Receivables in Less than a Year	\$ 958,000
Receivables in One to Five Years	<u>180,000</u>
	\$ 1,138,000
Less Allowance for Uncollectible Pledges	(222,000)
Less Discounts	<u>(158,756)</u>
Total	<u>\$ 757,244</u>

**L. Employees Retirement Plan**

Tax sheltered annuity program

The medical center participates in a tax-sheltered annuity program for substantially all of its employees who have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. The Plan is a defined contribution plan and is administered by Tanner & Associates, Inc. Benefits expense includes approximately \$2,569,000 in 2019 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. The medical center's contribution percentage is seven percent of covered wages for physicians and ten percent of covered wages for executives as of June 30, 2019. The medical center also matches executives up to two percent of compensation, administrative and non-physician department heads up to nine percent of compensation and all other employee contributions up to five percent of compensation. Employees may make voluntary contributions so long as the total amount contributed by the employee does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. Employees are always 100 percent vested in their contributions. Physicians, certain members of management, and employees hired prior to January 1, 2018, are 100 percent vested in employer matching contributions. Employees hired after January 1, 2018, are 100 percent vested after three years of service. Forfeitures related to the nonvested portion of employer contributions are used to pay Plan expenses and reduce employer contributions. The Board of Trustees of the medical center have the authority to amend the terms of the plan at any time. The plan's investments at June 30, 2019, consist of various mutual fund and fixed income investments.

Deferred compensation plan

Effective September 1, 2016, the medical center implemented a physician call pay plan. The medical center made contributions to the plan of approximately \$935,000 during 2019. The plan had assets of approximately \$1,628,000 and a liability of approximately \$1,667,000 at June 30, 2019. The assets are included in other assets and the liability is included in other long-term liabilities on the accompanying statements of net position.

Defined contribution plans

The medical center has two defined contribution plans including the Bone and Joint Institute of Tennessee 403(b) Plan and the Bone and Joint Institute of Tennessee 457 Plan which were each effective May 1, 2018. The 403(b) Plan and the 457 Plan are administered by the American United Life Insurance Company. Contributions are made to employees who meet the eligibility requirements. Prior to January 1, 2019, certain employees who worked more than 20 hours per week were eligible for the 403(b) Plan and immediately vested in all contributions. Effective January 1, 2019, the 403(b) Plan was restated and amended as a safe harbor plan, requiring an employee entering the plan after December 31, 2018 to be at least 21 years of age and have obtained 1,000 hours of service to receive the safe harbor and discretionary matching contributions. Participants are 100 percent vested in safe harbor matching contributions and become 100 percent vested after three years in discretionary matching contributions. Certain highly compensated employees are eligible to contribute to the 457 Plan and are immediately vested in all contributions. The 403(b) Plan includes an employer match up to five percent of eligible compensation. Employee benefits expense, as presented on the accompanying statements of revenue, expenses and changes in net position, includes approximately \$560,000 relating to the medical center's expense for the 403(b) Plan and the 457 Plan for 2019. Forfeitures related to the nonvested portion of employer contributions are used to pay Plan expenses and reduce employer contributions. The Board of Trustees of the medical center have the authority to amend the terms of the Plan at any time. The plan's investments consist of various mutual fund and fixed income investments.

**M. Functional Expenses**

The following is a summary of management's functional classification of operating expenses:

Healthcare Services	\$ 123,648,242
General and Administrative	<u>125,307,845</u>
Total	<u>\$ 248,956,087</u>

**N. Leases**

The medical center leases equipment and office space under operating lease agreements. Future minimum lease payments under noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2019, are as follows:

Year Ending June 30	Operating Leases
2020	\$ 2,288,000
2021	2,046,000
2022	1,843,000
2023	<u>1,442,000</u>
Total Future Minimum Lease Payments	<u>\$ 7,619,000</u>

Lease expense for the year ended June 30, 2019, was \$2,449,306.

The medical center generates rental income primarily from operating leases of two medical office buildings. Rental revenue was \$1,498,189 in 2019 and is included in other revenue.

Approximate future minimum rental revenue under noncancellable leases at June 30, 2019, was as follows:

Year Ending June 30	Amount
2020	\$ 1,731,000
2021	1,635,000
2022	1,026,000
2023	363,000
2024	1,072,000
2025 and later years	<u>1,078,000</u>
Total	<u>\$ 6,905,000</u>

Future minimum rental payments generally include minor annual increases for inflation.

## **O. Commitments and Contingencies**

Medical malpractice liability is limited under provisions of the Tennessee Governmental Tort Liability Act (Section 29-20-403, et seq., *Tennessee Code Annotated*), which removed tort liability from governmental entities which, in the opinion of management and legal counsel, includes the medical center. In addition to requiring claims to be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a provision requiring the governmental entity to purchase insurance or to be self-insured within certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act (\$300,000 for bodily injury or death of any one person and \$700,000 in the aggregate for all

persons in any one accident, occurrence, or act) or the amount of insurance purchased by the governmental entity.

The medical center maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1 million per claim and \$3 million in the aggregate annually with a deductible of \$100,000 per claim. In addition, the medical center maintains an annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past five fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2019, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The health care 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 health care program participation requirements, reimbursement for patient services, Medicare fraud and abuse, and, most recently under the provisions of the Health Insurance Portability and Accountability Act of 1996, matters related to 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 health care providers. Violations of these laws and regulations could result in expulsion from government health care 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.

The medical center is self-insured for medical and other health care benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of \$100,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Expenses under this program totaled approximately \$10,767,000 for the year ended June 30, 2019.

The medical center is exposed to risks related to its cash and investments, a portion of which is included in assets limited as to use, although certain risks such as credit risk are mitigated due to the medical center's practice of



maintaining investments primarily in cash and cash equivalents. The medical center's investment policy includes certificates of deposit, bank demand and savings accounts, and investment vehicles of the United States government. The medical center is subject to investment rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment; however, the medical center's cash and investments are short-term in nature. The medical center's investment policy does not specifically address custodial credit risk, the risk that in the event of failure of a counterparty to a transaction, the medical center will not be able to recover the value of the investment or any collateral securities that are in the possession of an outside party, or concentration of credit risk, the risk that the amount of investments the medical center has with any one issuer exceeds five percent of its total investment. State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the values of the uninsured deposits. The deposits must be covered by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the medical center's agent in the medical center's name, or by the Federal Reserve Banks acting as third party agents. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. Substantially all of the medical center's cash and assets limited as to use are held in institutions, which participate in the Tennessee Bank collateral pool.

Management continues to implement policies, procedures, and compliance overview of organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 and other government statutes and regulations. The medical center's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions, which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services (CMS) have implemented a Recovery Audit Contractors (RAC) program. The purpose of the program is to reduce improper Medicare payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits, and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare billings are proper and adequate support is maintained, certain aspects of Medicare billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors. The medical center has not recorded any potential losses as of June 30, 2019; however, the amount of actual losses incurred could differ materially from this estimate.

In March 2010, the Patient Protection and Affordable Care Act was signed into law, along with the Health Care and Education Reconciliation Act of 2010 (collectively, the "Affordable Care Act"). The passage of the Affordable Care Act has resulted in comprehensive reform of legislation that is expected to expand health care coverage to millions of currently uninsured people beginning in 2014 and provide for significant changes to the U.S. health care system over

the next ten years. To help fund this expansion, the Affordable Care Act outlines certain reductions in Medicare reimbursements for various health care providers, as well as certain other changes in Medicare payment methodologies. This comprehensive health care legislation provides for extensive future rulemaking by regulatory authorities, and also may be altered or amended.

Due to the complexity of the Affordable Care Act, lack of current implementation regulations and interpretive guidance, and response by CMS and other participants in the health care industry to the choices available under the law, it is difficult for the medical center to predict the full impact of the law on the medical center's operations. Additionally, pending legislative proposals, which may be adopted, may affect the medical center. The provisions of the legislation and other regulations implementing the provisions of the Affordable Care Act may materially impact the medical center through increased costs, decreased revenues, and additional exposure to potential liability.

## **VII. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

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

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for its county, the Williamson County Emergency Communications District (the “district”). As provided by the Act, the district operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 911 emergency telephone service for its service area. The Williamson County Commission at its February 14, 2005, meeting added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit – The district is a component unit of the primary government of Williamson County, Tennessee. The district reports its financial information separately from Williamson County; however, the county in its financial report also presents the district's financial information.

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson County Mayor and approved by the Williamson County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit

according to the directives of Governmental Accounting Standards Board (GASB).

GASB specifies that component units must be legally separate organizations, which have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Section 7-86-114, *Tennessee Code Annotated (TCA)*, before issuing negotiable bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and financially accountable to the primary government of Williamson County as the county commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County.

At June 30, 2019, there were no related party receivables and \$379,094 was due to Williamson County. The district did not engage in any activities that were subject to the approval of Williamson County.

Basis of Presentation – The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Williamson County, the accounts of the district are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the district's assets, liabilities, net position, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The district does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the district functions in a manner similar to a private business enterprise and utilizes the accrual method of accounting. Income is recognized as it is earned, and expenses are recognized as they are incurred, whether or not cash is received or paid out at that time.

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for capital projects, and unrestricted components. As of June 30, 2019, the district had no debt that related to the aforementioned categories.

When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2019, there were no certificates of deposit that qualified as cash equivalents.

Budgetary Law and Practice – The treasurer of the district files an annual budget with the mayor of Williamson County in accordance with *TCA*, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents a preliminary budget to the board of directors, which is then discussed and amended as necessary for approval by the board.

The budget for operations is prepared on the modified-cash receipts and disbursements basis by line-item accounts. Revenues are budgeted in the year receipt is expected, and disbursements are budgeted in the year that the disbursement is expected to occur.

Equipment – Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The district defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Maintenance and repairs are charged to operations when incurred. Major renewals and betterments are capitalized. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included as nonoperating revenue or loss. At June 30, 2019, the district did not own any equipment that met the threshold for capitalization.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Use of Facilities – The district conducts its operations in the Williamson County government’s office building at no cost to the district. The measurement of the contribution from Williamson County is not considered material for disclosure as in-kind support and as an expense in the accompanying statements of revenue, expenses, and changes in net position.

Operating Revenues and Expenses – The district’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

Reclassifications – Certain reclassifications have been made to the prior year financial statements in order to conform to the current year presentation.

**B. Cash and Certificates of Deposit Investments**

State statutes authorize the district to make investments in bonds, notes, or treasury bills of the United States, Federal Land Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks for cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2019, the board of directors chose to limit the investment of funds to certificates of deposits at banks. Cash reserves for operations were held in bank checking and savings accounts.

Cash – At June 30, 2019, the carrying amount of cash deposits and cash on hand was \$1,765,496, and the bank balance was \$1,765,496 as listed below. The district follows state statutes requiring all deposits with financial institutions to be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. The Tennessee Bank Collateral pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss. At June 30, 2019, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool.

	Interest Rate	June 30, 2019	
		Carrying Amount	Bank Balance
<b>Cash Accounts</b>			
Franklin Synergy Bank Checking	1.01%	\$ 1,675,151	\$ 1,675,151
Franklin Synergy Bank Money Market	1.24	90,345	90,345
Total		<u>\$ 1,765,496</u>	<u>\$ 1,765,496</u>

Certificates of Deposit – At June 30, 2019, the district held the following certificates of deposit:

Bank	Maturity	Interest	Amount
Franklin Synergy Bank	12-09-19	2.80 %	\$ 250,000
Franklin Synergy Bank	12-09-19	2.80	250,000
Franklin Synergy Bank	12-09-19	2.80	250,000
Franklin Synergy Bank	10-03-19	2.78	250,000
Total			<u>\$ 1,000,000</u>

The certificates of deposit are insured by the Federal Deposit Insurance Corporation or the Tennessee Bank Collateral Pool and are shown at their fair value.

**C. Capital Assets**

Capital assets are summarized as follows:

	Balance 7-1-18	Additions	Deductions	Balance 6-30-19
Capital Assets, being Depreciated-				
Communications Equipment	\$ 10,124	\$ 0	\$ (10,124)	\$ 0
Less: Accumulated Depreciation	(10,124)	0	10,124	0
Total Capital Assets, net	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**D. Risk Management**

The district 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 district is covered under insurance policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**E. Related-party Transactions**

Williamson County provides dispatch employees and certain services to the district. The district and the county signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly and are included in the Statement of Revenues, Expenses, and Changes in Net Position as contracts with government agencies. Amounts paid and accrued to the county during the fiscal year ending June 30, 2019 are summarized below:

	Due to County 6-30-18	Expense	Paid	Due to County 6-30-19
Contract with government agencies				
Salaries and benefits		\$ 2,235,218	\$ 1,899,781	\$ 335,437
Technology equipment		55,366	55,366	0
Total contracts with government agencies		2,290,584	1,955,147	335,437
Training		43,657	0	43,657
Maintenance agreement	\$ 45,696	22,848	68,544	0
Total	\$ 45,696	\$ 2,357,089	\$ 2,023,691	\$ 379,094

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Williamson 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	\$ 5,487,696	\$ 5,559,981	\$ 5,936,041	\$ 6,321,989	\$ 7,093,680
Interest	11,100,084	11,780,321	12,788,888	14,019,186	15,099,796
Differences Between Actual and Expected Experience	(2,507,952)	1,360,207	3,316,248	1,665,523	200,752
Change of Assumptions	0	0	0	5,224,383	0
Benefit Payments, Including Refunds of Employee Contributions	(4,683,009)	(5,481,560)	(5,776,480)	(6,269,802)	(7,034,609)
Net Change in Total Pension Liability	\$ 9,396,819	\$ 13,218,949	\$ 16,264,697	\$ 20,961,279	\$ 15,359,619
Total Pension Liability, Beginning	144,854,932	154,251,751	167,470,700	183,735,397	204,696,676
Total Pension Liability, Ending (a)	\$ 154,251,751	\$ 167,470,700	\$ 183,735,397	\$ 204,696,676	\$ 220,056,295
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 5,483,272	\$ 4,679,182	\$ 5,081,850	\$ 3,266,805	\$ 3,490,036
Contributions - Employee	3,303,197	3,394,129	3,688,472	4,030,237	4,292,661
Net Investment Income	23,546,181	5,187,493	4,675,744	20,712,058	16,944,923
Benefit Payments, Including Refunds of Employee Contributions	(4,683,009)	(5,481,560)	(5,776,480)	(6,269,802)	(7,034,609)
Administrative Expense	(84,247)	(113,559)	(175,266)	(214,469)	(243,246)
Other	0	0	46,600	12,856	0
Net Change in Plan Fiduciary Net Position	\$ 27,565,394	\$ 7,665,685	\$ 7,540,920	\$ 21,537,685	\$ 17,449,765
Plan Fiduciary Net Position, Beginning	139,579,121	167,144,515	174,810,200	182,351,120	203,888,805
Plan Fiduciary Net Position, Ending (b)	\$ 167,144,515	\$ 174,810,200	\$ 182,351,120	\$ 203,888,805	\$ 221,338,570
Net Pension Liability (Asset), Ending (a - b)	\$ (12,892,764)	\$ (7,339,500)	\$ 1,384,277	\$ 807,871	\$ (1,282,275)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	108.36%	104.38%	99.25%	99.61%	100.58%
Covered Payroll	\$ 66,063,529	\$ 67,487,335	\$ 73,441,452	\$ 80,666,395	\$ 85,750,185
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(19.52)%	(10.88)%	1.88%	1.00%	(1.50)%

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

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

Exhibit F-2

Williamson 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	\$ 5,483,272	\$ 4,679,182	\$ 5,081,850	\$ 3,266,805	\$ 3,490,036	\$ 4,544,295
Less Contributions in Relation to the Actuarially Determined Contribution	(5,483,272)	(4,679,182)	(5,081,850)	(3,266,805)	(3,490,036)	(4,544,295)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 66,063,529	\$ 67,487,335	\$ 73,441,452	\$ 80,666,395	\$ 85,750,185	\$ 93,696,600
Contributions as a Percentage of Covered Payroll	8.30%	6.93%	6.92%	4.05%	4.07%	4.85%

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

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

Exhibit F-3

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

	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 358,890	\$ 820,704	\$ 1,334,286	\$ 688,716	\$ 1,006,685
Less Contributions in Relation to the Contractually Required Contribution	(358,890)	(820,704)	(1,334,286)	(1,689,328)	(1,006,685)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (1,000,612)	\$ 0
Covered Payroll	\$ 8,972,207	\$ 20,517,553	\$ 33,087,857	\$ 42,233,270	\$ 50,654,268
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.03%	4.00%	1.94%

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

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 11,316,956	\$ 11,506,530	\$ 11,461,882	\$ 11,293,719	\$ 11,083,774	\$ 12,472,650
Less Contributions in Relation to the Contractually Required Contribution	(11,316,956)	(11,506,530)	(11,461,882)	(11,293,719)	(11,083,774)	(12,472,650)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 127,443,200	\$ 127,284,800	\$ 126,790,914	\$ 125,002,293	\$ 122,067,884	\$ 119,245,600
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.03%	9.08%	10.46%

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

Exhibit F-5

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

	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability (Asset)	4.229148%	4.663044%	5.082309%	4.832840%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (173,723)	\$ (485,438)	\$ (1,340,890)	\$ (2,191,828)
Covered Payroll	\$ 8,972,207	\$ 20,517,553	\$ 33,087,857	\$ 42,233,270
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.05)%	(5.19)%
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

Williamson County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Williamson 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)	3.246967%	3.400148%	3.512405%	3.534152%	3.485989%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (527,617)	\$ 1,392,817	\$ 21,950,582	\$ (1,156,317)	\$ (12,266,902)
Covered Payroll	\$ 127,443,200	\$ 127,284,800	\$ 126,790,914	\$ 125,002,293	\$ 122,067,884
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%
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

Williamson County, Tennessee

Schedule of Changes in the Total OPEB Liability and Related Ratios - Single-Employer Defined Benefit Plan

Primary Government and the Discretely Presented Williamson County School Department

For the Fiscal Year Ended June 30

	2018	2019
<b>Total OPEB Liability</b>		
Service Cost	\$ 14,362,107	\$ 14,996,363
Interest	14,000,959	14,074,683
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	0
Changes in Assumptions or Other Inputs	(18,135,371)	23,992,169
Benefit Payments	(7,508,000)	(8,946,527)
Net Change in Total OPEB Liability	\$ 2,719,695	\$ 44,116,688
Total OPEB Liability, Beginning	349,313,723	352,033,418
Total OPEB Liability, Ending	<u>\$ 352,033,418</u>	<u>\$ 396,150,106</u>
Proportionate Share of Total OPEB Liability:		
Primary Government	\$ 66,463,418	\$ 74,800,192
School Department	285,570,000	321,349,914
Covered Employee Payroll:		
Primary Government	\$ 23,028,017	\$ 19,376,264
School Department	98,942,414	83,242,578
Net OPEB Liability as a Percentage of Covered Employee Payroll:		
Primary Government	288.62%	386.04%
School Department	288.62%	386.04%

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

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

2017	3.58%
2018	3.89%
2019	3.50%

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

**WILLIAMSON 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 Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.25%

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



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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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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of Williamson County’s recycling and solid waste collection.

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

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

Exhibit G-1

Williamson County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	
<u>ASSETS</u>				
Cash	\$ 575	\$ 0	\$ 16,476	\$ 17,051
Equity in Pooled Cash and Investments	6,828,819	302,015	0	7,130,834
Accounts Receivable	167,908	0	0	167,908
Due from Other Funds	18,540	0	0	18,540
Property Taxes Receivable	4,291,741	0	0	4,291,741
Allowance for Uncollectible Property Taxes	(23,243)	0	0	(23,243)
Total Assets	<u>\$ 11,284,340</u>	<u>\$ 302,015</u>	<u>\$ 16,476</u>	<u>\$ 11,602,831</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 553	\$ 0	\$ 0	\$ 553
Claims and Judgments Payable	329,413	0	0	329,413
Due to Litigants, Heirs, and Others	0	0	16,476	16,476
Total Liabilities	<u>\$ 329,966</u>	<u>\$ 0</u>	<u>\$ 16,476</u>	<u>\$ 346,442</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 4,199,332	\$ 0	\$ 0	\$ 4,199,332
Deferred Delinquent Property Taxes	63,166	0	0	63,166
Other Deferred/Unavailable Revenue	47,500	0	0	47,500
Total Deferred Inflows of Resources	<u>\$ 4,309,998</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,309,998</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Public Safety	\$ 0	\$ 302,015	\$ 0	\$ 302,015
Committed:				
Committed for Public Health and Welfare	6,644,376	0	0	6,644,376
Total Fund Balances	<u>\$ 6,644,376</u>	<u>\$ 302,015</u>	<u>\$ 0</u>	<u>\$ 6,946,391</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,284,340</u>	<u>\$ 302,015</u>	<u>\$ 16,476</u>	<u>\$ 11,602,831</u>

Exhibit G-2

Williamson 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 Projects Fund	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Total	Education Capital Projects	
<u>Revenues</u>					
Local Taxes	\$ 4,122,402	\$ 0	\$ 4,122,402	\$ 0	\$ 4,122,402
Fines, Forfeitures, and Penalties	0	162,073	162,073	0	162,073
Charges for Current Services	2,469,733	0	2,469,733	0	2,469,733
Other Local Revenues	988,162	2,574	990,736	0	990,736
Other Governments and Citizens Groups	0	13,350	13,350	0	13,350
Total Revenues	<u>\$ 7,580,297</u>	<u>\$ 177,997</u>	<u>\$ 7,758,294</u>	<u>\$ 0</u>	<u>\$ 7,758,294</u>
<u>Expenditures</u>					
Current:					
Public Safety	\$ 0	\$ 71,442	\$ 71,442	\$ 0	\$ 71,442
Public Health and Welfare	5,014,822	0	5,014,822	0	5,014,822
Other Operations	991,199	0	991,199	0	991,199
Capital Projects	0	0	0	505,329	505,329
Total Expenditures	<u>\$ 6,006,021</u>	<u>\$ 71,442</u>	<u>\$ 6,077,463</u>	<u>\$ 505,329</u>	<u>\$ 6,582,792</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,574,276</u>	<u>\$ 106,555</u>	<u>\$ 1,680,831</u>	<u>\$ (505,329)</u>	<u>\$ 1,175,502</u>
<u>Other Financing Sources (Uses)</u>					
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 505,329	\$ 505,329
Transfers Out	(365,000)	0	(365,000)	0	(365,000)
Total Other Financing Sources (Uses)	<u>\$ (365,000)</u>	<u>\$ 0</u>	<u>\$ (365,000)</u>	<u>\$ 505,329</u>	<u>\$ 140,329</u>
Net Change in Fund Balances	\$ 1,209,276	\$ 106,555	\$ 1,315,831	\$ 0	\$ 1,315,831
Fund Balance, July 1, 2018	5,435,100	195,460	5,630,560	0	5,630,560
Fund Balance, June 30, 2019	<u>\$ 6,644,376</u>	<u>\$ 302,015</u>	<u>\$ 6,946,391</u>	<u>\$ 0</u>	<u>\$ 6,946,391</u>

Exhibit G-3

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 4,122,402	\$ 0	\$ 0	\$ 4,122,402	\$ 3,820,157	\$ 3,820,157	\$ 302,245
Charges for Current Services	2,469,733	0	0	2,469,733	2,030,000	2,030,000	439,733
Other Local Revenues	988,162	0	0	988,162	269,550	269,550	718,612
State of Tennessee	0	0	0	0	0	42,504	(42,504)
<b>Total Revenues</b>	<b>\$ 7,580,297</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,580,297</b>	<b>\$ 6,119,707</b>	<b>\$ 6,162,211</b>	<b>\$ 1,418,086</b>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 5,014,822	\$ (294,006)	\$ 396,599	\$ 5,117,415	\$ 5,309,879	\$ 5,645,183	\$ 527,768
<u>Other Operations</u>							
Other Charges	507,302	0	1,817	509,119	544,000	544,000	34,881
Employee Benefits	483,897	0	0	483,897	529,404	529,404	45,507
<b>Total Expenditures</b>	<b>\$ 6,006,021</b>	<b>\$ (294,006)</b>	<b>\$ 398,416</b>	<b>\$ 6,110,431</b>	<b>\$ 6,383,283</b>	<b>\$ 6,718,587</b>	<b>\$ 608,156</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,574,276	\$ 294,006	\$ (398,416)	\$ 1,469,866	\$ (263,576)	\$ (556,376)	\$ 2,026,242
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (365,000)	\$ 0	\$ 0	\$ (365,000)	\$ 0	\$ (365,000)	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ (365,000)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (365,000)</b>	<b>\$ 0</b>	<b>\$ (365,000)</b>	<b>\$ 0</b>
Net Change in Fund Balance	\$ 1,209,276	\$ 294,006	\$ (398,416)	\$ 1,104,866	\$ (263,576)	\$ (921,376)	\$ 2,026,242
Fund Balance, July 1, 2018	5,435,100	(294,006)	0	5,141,094	5,139,793	5,139,793	1,301
<b>Fund Balance, June 30, 2019</b>	<b>\$ 6,644,376</b>	<b>\$ 0</b>	<b>\$ (398,416)</b>	<b>\$ 6,245,960</b>	<b>\$ 4,876,217</b>	<b>\$ 4,218,417</b>	<b>\$ 2,027,543</b>

Exhibit G-4

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Drug Control Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 162,073	\$ 0	\$ 0	\$ 162,073	\$ 36,000	\$ 125,236	\$ 36,837
Other Local Revenues	2,574	0	0	2,574	0	0	2,574
Other Governments and Citizens Groups	13,350	0	0	13,350	0	0	13,350
<b>Total Revenues</b>	<b>\$ 177,997</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 177,997</b>	<b>\$ 36,000</b>	<b>\$ 125,236</b>	<b>\$ 52,761</b>
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 71,442	\$ (1,610)	\$ 30,135	\$ 99,967	\$ 112,000	\$ 201,236	\$ 101,269
<b>Total Expenditures</b>	<b>\$ 71,442</b>	<b>\$ (1,610)</b>	<b>\$ 30,135</b>	<b>\$ 99,967</b>	<b>\$ 112,000</b>	<b>\$ 201,236</b>	<b>\$ 101,269</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 106,555	\$ 1,610	\$ (30,135)	\$ 78,030	\$ (76,000)	\$ (76,000)	\$ 154,030
Net Change in Fund Balance	\$ 106,555	\$ 1,610	\$ (30,135)	\$ 78,030	\$ (76,000)	\$ (76,000)	\$ 154,030
Fund Balance, July 1, 2018	195,460	(1,610)	0	193,850	178,420	178,420	15,430
<b>Fund Balance, June 30, 2019</b>	<b>\$ 302,015</b>	<b>\$ 0</b>	<b>\$ (30,135)</b>	<b>\$ 271,880</b>	<b>\$ 102,420</b>	<b>\$ 102,420</b>	<b>\$ 169,460</b>

# Major Governmental Funds

## Debt Service Funds

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

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs specifically issued for schools outside the territorial boundaries of the Franklin Special School District.

## General Capital Projects Fund

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The General Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Exhibit H-1

Williamson 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	\$ 33,247,718	\$ 31,132,463	\$ 31,132,463	\$ 2,115,255
Other Local Revenues	2,533,163	770,000	770,000	1,763,163
State of Tennessee	380,438	350,000	350,000	30,438
Federal Government	689,924	749,275	749,275	(59,351)
Other Governments and Citizens Groups	421,228	463,625	741,228	(320,000)
Total Revenues	<u>\$ 37,272,471</u>	<u>\$ 33,465,363</u>	<u>\$ 33,742,966</u>	<u>\$ 3,529,505</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 12,745,000	\$ 15,645,000	\$ 12,745,000	\$ 0
Education	13,850,000	13,850,000	13,850,000	0
<u>Interest on Debt</u>				
General Government	6,047,558	6,947,000	6,047,558	0
Education	7,729,058	7,446,000	7,729,058	0
<u>Other Debt Service</u>				
General Government	743,859	690,000	870,000	126,141
Education	194,437	0	197,546	3,109
Total Expenditures	<u>\$ 41,309,912</u>	<u>\$ 44,578,000</u>	<u>\$ 41,439,162</u>	<u>\$ 129,250</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (4,037,441)</u>	<u>\$ (11,112,637)</u>	<u>\$ (7,696,196)</u>	<u>\$ 3,658,755</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 17,570,000	\$ 0	\$ 17,570,000	\$ 0
Premiums on Debt Sold	3,604,409	0	3,604,409	0
Transfers In	6,000,000	10,605,253	5,217,249	782,751
Transfers Out	(83,486)	0	(83,486)	0
Payments to Refunded Debt Escrow Agent	(20,976,863)	0	(20,976,863)	0
Total Other Financing Sources	<u>\$ 6,114,060</u>	<u>\$ 10,605,253</u>	<u>\$ 5,331,309</u>	<u>\$ 782,751</u>
Net Change in Fund Balance	<u>\$ 2,076,619</u>	<u>\$ (507,384)</u>	<u>\$ (2,364,887)</u>	<u>\$ 4,441,506</u>
Fund Balance, July 1, 2018	<u>20,563,640</u>	<u>17,402,899</u>	<u>17,402,899</u>	<u>3,160,741</u>
Fund Balance, June 30, 2019	<u>\$ 22,640,259</u>	<u>\$ 16,895,515</u>	<u>\$ 15,038,012</u>	<u>\$ 7,602,247</u>



## Exhibit H-2

Williamson County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual and Budget  
 Rural 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	\$ 21,640,071	\$ 20,019,272	\$ 20,019,272	\$ 1,620,799
Other Local Revenues	481,621	75,000	75,000	406,621
Federal Government	1,021,325	1,030,413	1,030,413	(9,088)
Other Governments and Citizens Groups	22,899,812	20,000,000	23,179,653	(279,841)
Total Revenues	\$ 46,042,829	\$ 41,124,685	\$ 44,304,338	\$ 1,738,491
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 32,842,869	\$ 17,200,000	\$ 32,842,869	\$ 0
<u>Interest on Debt</u>				
Education	15,254,274	12,821,000	15,254,275	1
<u>Other Debt Service</u>				
Education	835,104	460,000	915,510	80,406
Total Expenditures	\$ 48,932,247	\$ 30,481,000	\$ 49,012,654	\$ 80,407
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,889,418)	\$ 10,643,685	\$ (4,708,316)	\$ 1,818,898
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 31,740,000	\$ 0	\$ 31,740,000	\$ 0
Premiums on Debt Sold	4,861,667	0	4,861,667	0
Transfers In	5,300,000	5,561,314	5,300,000	0
Payments to Refunded Debt Escrow Agent	(36,396,157)	0	(36,396,157)	0
Total Other Financing Sources	\$ 5,505,510	\$ 5,561,314	\$ 5,505,510	\$ 0
Net Change in Fund Balance	\$ 2,616,092	\$ 16,204,999	\$ 797,194	\$ 1,818,898
Fund Balance, July 1, 2018	13,646,535	13,300,452	13,300,452	346,083
Fund Balance, June 30, 2019	\$ 16,262,627	\$ 29,505,451	\$ 14,097,646	\$ 2,164,981

## Exhibit H-3

Williamson 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	
<u>Revenues</u>				
Local Taxes	\$ 13,290,376	\$ 0	\$ 13,290,376	\$ 0
Other Local Revenues	20,384,082	0	7,570,634	12,813,448
Federal Government	29,679	0	29,679	0
Other Governments and Citizens Groups	7,350,010	0	5,582,221	1,767,789
Total Revenues	<u>\$ 41,054,147</u>	<u>\$ 0</u>	<u>\$ 26,472,910</u>	<u>\$ 14,581,237</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
General Administration Projects	\$ 4,494,462	\$ 5,592,224	\$ 26,420,882	\$ 21,926,420
Public Safety Projects	12,776,461	14,688,111	30,045,263	17,268,802
Public Health and Welfare Projects	952,268	3,481,823	9,822,483	8,870,215
Social, Cultural, and Recreation Projects	6,946,979	6,500,516	16,053,616	9,106,637
Other General Government Projects	17,500	943,938	1,534,968	1,517,468
Highway and Street Capital Projects	665,266	6,386,658	6,462,164	5,796,898
Education Capital Projects	539,719	0	539,719	0
<u>Capital Projects - Donated</u>				
Capital Projects Donated to School Department	72,244,468	0	72,244,468	0
Total Expenditures	<u>\$ 98,637,123</u>	<u>\$ 37,593,270</u>	<u>\$ 163,123,563</u>	<u>\$ 64,486,440</u>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (57,582,976)	\$ (37,593,270)	\$ (136,650,653)	\$ 79,067,677
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 89,095,000	\$ 0	\$ 89,095,000	\$ 0
Notes Issued	10,000,000	0	10,000,000	0
Premiums on Debt Sold	7,177,541	0	7,177,542	(1)
Transfers In	3,244,956	0	3,244,956	0
Transfers Out	(14,265,406)	0	(14,265,406)	0
Total Other Financing Sources	<u>\$ 95,252,091</u>	<u>\$ 0</u>	<u>\$ 95,252,092</u>	<u>\$ (1)</u>
Net Change in Fund Balance	\$ 37,669,115	\$ (37,593,270)	\$ (41,398,561)	\$ 79,067,676
Fund Balance, July 1, 2018	65,833,590	65,833,590	65,833,590	0
Fund Balance, June 30, 2019	<u>\$ 103,502,705</u>	<u>\$ 28,240,320</u>	<u>\$ 24,435,029</u>	<u>\$ 79,067,676</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.

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for the property taxes of the City of Nolensville, City of Brentwood, City of Franklin, and the Town of Thompson’s Station. These collections are remitted to each city and town monthly.

Cities Adequate Facilities Tax Fund – The Cities Adequate Facilities Tax Fund is used to account for various cities’ share of adequate facilities tax collected by the county. These collections are remitted to the cities on a monthly basis.

Special School District Fund – The Special School District Fund is used to account for the Franklin Special School District’s share of education revenues collected by the county that must be apportioned between the county and special school district on an average daily attendance basis and property taxes assessed on parcels that lie within the Franklin Special School District. These collections are remitted to the special school district on a monthly basis.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held in trust for the benefit of the judicial district drug task force.

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

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, juvenile court clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Other Agency Fund – The Other Agency Fund is used to account for a special litigation tax levied by Chapter 9, Private Acts of 1957, as amended. Proceeds of the tax must be expended for the benefit of the county’s law library under the control of the Williamson County Governmental Library Commission.

Exhibit I-1

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

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	District Attorney General	Constitu- tional Officers - Agency	Other Agency	
<b><u>ASSETS</u></b>								
Cash	\$ 0	\$ 0	\$ 0	\$ 7,281	\$ 0	\$ 15,255,102	\$ 0	\$ 15,262,383
Equity in Pooled Cash and Investments	0	58,664	668,145	653,560	125,276	0	16,346	1,521,991
Accounts Receivable	0	0	0	0	0	195,850	0	195,850
Due from Other Governments	12,491,446	0	1,000,977	0	0	0	0	13,492,423
Property Taxes Receivable	0	0	12,433,633	0	0	0	0	12,433,633
Allowance for Uncollectible Property Taxes	0	0	(50,117)	0	0	0	0	(50,117)
<b>Total Assets</b>	<b>\$ 12,491,446</b>	<b>\$ 58,664</b>	<b>\$ 14,052,638</b>	<b>\$ 660,841</b>	<b>\$ 125,276</b>	<b>\$ 15,450,952</b>	<b>\$ 16,346</b>	<b>\$ 42,856,163</b>
<b><u>LIABILITIES</u></b>								
Due to Other Funds	\$ 990,124	\$ 0	\$ 0	\$ 0	\$ 0	\$ 269,374	\$ 0	\$ 1,259,498
Due to Other Taxing Units	11,501,322	58,664	14,052,638	0	0	0	0	25,612,624
Due to Litigants, Heirs, and Others	0	0	0	88,610	125,276	15,181,578	16,346	15,411,810
Due to Joint Ventures	0	0	0	572,231	0	0	0	572,231
<b>Total Liabilities</b>	<b>\$ 12,491,446</b>	<b>\$ 58,664</b>	<b>\$ 14,052,638</b>	<b>\$ 660,841</b>	<b>\$ 125,276</b>	<b>\$ 15,450,952</b>	<b>\$ 16,346</b>	<b>\$ 42,856,163</b>

Exhibit I-2

Williamson County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2019

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 71,994,246	\$ 71,994,246	\$ 0
Due from Other Governments	11,907,200	12,491,446	11,907,200	12,491,446
<b>Total Assets</b>	<b>\$ 11,907,200</b>	<b>\$ 84,485,692</b>	<b>\$ 83,901,446</b>	<b>\$ 12,491,446</b>
<u>Liabilities</u>				
Due to Other Funds	\$ 913,502	\$ 990,124	\$ 913,502	\$ 990,124
Due to Other Taxing Units	10,993,698	83,495,568	82,987,944	11,501,322
<b>Total Liabilities</b>	<b>\$ 11,907,200</b>	<b>\$ 84,485,692</b>	<b>\$ 83,901,446</b>	<b>\$ 12,491,446</b>
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 75,141	\$ 34,277,260	\$ 34,293,737	\$ 58,664
<b>Total Assets</b>	<b>\$ 75,141</b>	<b>\$ 34,277,260</b>	<b>\$ 34,293,737</b>	<b>\$ 58,664</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 75,141	\$ 34,277,260	\$ 34,293,737	\$ 58,664
<b>Total Liabilities</b>	<b>\$ 75,141</b>	<b>\$ 34,277,260</b>	<b>\$ 34,293,737</b>	<b>\$ 58,664</b>
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,973,500	\$ 1,973,500	\$ 0
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 1,973,500</b>	<b>\$ 1,973,500</b>	<b>\$ 0</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 1,973,500	\$ 1,973,500	\$ 0
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 1,973,500</b>	<b>\$ 1,973,500</b>	<b>\$ 0</b>
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 577,362	\$ 40,298,796	\$ 40,208,013	\$ 668,145
Due from Other Governments	1,004,138	1,000,977	1,004,138	1,000,977
Property Taxes Receivable	13,002,084	12,433,633	13,002,084	12,433,633
Allowance for Uncollectible Property Taxes	(68,694)	(50,117)	(68,694)	(50,117)
<b>Total Assets</b>	<b>\$ 14,514,890</b>	<b>\$ 53,683,289</b>	<b>\$ 54,145,541</b>	<b>\$ 14,052,638</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 14,514,890	\$ 53,683,289	\$ 54,145,541	\$ 14,052,638
<b>Total Liabilities</b>	<b>\$ 14,514,890</b>	<b>\$ 53,683,289</b>	<b>\$ 54,145,541</b>	<b>\$ 14,052,638</b>

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 9,220	\$ 7,281	\$ 9,220	\$ 7,281
Equity in Pooled Cash and Investments	1,302,588	286,987	936,015	653,560
Total Assets	\$ 1,311,808	\$ 294,268	\$ 945,235	\$ 660,841
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 448,097	\$ 130	\$ 359,617	\$ 88,610
Due to Joint Ventures	863,711	294,138	585,618	572,231
Total Liabilities	\$ 1,311,808	\$ 294,268	\$ 945,235	\$ 660,841
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 138,773	\$ 37,770	\$ 51,267	\$ 125,276
Total Assets	\$ 138,773	\$ 37,770	\$ 51,267	\$ 125,276
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 138,773	\$ 37,770	\$ 51,267	\$ 125,276
Total Liabilities	\$ 138,773	\$ 37,770	\$ 51,267	\$ 125,276
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 11,967,220	\$ 81,658,228	\$ 78,370,346	\$ 15,255,102
Accounts Receivable	106,530	195,850	106,530	195,850
Total Assets	\$ 12,073,750	\$ 81,854,078	\$ 78,476,876	\$ 15,450,952
<u>Liabilities</u>				
Due to Other Funds	\$ 443,141	\$ 269,374	\$ 443,141	\$ 269,374
Due to Litigants, Heirs, and Others	11,630,609	81,584,704	78,033,735	15,181,578
Total Liabilities	\$ 12,073,750	\$ 81,854,078	\$ 78,476,876	\$ 15,450,952

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 16,605	\$ 28,500	\$ 28,759	\$ 16,346
Total Assets	\$ 16,605	\$ 28,500	\$ 28,759	\$ 16,346
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 16,605	\$ 28,500	\$ 28,759	\$ 16,346
Total Liabilities	\$ 16,605	\$ 28,500	\$ 28,759	\$ 16,346
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 11,976,440	\$ 81,665,509	\$ 78,379,566	\$ 15,262,383
Equity in Pooled Cash and Investments	2,110,469	148,897,059	149,485,537	1,521,991
Accounts Receivable	106,530	195,850	106,530	195,850
Due from Other Governments	12,911,338	13,492,423	12,911,338	13,492,423
Property Taxes Receivable	13,002,084	12,433,633	13,002,084	12,433,633
Allowance for Uncollectible Property Taxes	(68,694)	(50,117)	(68,694)	(50,117)
Total Assets	\$ 40,038,167	\$ 256,634,357	\$ 253,816,361	\$ 42,856,163
<u>Liabilities</u>				
Due to Other Funds	\$ 1,356,643	\$ 1,259,498	\$ 1,356,643	\$ 1,259,498
Due to Other Taxing Units	25,583,729	173,429,617	173,400,722	25,612,624
Due to Litigants, Heirs, and Others	12,234,084	81,651,104	78,473,378	15,411,810
Due to Joint Ventures	863,711	294,138	585,618	572,231
Total Liabilities	\$ 40,038,167	\$ 256,634,357	\$ 253,816,361	\$ 42,856,163



# Williamson County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school programs in the individual schools.

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

Exhibit J-1

Williamson County, Tennessee  
Statement of Activities  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 233,239,945	\$ 563,262	\$ 9,996,698	\$ 0	\$ (222,679,985)
Support Services	175,205,523	555,679	0	72,761,927	(101,887,917)
Operation of Non-instructional Services	22,054,665	17,795,848	3,450,553	0	(808,264)
<b>Total Governmental Activities</b>	<b>\$ 430,500,133</b>	<b>\$ 18,914,789</b>	<b>\$ 13,447,251</b>	<b>\$ 72,761,927</b>	<b>\$ (325,376,166)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 148,403,843
Local Option Sales Tax					69,490,257
Grants and Contributions Not Restricted to Specific Programs					141,494,561
Unrestricted Investment Income					3,455,495
Gain from Sale of Capital Assets					449,897
Miscellaneous					857,708
<b>Total General Revenues</b>					<b>\$ 364,151,761</b>
Change in Net Position					\$ 38,775,595
Net Position, July 1, 2018					356,103,587
Net Position, June 30, 2019					<b>\$ 394,879,182</b>

Exhibit J-2

Williamson County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2019

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 1,508	\$ 0	\$ 670,460	\$ 671,968
Equity in Pooled Cash and Investments	59,513,799	81,824,186	2,134,124	143,472,109
Accounts Receivable	121,440	0	10,445	131,885
Due from Other Governments	16,066,516	0	643,158	16,709,674
Property Taxes Receivable	164,494,148	0	0	164,494,148
Allowance for Uncollectible Property Taxes	(635,328)	0	0	(635,328)
Restricted Assets	1,097,907	0	642,555	1,740,462
Total Assets	<u>\$ 240,659,990</u>	<u>\$ 81,824,186</u>	<u>\$ 4,100,742</u>	<u>\$ 326,584,918</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 306,816	\$ 13,081	\$ 2,992	\$ 322,889
Accrued Payroll	18,785,460	0	122,094	18,907,554
Payroll Deductions Payable	5,361,580	0	20,233	5,381,813
Contracts Payable	0	8,772,874	0	8,772,874
Retainage Payable	0	434,854	0	434,854
Claims and Judgments Payable	767,946	0	0	767,946
Due to Primary Government	962,475	0	0	962,475
Other Current Liabilities	20,000	0	0	20,000
Current Liabilities Payable From Restricted Assets	0	0	642,555	642,555
Total Liabilities	<u>\$ 26,204,277</u>	<u>\$ 9,220,809</u>	<u>\$ 787,874</u>	<u>\$ 36,212,960</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 162,431,999	\$ 0	\$ 0	\$ 162,431,999

(Continued)

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>				
Deferred Delinquent Property Taxes	\$ 1,276,822	\$ 0	\$ 0	\$ 1,276,822
Other Deferred/Unavailable Revenue	5,158,530	0	0	5,158,530
Total Deferred Inflows of Resources	<u>\$ 168,867,351</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 168,867,351</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 104,028	\$ 0	\$ 0	\$ 104,028
Restricted for Hybrid Retirement Stabilization Funds	1,097,907	0	0	1,097,907
Committed:				
Committed for Education	9,560	0	175,008	184,568
Committed for Capital Outlay	0	72,603,377	0	72,603,377
Assigned:				
Assigned for Education	29,086,876	0	3,137,860	32,224,736
Unassigned	15,289,991	0	0	15,289,991
Total Fund Balances	<u>\$ 45,588,362</u>	<u>\$ 72,603,377</u>	<u>\$ 3,312,868</u>	<u>\$ 121,504,607</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 240,659,990</u>	<u>\$ 81,824,186</u>	<u>\$ 4,100,742</u>	<u>\$ 326,584,918</u>

Exhibit J-3

Williamson County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Williamson 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)		\$ 121,504,607
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 48,932,003	
Add: construction in progress	53,448,170	
Add: buildings and improvements net of accumulated depreciation	433,872,905	
Add: other capital assets net of accumulated depreciation	<u>21,245,304</u>	557,498,382
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (1,698,352)	
Less: other postemployment benefits liability	<u>(321,349,914)</u>	(323,048,266)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 30,790,766	
Add: deferred outflows of resources related to OPEB	14,097,814	
Less: deferred inflows of resources related to pensions	(20,305,060)	
Less: deferred inflows of resources related to OPEB	<u>(7,171,969)</u>	17,411,551
(4) Net pension assets of the teacher retirement, teacher legacy, and agent pension plans are not current financial resources and therefore are not reported in the governmental funds.		15,077,556
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>6,435,352</u>
Net position of governmental activities (Exhibit A)		<u>\$ 394,879,182</u>

Exhibit J-4

Williamson County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 219,699,863	\$ 0	\$ 0	\$ 219,699,863
Licenses and Permits	8,854	0	0	8,854
Charges for Current Services	1,711,123	0	16,760,772	18,471,895
Other Local Revenues	3,893,005	2,064,544	576,481	6,534,030
State of Tennessee	140,319,155	0	102,451	140,421,606
Federal Government	1,525,222	0	11,479,571	13,004,793
Other Governments and Citizens Groups	505,329	72,244,468	0	72,749,797
Total Revenues	<u>\$ 367,662,551</u>	<u>\$ 74,309,012</u>	<u>\$ 28,919,275</u>	<u>\$ 470,890,838</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 225,838,532	\$ 0	\$ 6,008,178	\$ 231,846,710
Support Services	117,850,701	0	1,997,488	119,848,189
Operation of Non-Instructional Services	1,668,325	0	20,014,429	21,682,754
Debt Service:				
Other Debt Service	11,722,509	0	0	11,722,509
Capital Projects	0	72,609,914	0	72,609,914
Total Expenditures	<u>\$ 357,080,067</u>	<u>\$ 72,609,914</u>	<u>\$ 28,020,095</u>	<u>\$ 457,710,076</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 10,582,484</u>	<u>\$ 1,699,098</u>	<u>\$ 899,180</u>	<u>\$ 13,180,762</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 15,875	\$ 0	\$ 0	\$ 15,875
Transfers In	331,431	0	0	331,431

(Continued)

Exhibit J-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ 0	\$ 0	\$ (331,431)	\$ (331,431)
Total Other Financing Sources (Uses)	\$ 347,306	\$ 0	\$ (331,431)	\$ 15,875
Net Change in Fund Balances	\$ 10,929,790	\$ 1,699,098	\$ 567,749	\$ 13,196,637
Fund Balance, July 1, 2018	34,658,572	70,904,279	2,745,119	108,307,970
Fund Balance, June 30, 2019	\$ 45,588,362	\$ 72,603,377	\$ 3,312,868	\$ 121,504,607

Exhibit J-5

Williamson County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Williamson 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)		\$ 13,196,637
(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	\$ 46,332,508	
Less: current-year depreciation expense	<u>(17,079,261)</u>	29,253,247
(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	\$ 12,130	
Less: book value of capital assets disposed	<u>(1,597,712)</u>	(1,585,582)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2018	\$ (6,820,339)	
Add: deferred delinquent property taxes and other deferred June 30, 2019	<u>6,435,352</u>	(384,987)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in other postemployment benefits liability	\$ (35,779,914)	
Change in deferred outflows related to OPEB	14,097,814	
Change in deferred inflows related to OPEB	4,008,198	
Change in net pension asset - teacher retirement plan	850,938	
Change in net pension liability - agent pension plan	1,009,593	
Change in net pension asset - teacher legacy pension plan	11,110,585	
Change in deferred outflows related to pensions	(1,206,631)	
Change in deferred inflows related to pensions	4,244,541	
Change in compensated absences payable	<u>(38,844)</u>	(1,703,720)
Change in net position of governmental activities (Exhibit B)		<u>\$ 38,775,595</u>



Exhibit J-6

Williamson County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2019

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Cash	\$ 0	\$ 12,152	\$ 658,308	\$ 670,460
Equity in Pooled Cash and Investments	211,785	735,837	1,186,502	2,134,124
Accounts Receivable	0	6,845	3,600	10,445
Due from Other Governments	105,550	537,608	0	643,158
Restricted Assets	0	642,555	0	642,555
Total Assets	<u>\$ 317,335</u>	<u>\$ 1,934,997</u>	<u>\$ 1,848,410</u>	<u>\$ 4,100,742</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 589	\$ 2,403	\$ 2,992
Accrued Payroll	122,094	0	0	122,094
Payroll Deductions Payable	20,233	0	0	20,233
Current Liabilities Payable From Restricted Assets	0	642,555	0	642,555
Total Liabilities	<u>\$ 142,327</u>	<u>\$ 643,144</u>	<u>\$ 2,403</u>	<u>\$ 787,874</u>
<u>FUND BALANCES</u>				
Committed:				
Committed for Education	\$ 175,008	\$ 0	\$ 0	\$ 175,008
Assigned:				
Assigned for Education	0	1,291,853	1,846,007	3,137,860
Total Fund Balances	<u>\$ 175,008</u>	<u>\$ 1,291,853</u>	<u>\$ 1,846,007</u>	<u>\$ 3,312,868</u>
Total Liabilities and Fund Balances	<u>\$ 317,335</u>	<u>\$ 1,934,997</u>	<u>\$ 1,848,410</u>	<u>\$ 4,100,742</u>

Exhibit J-7

Williamson County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 10,457,620	\$ 6,303,152	\$ 16,760,772
Other Local Revenues	0	551,093	25,388	576,481
State of Tennessee	0	102,451	0	102,451
Federal Government	8,189,429	3,290,142	0	11,479,571
Total Revenues	\$ 8,189,429	\$ 14,401,306	\$ 6,328,540	\$ 28,919,275
<u>Expenditures</u>				
Current:				
Instruction	\$ 6,008,178	\$ 0	\$ 0	\$ 6,008,178
Support Services	1,997,488	0	0	1,997,488
Operation of Non-Instructional Services	3,953	13,816,237	6,194,239	20,014,429
Total Expenditures	\$ 8,009,619	\$ 13,816,237	\$ 6,194,239	\$ 28,020,095
Excess (Deficiency) of Revenues Over Expenditures	\$ 179,810	\$ 585,069	\$ 134,301	\$ 899,180
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (182,690)	\$ 0	\$ (148,741)	\$ (331,431)
Total Other Financing Sources (Uses)	\$ (182,690)	\$ 0	\$ (148,741)	\$ (331,431)
Net Change in Fund Balances	\$ (2,880)	\$ 585,069	\$ (14,440)	\$ 567,749
Fund Balance, July 1, 2018	177,888	706,784	1,860,447	2,745,119
Fund Balance, June 30, 2019	\$ 175,008	\$ 1,291,853	\$ 1,846,007	\$ 3,312,868

Exhibit J-8

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 219,699,863	\$ 0	\$ 0	\$ 219,699,863	\$ 195,849,643	\$ 208,149,081	\$ 11,550,782
Licenses and Permits	8,854	0	0	8,854	9,000	9,000	(146)
Charges for Current Services	1,711,123	0	0	1,711,123	1,676,721	1,709,221	1,902
Other Local Revenues	3,893,005	0	0	3,893,005	1,903,600	2,038,579	1,854,426
State of Tennessee	140,319,155	0	0	140,319,155	137,626,949	138,467,382	1,851,773
Federal Government	1,525,222	0	0	1,525,222	1,200,000	1,397,247	127,975
Other Governments and Citizens Groups	505,329	0	0	505,329	0	505,329	0
<b>Total Revenues</b>	<b>\$ 367,662,551</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 367,662,551</b>	<b>\$ 338,265,913</b>	<b>\$ 352,275,839</b>	<b>\$ 15,386,712</b>
<b>Expenditures</b>							
<b>Instruction</b>							
Regular Instruction Program	\$ 169,266,759	\$ (1,838,569)	\$ 446,718	\$ 167,874,908	\$ 170,993,593	\$ 173,657,243	\$ 5,782,335
Alternative Instruction Program	589,026	0	1,299	590,325	625,297	633,902	43,577
Special Education Program	47,672,555	(83,780)	272,281	47,861,056	48,675,084	50,367,116	2,506,060
Career and Technical Education Program	6,741,084	(26,100)	55,330	6,770,314	6,809,253	7,203,344	433,030
Student Body Education Program	1,569,108	(47,144)	3,469	1,525,433	1,815,000	1,815,000	289,567
<b>Support Services</b>							
Attendance	461,764	0	0	461,764	458,401	489,158	27,394
Health Services	5,318,320	(350)	4,632	5,322,602	5,264,423	5,638,126	315,524
Other Student Support	9,718,506	(390)	49,648	9,767,764	10,354,220	10,664,664	896,900
Regular Instruction Program	10,637,151	(9,274)	6,145	10,634,022	9,922,180	11,317,849	683,827
Alternative Instruction Program	192,999	0	0	192,999	179,935	195,780	2,781
Special Education Program	5,970,279	(240,664)	45,875	5,775,490	5,964,088	6,006,734	231,244
Career and Technical Education Program	291,744	0	3,719	295,463	306,947	354,922	59,459
Technology	6,714,770	(191,721)	149,873	6,672,922	8,916,504	7,332,704	659,782
Board of Education	7,085,049	(70,001)	19,590	7,034,638	6,105,264	7,291,335	256,697
Director of Schools	1,440,384	(20,810)	24,880	1,444,454	1,502,359	1,549,658	105,204
Office of the Principal	22,917,259	0	0	22,917,259	22,603,043	23,057,830	140,571
Fiscal Services	1,616,855	(91,546)	15,838	1,541,147	1,538,556	1,565,184	24,037

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Human Services/Personnel	\$ 1,227,508	\$ (7,000)	\$ 5,239	\$ 1,225,747	\$ 1,370,143	\$ 1,346,322	\$ 120,575
Operation of Plant	17,066,477	(959,749)	433,941	16,540,669	17,993,165	17,489,372	948,703
Maintenance of Plant	8,880,334	(1,252,509)	1,326,385	8,954,210	8,684,000	9,478,900	524,690
Transportation	18,311,302	(409,768)	1,906,181	19,807,715	18,767,887	21,090,558	1,282,843
<u>Operation of Non-Instructional Services</u>							
Community Services	886,099	(21,448)	13,700	878,351	891,274	957,853	79,502
Early Childhood Education	782,226	(27,320)	360	755,266	802,968	826,993	71,727
<u>Other Debt Service</u>							
Education	11,722,509	0	0	11,722,509	0	11,722,509	0
Total Expenditures	\$ 357,080,067	\$ (5,298,143)	\$ 4,785,103	\$ 356,567,027	\$ 350,543,584	\$ 372,053,056	\$ 15,486,029
Excess (Deficiency) of Revenues Over Expenditures	\$ 10,582,484	\$ 5,298,143	\$ (4,785,103)	\$ 11,095,524	\$ (12,277,671)	\$ (19,777,217)	\$ 30,872,741
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 15,875	\$ 0	\$ 0	\$ 15,875	\$ 20,000	\$ 20,000	\$ (4,125)
Transfers In	331,431	0	0	331,431	650,000	650,000	(318,569)
Total Other Financing Sources	\$ 347,306	\$ 0	\$ 0	\$ 347,306	\$ 670,000	\$ 670,000	\$ (322,694)
Net Change in Fund Balance	\$ 10,929,790	\$ 5,298,143	\$ (4,785,103)	\$ 11,442,830	\$ (11,607,671)	\$ (19,107,217)	\$ 30,550,047
Fund Balance, July 1, 2018	34,658,572	(5,298,143)	0	29,360,429	23,059,174	23,059,174	6,301,255
Fund Balance, June 30, 2019	\$ 45,588,362	\$ 0	\$ (4,785,103)	\$ 40,803,259	\$ 11,451,503	\$ 3,951,957	\$ 36,851,302

Exhibit J-9

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Williamson 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	\$ 8,189,429	\$ 8,414,525	\$ 10,087,347	\$ (1,897,918)
Total Revenues	\$ 8,189,429	\$ 8,414,525	\$ 10,087,347	\$ (1,897,918)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 833,727	\$ 715,546	\$ 999,229	\$ 165,502
Special Education Program	4,950,892	5,168,492	6,100,005	1,149,113
Career and Technical Education Program	223,559	212,511	224,325	766
<u>Support Services</u>				
Health Services	733,934	778,278	867,674	133,740
Other Student Support	111,995	119,876	125,290	13,295
Regular Instruction Program	574,170	597,501	823,812	249,642
Special Education Program	450,071	471,361	560,047	109,976
Career and Technical Education Program	9,802	14,360	10,007	205
Transportation	117,516	141,944	142,746	25,230
<u>Operation of Non-Instructional Services</u>				
Food Service	3,953	0	5,918	1,965
Total Expenditures	\$ 8,009,619	\$ 8,219,869	\$ 9,859,053	\$ 1,849,434
Excess (Deficiency) of Revenues Over Expenditures	\$ 179,810	\$ 194,656	\$ 228,294	\$ (48,484)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (182,690)	\$ (194,655)	\$ (231,182)	\$ 48,492
Total Other Financing Sources	\$ (182,690)	\$ (194,655)	\$ (231,182)	\$ 48,492
Net Change in Fund Balance	\$ (2,880)	\$ 1	\$ (2,888)	\$ 8
Fund Balance, July 1, 2018	177,888	177,888	177,888	0
Fund Balance, June 30, 2019	\$ 175,008	\$ 177,889	\$ 175,000	\$ 8

Exhibit J-10

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 10,457,620	\$ 0	\$ 0	\$ 10,457,620	\$ 10,251,000	\$ 10,251,000	\$ 206,620
Other Local Revenues	551,093	0	0	551,093	20,000	519,901	31,192
State of Tennessee	102,451	0	0	102,451	103,785	103,785	(1,334)
Federal Government	3,290,142	0	0	3,290,142	3,295,000	3,321,599	(31,457)
<b>Total Revenues</b>	<b>\$ 14,401,306</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 14,401,306</b>	<b>\$ 13,669,785</b>	<b>\$ 14,196,285</b>	<b>\$ 205,021</b>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 13,816,237	\$ (175,608)	\$ 75,042	\$ 13,715,671	\$ 13,219,015	\$ 13,848,288	\$ 132,617
<b>Total Expenditures</b>	<b>\$ 13,816,237</b>	<b>\$ (175,608)</b>	<b>\$ 75,042</b>	<b>\$ 13,715,671</b>	<b>\$ 13,219,015</b>	<b>\$ 13,848,288</b>	<b>\$ 132,617</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 585,069	\$ 175,608	\$ (75,042)	\$ 685,635	\$ 450,770	\$ 347,997	\$ 337,638
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ (500,000)	\$ 0	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (500,000)</b>	<b>\$ 0</b>	<b>\$ 0</b>
Net Change in Fund Balance	\$ 585,069	\$ 175,608	\$ (75,042)	\$ 685,635	\$ (49,230)	\$ 347,997	\$ 337,638
Fund Balance, July 1, 2018	706,784	(175,608)	0	531,176	1,131,151	1,131,151	(599,975)
<b>Fund Balance, June 30, 2019</b>	<b>\$ 1,291,853</b>	<b>\$ 0</b>	<b>\$ (75,042)</b>	<b>\$ 1,216,811</b>	<b>\$ 1,081,921</b>	<b>\$ 1,479,148</b>	<b>\$ (262,337)</b>

Exhibit J-11

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
Extended School Program Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 6,303,152	\$ 0	\$ 0	\$ 6,303,152	\$ 6,360,000	\$ 6,360,000	\$ (56,848)
Other Local Revenues	25,388	0	0	25,388	4,900	4,900	20,488
Total Revenues	\$ 6,328,540	\$ 0	\$ 0	\$ 6,328,540	\$ 6,364,900	\$ 6,364,900	\$ (36,360)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 6,194,239	\$ (75,932)	\$ 116,349	\$ 6,234,656	\$ 6,642,726	\$ 6,874,576	\$ 639,920
Total Expenditures	\$ 6,194,239	\$ (75,932)	\$ 116,349	\$ 6,234,656	\$ 6,642,726	\$ 6,874,576	\$ 639,920
Excess (Deficiency) of Revenues Over Expenditures	\$ 134,301	\$ 75,932	\$ (116,349)	\$ 93,884	\$ (277,826)	\$ (509,676)	\$ 603,560
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (148,741)	\$ 0	\$ 0	\$ (148,741)	\$ (152,568)	\$ (152,568)	\$ 3,827
Total Other Financing Sources	\$ (148,741)	\$ 0	\$ 0	\$ (148,741)	\$ (152,568)	\$ (152,568)	\$ 3,827
Net Change in Fund Balance	\$ (14,440)	\$ 75,932	\$ (116,349)	\$ (54,857)	\$ (430,394)	\$ (662,244)	\$ 607,387
Fund Balance, July 1, 2018	1,860,447	(75,932)	0	1,784,515	1,489,751	1,489,751	294,764
Fund Balance, June 30, 2019	\$ 1,846,007	\$ 0	\$ (116,349)	\$ 1,729,658	\$ 1,059,357	\$ 827,507	\$ 902,151

Exhibit J-12

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Williamson County School Department  
Education Capital Projects Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 2,064,544	\$ 0	\$ 2,064,545	\$ (1)
Other Governments and Citizens Groups	72,244,468	65,408,286	144,409,666	(72,165,198)
Total Revenues	<u>\$ 74,309,012</u>	<u>\$ 65,408,286</u>	<u>\$ 146,474,211</u>	<u>\$ (72,165,199)</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 72,609,914	\$ 140,323,431	\$ 219,174,833	\$ 146,564,919
Total Expenditures	<u>\$ 72,609,914</u>	<u>\$ 140,323,431</u>	<u>\$ 219,174,833</u>	<u>\$ 146,564,919</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,699,098</u>	<u>\$ (74,915,145)</u>	<u>\$ (72,700,622)</u>	<u>\$ 74,399,720</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 5,650,395	\$ 5,140,536	\$ (5,140,536)
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 5,650,395</u>	<u>\$ 5,140,536</u>	<u>\$ (5,140,536)</u>
Net Change in Fund Balance	\$ 1,699,098	\$ (69,264,750)	\$ (67,560,086)	\$ 69,259,184
Fund Balance, July 1, 2018	70,904,279	70,904,278	70,904,278	1
Fund Balance, June 30, 2019	<u>\$ 72,603,377</u>	<u>\$ 1,639,528</u>	<u>\$ 3,344,192</u>	<u>\$ 69,259,185</u>



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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Williamson County, Tennessee  
 Schedule of Changes in Long-term Notes, Capital Leases, and Bonds  
 For the Year Ended June 30, 2019

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-19
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Bond Anticipation Note, Series 2019	\$ 10,000,000	1.98	% 4-15-19	12-31-19	\$ 0	\$ 10,000,000	\$ 0	\$ 0	\$ 10,000,000
Total Payable through General Debt Service Fund					\$ 0	\$ 10,000,000	\$ 0	\$ 0	\$ 10,000,000
Total Notes Payable					\$ 0	\$ 10,000,000	\$ 0	\$ 0	\$ 10,000,000
<b>CAPITAL LEASES PAYABLE</b>									
<u>Payable through Rural Debt Service Fund</u>									
Laptops	279,364	5.99	7-17-18	7-17-22	\$ 0	\$ 279,364	\$ 76,219	\$ 0	\$ 203,145
Laptops	225,965	5.99	7-17-18	7-17-22	0	225,965	61,650	0	164,315
Total Payable through Rural Debt Service Fund					\$ 0	\$ 505,329	\$ 137,869	\$ 0	\$ 367,460
Total Capital Leases Payable					\$ 0	\$ 505,329	\$ 137,869	\$ 0	\$ 367,460
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	4-23-19	\$ 400,000	\$ 0	\$ 400,000	0	\$ 0
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	4-23-19	200,000	0	200,000	0	0
General Obligation Bonds, Series 2009A	18,000,000	2.5 to 4.4	2-24-09	4-1-20	1,805,000	0	885,000	0	920,000
General Obligation Bonds, Series 2009A - School	8,450,000	2.5 to 4.4	2-24-09	4-1-20	845,000	0	415,000	0	430,000
General Obligation School Bonds, Series 2009	24,700,000	2.25 to 5.75	12-3-09	4-1-34	22,350,000	0	1,000,000	20,250,000	1,100,000
General Obligation Refunding Bonds, Series 2010	32,960,000	2.5 to 5	4-1-10	4-1-26	24,070,000	0	3,220,000	0	20,850,000
General Obligation School Bonds, Series 2010	17,950,000	1 to 4.6	10-26-10	4-1-30	15,250,000	0	1,100,000	0	14,150,000
General Obligation Refunding Bonds, Series 2010A	24,500,000	2 to 4	12-22-10	2-15-19	1,965,000	0	1,965,000	0	0
General Obligation Refunding Bonds, Series 2012B	30,085,000	2 to 4	12-7-12	3-1-25	13,340,000	0	4,120,000	0	9,220,000
General Obligation Bonds, Series 2013	30,115,000	3 to 5	11-20-13	5-1-34	27,185,000	0	1,200,000	0	25,985,000
General Obligation Bonds, Series 2013 - School	25,095,000	3 to 5	11-20-13	5-1-34	22,650,000	0	995,000	0	21,655,000
General Obligation Bonds, Series 2014	13,675,000	3 to 5	8-28-14	4-1-34	11,905,000	0	610,000	0	11,295,000
General Obligation Bonds, Series 2014 - School	19,765,000	3 to 5	8-28-14	4-1-34	17,185,000	0	890,000	0	16,295,000
General Obligation School Bonds, Series 2015A	19,170,000	1.75 to 4	6-11-15	4-1-35	17,235,000	0	765,000	0	16,470,000
General Obligation School Bonds, Series 2015B	12,040,000	2 to 5	10-29-15	4-1-30	10,740,000	0	695,000	0	10,045,000
General Obligation Public Improvement Bonds, Series 2015B	6,975,000	2 to 5	10-29-15	4-1-30	6,225,000	0	405,000	0	5,820,000
General Obligation Refunding Bonds, Series 2016	8,875,000	2 to 5	1-5-16	4-1-21	5,560,000	0	1,785,000	0	3,775,000
General Obligation Refunding Bonds, Series 2016 - School	12,435,000	2 to 5	1-5-16	4-1-21	7,795,000	0	2,500,000	0	5,295,000
General Obligation Refunding Bonds, Series 2016A	13,510,000	1.5 to 5	3-10-16	4-1-29	13,425,000	0	95,000	0	13,330,000
General Obligation Refunding Bonds, Series 2016A - School	10,695,000	1.5 to 5	3-10-16	4-1-29	10,570,000	0	120,000	0	10,450,000
General Obligation Public Improvement Bonds, Series 2016B	20,755,294	3 to 5	11-29-16	4-1-37	19,745,000	0	1,060,000	0	18,685,000
General Obligation School Bonds, Series 2016B	2,789,706	3 to 5	11-29-16	4-1-37	2,705,000	0	95,000	0	2,610,000
General Obligation Refunding Bonds, Series 2017	9,105,703	2 to 5	1-4-17	4-1-22	7,445,000	0	1,795,000	0	5,650,000
General Obligation Refunding Bonds, Series 2017 - School	74,297	2 to 5	1-4-17	4-1-22	60,000	0	15,000	0	45,000
Federally Taxable General Obligation School Bonds, Series 2017A	5,285,000	1.5 to 3.2	8-30-17	6-1-34	5,285,000	0	265,000	0	5,020,000
General Obligation School Bonds, Series 2017	31,375,000	2.25 to 5	11-21-17	4-1-38	31,375,000	0	0	0	31,375,000
General Obligation Public Improvement Bonds, Series 2017	18,855,000	2.25 to 5	11-21-17	4-1-38	18,855,000	0	0	0	18,855,000
General Obligation Public Improvement Bonds, Series 2018	28,445,000	3.75 to 5	10-30-18	4-1-39	0	28,445,000	0	0	28,445,000
General Obligation School Bonds, Series 2018	15,240,000	3.75 to 5	10-30-18	4-1-39	0	15,240,000	0	0	15,240,000
General Obligation School Refunding Bonds, Series 2019	17,570,000	1.39 to 2.2	6-20-19	4-1-34	0	17,570,000	0	0	17,570,000
Total Payable through General Debt Service Fund					\$ 316,170,000	\$ 61,255,000	\$ 26,595,000	\$ 20,250,000	\$ 330,580,000

(Continued)

Exhibit K-1

Williamson County, Tennessee  
 Schedule of Changes in Long-term Notes, Capital Leases, and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-19
<b>BONDS PAYABLE (CONT.)</b>									
<u>Payable through Rural Debt Service Fund</u>									
County District School Bonds, Series 2008	\$ 19,250,000	3.5 to 4.25	% 2-28-08	4-23-19	\$ 1,150,000	\$ 0	\$ 1,150,000	0	\$ 0
County District School Bonds, Series 2009A	23,660,000	2.5 to 5	2-24-09	6-25-19	3,755,000	0	3,755,000	0	0
County District School Bonds, Series 2009B	39,000,000	2.25 to 5.75	12-31-09	4-1-34	36,900,000	0	750,000	35,150,000	1,000,000
County District School Refunding Bonds, Series 2010	38,930,000	3 to 5	4-1-10	4-1-26	25,900,000	0	3,930,000	0	21,970,000
County District School Bonds, Series 2010	18,000,000	.85 to 5	10-26-10	4-1-30	16,250,000	0	450,000	0	15,800,000
County District School Refunding Bonds, Series 2010A	14,500,000	2 to 4	12-22-10	2-15-19	2,000,000	0	2,000,000	0	0
County District School Refunding Bonds, Series 2012	11,085,000	2 to 4	12-7-12	3-1-25	6,780,000	0	1,500,000	0	5,280,000
County District School Bonds, Series 2013	18,100,000	2 to 5	11-20-13	5-1-34	17,000,000	0	700,000	0	16,300,000
County District School Bonds, Series 2014A	21,100,000	3 to 5	8-28-14	4-1-34	18,100,000	0	4,000,000	0	14,100,000
County District School Refunding Bonds, Series 2014B	17,500,000	2.5 to 5	8-28-14	4-1-27	15,970,000	0	6,895,000	0	9,075,000
County District School Bonds, Series 2015A	14,120,000	3 to 5	6-11-15	4-1-35	12,665,000	0	510,000	0	12,155,000
County District School Bonds, Series 2015B	5,000,000	2	10-29-15	4-1-25	3,965,000	0	535,000	0	3,430,000
County District School Refunding Bonds, Series 2016A	23,355,000	2.75 to 5	3-10-16	4-1-29	23,355,000	0	0	0	23,355,000
County District School Bonds, Series 2016B	14,425,000	1.75 to 5	4-28-16	4-1-36	13,865,000	0	570,000	0	13,295,000
County District School Bonds, Series 2016C	36,225,000	3 to 5	11-29-16	4-1-37	35,525,000	0	5,710,000	0	29,815,000
County District School Bonds, Series 2017A	4,830,000	1.50 to 3.20	8-30-17	6-1-34	4,830,000	0	250,000	0	4,580,000
County District School Bonds, Series 2017	74,530,000	2.25 to 5	11-21-17	4-1-38	74,530,000	0	0	0	74,530,000
County District School Bonds, Series 2018	45,410,000	4 to 5	10-30-18	4-1-39	0	45,410,000	0	0	45,410,000
County District School Refunding Bonds, Series 2019	31,740,000	2.75 to 5	6-20-19	4-1-34	0	31,740,000	0	0	31,740,000
Total Payable through Rural Debt Service Fund					<u>\$ 312,540,000</u>	<u>\$ 77,150,000</u>	<u>\$ 32,705,000</u>	<u>\$ 35,150,000</u>	<u>\$ 321,835,000</u>
Total Bonds Payable					<u>\$ 628,710,000</u>	<u>\$ 138,405,000</u>	<u>\$ 59,300,000</u>	<u>\$ 55,400,000</u>	<u>\$ 652,415,000</u>

Exhibit K-2

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

Year Ending June 30	Bonds		Total
	Principal	Interest	
2020	\$ 40,690,000	\$ 25,893,095	\$ 66,583,095
2021	43,475,000	24,628,424	68,103,424
2022	39,530,000	22,717,239	62,247,239
2023	37,995,000	20,935,724	58,930,724
2024	39,110,000	19,118,631	58,228,631
2025	43,730,000	17,354,003	61,084,003
2026	41,740,000	15,477,161	57,217,161
2027	39,710,000	13,603,288	53,313,288
2028	38,910,000	11,858,889	50,768,889
2029	37,660,000	10,339,714	47,999,714
2030	35,705,000	8,953,844	44,658,844
2031	31,935,000	7,511,029	39,446,029
2032	33,070,000	6,346,669	39,416,669
2033	33,665,000	5,228,386	38,893,386
2034	34,200,000	4,063,556	38,263,556
2035	20,795,000	2,867,331	23,662,331
2036	19,140,000	2,149,860	21,289,860
2037	18,815,000	1,481,888	20,296,888
2038	15,680,000	820,338	16,500,338
2039	6,860,000	450,550	7,310,550
Total	<u>\$ 652,415,000</u>	<u>\$ 221,799,619</u>	<u>\$ 874,214,619</u>

(Continued)

Exhibit K-2

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

Year Ending June 30	Notes		Total
	Principal	Interest	
2020	\$ 10,000,000	\$ 140,800	\$ 10,140,800
Total	\$ 10,000,000	\$ 140,800	\$ 10,140,800

Year Ending June 30	Capital Leases		Total
	Principal	Interest	
2020	\$ 115,246	\$ 22,623	\$ 137,869
2021	122,341	15,527	137,868
2022	129,873	7,995	137,868
Total	\$ 367,460	\$ 46,145	\$ 413,605

Exhibit K-3

Williamson County, Tennessee  
Schedule of Notes Receivable  
June 30, 2019

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance
<u>General Debt Service Fund</u>						
Spring Hill Recreation Center	City of Spring Hill	\$ 2,858,428	4-1-10	4-1-26	2.5 to 5 %	\$ 2,090,000
Spring Hill Recreation Center	City of Spring Hill	751,000	3-10-16	4-1-29	1.5 to 5	<u>630,000</u>
Total Notes Receivable						<u>\$ 2,720,000</u>

Williamson County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Williamson 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 Capital Projects	Various capital projects	\$ 2,796,470
"	Judicial District Drug	Salaries	71,845
General Debt Service	General Capital Projects	To provide funds for courthouse upgrades	83,486
General Capital Projects	General	Reimbursement of unspent project proceeds	6,377
"	Highway/Public Works	To provide funds for paving projects	85,000
"	"	Reimbursement of unspent project proceeds	118,148
"	General Debt Service	Allocation of adequate facilities tax	6,000,000
"	Rural Debt Service	Allocation of education privilege tax	5,300,000
"	Cities Adequate Facilities Tax	Allocation of cities share of adequate facilities tax	1,973,500
"	Special School District	Allocation of ADA share of education privilege tax	430,959
"	"	Allocation of ADA share of adequate facilities tax	351,422
Judicial District Drug	General	Salaries	28,611
Solid Waste Sanitation	General Capital Projects	To purchase and repair equipment	365,000
Total Transfers Primary Government			<u>\$ 17,610,818</u>
<u>DISCRETELY PRESENTED WILLIAMSON</u> <u>COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 182,690
Extended School Program	"	"	<u>148,741</u>
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 331,431</u>

Exhibit K-5

Williamson County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 164,299	\$ 100,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <i>TCA</i>	135,991	100,000	"
Director of Schools:				
Dr. Mike Looney (7-1-18 through 5-20-19)	State Board of Education and Williamson County Board of Education	274,533 (1)	(2)	
Jason Golden (5-21-19 through 6-30-19)	State Board of Education and Williamson County Board of Education	21,688	(2)	
Trustee	Section 8-24-102, <i>TCA</i>	123,635	15,911,103	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	123,635	100,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	123,635	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	123,635	100,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i>	123,635	100,000	"
Juvenile Court Clerk	Section 8-24-102, <i>TCA</i>	123,635	100,000	"
Register of Deeds:				
Sadie Wade (7-1-18 through 8-31-18)	Section 8-24-102, <i>TCA</i>	26,153	100,000	"
Sherry Anderson (9-1-18 through 6-30-19)	Section 8-24-102, <i>TCA</i>	97,482	100,000	"
Sheriff:				
Jeff Long (7-1-18 through 1-15-19)	Section 8-24-102, <i>TCA</i>	79,502	100,000	"
Dusty Rhoades (2-11-19 through 6-30-19)	Section 8-24-102, <i>TCA</i>	47,074 (3)	100,000	"
Director of Accounts and Budgets	County Commission	112,466	100,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-insured
Public Employee Dishonesty			100,001	The Princeton Excess and Surplus Lines
			to 500,000	Insurance Company

- (1) Includes unused vacation pay of \$15,300; does not include a \$500 career ladder supplement.  
(2) Covered under county's employee blanket bond.  
(3) Does not include a law enforcement training supplement of \$600.



Exhibit K-6

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

	Special Revenue Funds				Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 47,370,079	\$ 4,036,688	\$ 0	\$ 0	\$ 32,411,115	\$ 17,699,885
Current Property Tax - Tax Increment Financing	149,424	0	0	0	0	0
Trustee's Collections - Prior Year	61,777	31,103	0	0	42,268	125,913
Circuit Clerk/Clerk and Master Collections - Prior Years	139,380	17,073	0	0	95,365	51,096
Interest and Penalty	43,462	8,001	0	0	29,737	31,963
Payments in-Lieu-of Taxes - T.V.A.	0	143	0	0	620	429
Payments in-Lieu-of Taxes - Other	258,309	29,394	0	0	176,118	121,928
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	3,608,857
Hotel/Motel Tax	5,649,047	0	0	0	0	0
Wheel Tax	171,822	0	0	4,550,000	0	0
Litigation Tax - General	50,042	0	0	0	0	0
Litigation Tax - Special Purpose	305,851	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	4,345	0	0	0	492,495	0
Litigation Tax - Courthouse Security	346,754	0	0	0	0	0
Business Tax	3,784,297	0	0	3,282,450	0	0
Mixed Drink Tax	40,277	0	0	0	0	0
Mineral Severance Tax	0	0	0	147,536	0	0
Other County Local Option Taxes	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	2,272,490	0	0	0	0	0
Wholesale Beer Tax	505,242	0	0	0	0	0
Beer Privilege Tax	2,280	0	0	0	0	0
Other Statutory Local Taxes	8,295	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 61,163,173</b>	<b>\$ 4,122,402</b>	<b>\$ 0</b>	<b>\$ 7,979,986</b>	<b>\$ 33,247,718</b>	<b>\$ 21,640,071</b>

(Continued)

Exhibit K-6

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

	Special Revenue Funds			Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Vaccination	\$ 128,549	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	865,615	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,612	0	0	0	0	0
Building Permits	1,003,932	0	0	0	0	0
Other Permits	69,950	0	0	0	0	0
Total Licenses and Permits	\$ 2,070,658	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 14,202	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	44,120	0	0	0	0	0
Drug Control Fines	0	0	18,926	0	0	0
Jail Fees	6,830	0	0	0	0	0
Judicial Commissioner Fees	728	0	0	0	0	0
DUI Treatment Fines	3,325	0	0	0	0	0
Data Entry Fee - Circuit Court	5,780	0	0	0	0	0
Courtroom Security Fee	1,660	0	0	0	0	0
<u>Criminal Court</u>						
Drug Control Fines	0	0	595	0	0	0
Drug Court Fees	8,551	0	0	0	0	0
Veterans Treatment Court Fees	4,530	0	0	0	0	0
Data Entry Fee - Criminal Court	31,400	0	0	0	0	0
Courtroom Security Fee	8,008	0	0	0	0	0
Victims Assistance Assessments	14,764	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds			Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court</u>						
Fines	\$ 105,880	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	218,969	0	0	0	0	0
Game and Fish Fines	157	0	0	0	0	0
Drug Control Fines	0	0	39,273	0	0	0
Drug Court Fees	50,083	0	0	0	0	0
Veterans Treatment Court Fees	34,496	0	0	0	0	0
Jail Fees	26,374	0	0	0	0	0
Judicial Commissioner Fees	5,875	0	0	0	0	0
DUI Treatment Fines	34,852	0	0	0	0	0
Data Entry Fee - General Sessions Court	18,904	0	0	0	0	0
Victims Assistance Assessments	65,322	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	40,451	0	0	0	0	0
Data Entry Fee - Juvenile Court	3,200	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	9,231	0	0	0	0	0
Data Entry Fee - Chancery Court	12,814	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	3,412	0	0	0	0	0
DUI Treatment Fines	808	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Victims Assistance Assessments	5,268	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	103,279	0	0	0
Other Fines, Forfeitures, and Penalties	51,977	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 831,971</b>	<b>\$ 0</b>	<b>\$ 162,073</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 2,190,887	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	278,846	0	0	0	0
Other General Service Charges	6,311	0	0	0	0	0
Service Charges	122,700	0	0	0	0	0
<u>Fees</u>						
Engineer Review Fees	22,000	0	0	0	0	0
Recreation Fees	6,538,586	0	0	0	0	0
Copy Fees	17,699	0	0	0	0	0
Library Fees	87,588	0	0	0	0	0
Archives and Records Management Fee	84,627	0	0	0	0	0
Telephone Commissions	161,095	0	0	0	0	0
Data Processing Fee - Register	97,210	0	0	0	0	0
Probation Fees	596,780	0	0	0	0	0
Data Processing Fee - Sheriff	16,075	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,900	0	0	0	0	0
Data Processing Fee - County Clerk	71,670	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	1,790	0	0	0	0	0
<u>Education Charges</u>						
Transportation from Individuals	25,935	0	0	0	0	0
Other Charges for Services	165,050	0	0	0	0	0
Total Charges for Current Services	\$ 8,017,016	\$ 2,469,733	\$ 0	\$ 0	\$ 0	0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 747,688	\$ 111,504	\$ 0	\$ 0	\$ 2,184,438	\$ 481,621

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 552,623	\$ 12,300	\$ 0	\$ 0	\$ 282,913	\$ 0
Sale of Materials and Supplies	1,767	545,131	0	13,253	0	0
Commissary Sales	45,884	0	0	0	0	0
Sale of Maps	121,041	0	0	0	0	0
Sale of Recycled Materials	1,227	62,662	0	0	0	0
Miscellaneous Refunds	87,417	0	0	99,840	0	0
Expenditure Credits	1,857	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	42,682	256,565	2,574	103,788	0	0
Damages Recovered from Individuals	11,696	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	22,740	0	0	6,704	65,812	0
Total Other Local Revenues	\$ 1,636,622	\$ 988,162	\$ 2,574	\$ 223,585	\$ 2,533,163	\$ 481,621
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 3,356,335	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	377,985	0	0	0	0	0
General Sessions Court Clerk	931,268	0	0	0	0	0
Clerk and Master	566,017	0	0	0	0	0
Juvenile Court Clerk	28,543	0	0	0	0	0
Register	1,873,455	0	0	0	0	0
Sheriff	228,906	0	0	0	0	0
Trustee	8,512,028	0	0	0	0	0
Total Fees Received From County Officials	\$ 15,874,537	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<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	100,800	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	405,809	0	0
Litter Program	92,000	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	2,968,994	0	0	0	0	0
Beer Tax	17,959	0	0	0	0	0
Alcoholic Beverage Tax	297,494	0	0	0	0	0
State Revenue Sharing - T.V.A.	380,438	0	0	1,141,315	380,438	0
State Revenue Sharing - Telecommunications	383,303	0	0	0	0	0
Contracted Prisoner Boarding	788,229	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	4,130,588	0	0
Petroleum Special Tax	0	0	0	132,174	0	0
T.B.I. - Equipment Reimbursement	53,359	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	1,218,045	0	0	0	0	0
Other State Revenues	66,549	0	0	0	0	0
Total State of Tennessee	\$ 6,391,334	\$ 0	\$ 0	\$ 5,809,886	\$ 380,438	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 2,235,218	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Federal through State	691,135	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	\$ 4,379	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Tax Credit Bond Rebate	0	0	0	0	689,924	1,021,325
Other Direct Federal Revenue	457,936	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 3,388,668</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 689,924</b>	<b>\$ 1,021,325</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 3,779	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	116,924	0	0
Contributions	0	0	0	0	421,228	22,899,812
Contracted Services	366,022	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	711,126	0	13,350	0	0	0
<u>Other</u>						
Other	125,000	0	0	0	0	0
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 1,205,927</b>	<b>\$ 0</b>	<b>\$ 13,350</b>	<b>\$ 116,924</b>	<b>\$ 421,228</b>	<b>\$ 22,899,812</b>
<b>Total</b>	<b>\$ 100,579,906</b>	<b>\$ 7,580,297</b>	<b>\$ 177,997</b>	<b>\$ 14,130,381</b>	<b>\$ 37,272,471</b>	<b>\$ 46,042,829</b>

(Continued)

Exhibit K-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 101,517,767
Current Property Tax - Tax Increment Financing	0	149,424
Trustee's Collections - Prior Year	0	261,061
Circuit Clerk/Clerk and Master Collections - Prior Years	0	302,914
Interest and Penalty	0	113,163
Payments in-Lieu-of Taxes - T.V.A.	0	1,192
Payments in-Lieu-of Taxes - Other	0	585,749
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	3,608,857
Hotel/Motel Tax	0	5,649,047
Wheel Tax	0	4,721,822
Litigation Tax - General	0	50,042
Litigation Tax - Special Purpose	0	305,851
Litigation Tax - Jail, Workhouse, or Courthouse	0	496,840
Litigation Tax - Courthouse Security	0	346,754
Business Tax	0	7,066,747
Mixed Drink Tax	0	40,277
Mineral Severance Tax	0	147,536
Other County Local Option Taxes	13,290,376	13,290,376
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	2,272,490
Wholesale Beer Tax	0	505,242
Beer Privilege Tax	0	2,280
Other Statutory Local Taxes	0	8,295
Total Local Taxes	<u>\$ 13,290,376</u>	<u>\$ 141,443,726</u>

(Continued)



Exhibit K-6

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Vaccination	\$ 0	\$ 128,549
Cable TV Franchise	0	865,615
<u>Permits</u>		
Beer Permits	0	2,612
Building Permits	0	1,003,932
Other Permits	0	69,950
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 2,070,658</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 14,202
Officers Costs	0	44,120
Drug Control Fines	0	18,926
Jail Fees	0	6,830
Judicial Commissioner Fees	0	728
DUI Treatment Fines	0	3,325
Data Entry Fee - Circuit Court	0	5,780
Courtroom Security Fee	0	1,660
<u>Criminal Court</u>		
Drug Control Fines	0	595
Drug Court Fees	0	8,551
Veterans Treatment Court Fees	0	4,530
Data Entry Fee - Criminal Court	0	31,400
Courtroom Security Fee	0	8,008
Victims Assistance Assessments	0	14,764

(Continued)

Exhibit K-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>General Sessions Court</u>		
Fines	\$ 0	\$ 105,880
Officers Costs	0	218,969
Game and Fish Fines	0	157
Drug Control Fines	0	39,273
Drug Court Fees	0	50,083
Veterans Treatment Court Fees	0	34,496
Jail Fees	0	26,374
Judicial Commissioner Fees	0	5,875
DUI Treatment Fines	0	34,852
Data Entry Fee - General Sessions Court	0	18,904
Victims Assistance Assessments	0	65,322
<u>Juvenile Court</u>		
Fines	0	40,451
Data Entry Fee - Juvenile Court	0	3,200
<u>Chancery Court</u>		
Officers Costs	0	9,231
Data Entry Fee - Chancery Court	0	12,814
<u>Other Courts - In-county</u>		
Drug Court Fees	0	3,412
DUI Treatment Fines	0	808
<u>Judicial District Drug Program</u>		
Victims Assistance Assessments	0	5,268
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	103,279
Other Fines, Forfeitures, and Penalties	0	51,977
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 994,044</u>

(Continued)

Exhibit K-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Tipping Fees	\$ 0	\$ 2,190,887
Surcharge - Waste Tire Disposal	0	278,846
Other General Service Charges	0	6,311
Service Charges	0	122,700
<u>Fees</u>		
Engineer Review Fees	0	22,000
Recreation Fees	0	6,538,586
Copy Fees	0	17,699
Library Fees	0	87,588
Archives and Records Management Fee	0	84,627
Telephone Commissions	0	161,095
Data Processing Fee - Register	0	97,210
Probation Fees	0	596,780
Data Processing Fee - Sheriff	0	16,075
Sexual Offender Registration Fee - Sheriff	0	1,900
Data Processing Fee - County Clerk	0	71,670
Vehicle Insurance Coverage and Reinstatement Fees	0	1,790
<u>Education Charges</u>		
Transportation from Individuals	0	25,935
Other Charges for Services	0	165,050
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 10,486,749</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 1,758,140	\$ 5,283,391

(Continued)

Exhibit K-6

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>		
<u>Recurring Items (Cont.)</u>		
Lease/Rentals	\$ 0	\$ 847,836
Sale of Materials and Supplies	0	560,151
Commissary Sales	0	45,884
Sale of Maps	0	121,041
Sale of Recycled Materials	0	63,889
Miscellaneous Refunds	0	187,257
Expenditure Credits	0	1,857
<u>Nonrecurring Items</u>		
Sale of Equipment	0	405,609
Damages Recovered from Individuals	0	11,696
<u>Other Local Revenues</u>		
Other Local Revenues	18,625,942	18,721,198
Total Other Local Revenues	<u>\$ 20,384,082</u>	<u>\$ 26,249,809</u>
<u>Fees Received From County Officials</u>		
<u>Fees In-Lieu-of Salary</u>		
County Clerk	\$ 0	\$ 3,356,335
Circuit Court Clerk	0	377,985
General Sessions Court Clerk	0	931,268
Clerk and Master	0	566,017
Juvenile Court Clerk	0	28,543
Register	0	1,873,455
Sheriff	0	228,906
Trustee	0	8,512,028
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 15,874,537</u>

(Continued)

Exhibit K-6

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<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	100,800
<u>Public Works Grants</u>		
State Aid Program	0	405,809
Litter Program	0	92,000
<u>Other State Revenues</u>		
Income Tax	0	2,968,994
Beer Tax	0	17,959
Alcoholic Beverage Tax	0	297,494
State Revenue Sharing - T.V.A.	0	1,902,191
State Revenue Sharing - Telecommunications	0	383,303
Contracted Prisoner Boarding	0	788,229
Gasoline and Motor Fuel Tax	0	4,130,588
Petroleum Special Tax	0	132,174
T.B.I. - Equipment Reimbursement	0	53,359
Registrar's Salary Supplement	0	15,164
Other State Grants	0	1,218,045
Other State Revenues	0	66,549
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 12,581,658</u>
<u>Federal Government</u>		
<u>Federal Through State</u>		
Civil Defense Reimbursement	\$ 0	\$ 2,235,218
Other Federal through State	29,679	720,814

(Continued)

Exhibit K-6

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<hr/>		
<u>Federal Government (Cont.)</u>		
<u>Direct Federal Revenue</u>		
Asset Forfeiture Funds	\$ 0	\$ 4,379
Tax Credit Bond Rebate	0	1,711,249
Other Direct Federal Revenue	0	457,936
Total Federal Government	<u>\$ 29,679</u>	<u>\$ 5,129,596</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Prisoner Board	\$ 0	\$ 3,779
Paving and Maintenance	0	116,924
Contributions	0	23,321,040
Contracted Services	0	366,022
<u>Citizens Groups</u>		
Donations	7,350,010	8,074,486
<u>Other</u>		
Other	0	125,000
Total Other Governments and Citizens Groups	<u>\$ 7,350,010</u>	<u>\$ 32,007,251</u>
<u>Total</u>	<u>\$ 41,054,147</u>	<u>\$ 246,838,028</u>

Exhibit K-7

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 146,714,113	\$ 0	\$ 0	\$ 0	\$ 0	\$ 146,714,113
Trustee's Collections - Prior Year	83,383	0	0	0	0	83,383
Circuit Clerk/Clerk and Master Collections - Prior Years	430,665	0	0	0	0	430,665
Interest and Penalty	136,742	0	0	0	0	136,742
Payments in-Lieu-of Taxes - T.V.A.	2,786	0	0	0	0	2,786
Payments in-Lieu-of Taxes - Local Utilities	125,504	0	0	0	0	125,504
Payments in-Lieu-of Taxes - Other	669,124	0	0	0	0	669,124
<u>County Local Option Taxes</u>						
Local Option Sales Tax	70,244,131	0	0	0	0	70,244,131
Mixed Drink Tax	1,293,415	0	0	0	0	1,293,415
<b>Total Local Taxes</b>	<b>\$ 219,699,863</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 219,699,863</b>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 8,854	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,854
<b>Total Licenses and Permits</b>	<b>\$ 8,854</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 8,854</b>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 279,834	\$ 0	\$ 0	\$ 0	\$ 0	\$ 279,834
Tuition - Summer School	52,546	0	0	0	0	52,546
Lunch Payments - Children	0	0	5,745,048	0	0	5,745,048
Lunch Payments - Adults	0	0	231,748	0	0	231,748
Income from Breakfast	0	0	349,176	0	0	349,176

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
A la Carte Sales	\$ 0	\$ 0	\$ 4,131,648	\$ 0	\$ 0	\$ 4,131,648
Contract for Instructional Services with Other LEA's	78,203	0	0	0	0	78,203
Receipts from Individual Schools	35,100	0	0	0	0	35,100
Community Service Fees - Children	755,464	0	0	6,303,152	0	7,058,616
Other Charges for Services	509,976	0	0	0	0	509,976
<b>Total Charges for Current Services</b>	<b>\$ 1,711,123</b>	<b>\$ 0</b>	<b>\$ 10,457,620</b>	<b>\$ 6,303,152</b>	<b>\$ 0</b>	<b>\$ 18,471,895</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,314,444	\$ 0	\$ 51,192	\$ 25,315	\$ 2,064,544	\$ 3,455,495
Lease/Rentals	278,197	0	0	0	0	278,197
Commodity Rebates	256,937	0	0	0	0	256,937
Miscellaneous Refunds	20,152	0	499,901	73	0	520,126
<u>Nonrecurring Items</u>						
Sale of Equipment	104,666	0	0	0	0	104,666
Sale of Property	1,658,671	0	0	0	0	1,658,671
Damages Recovered from Individuals	9,458	0	0	0	0	9,458
Contributions and Gifts	57,960	0	0	0	0	57,960
<u>Other Local Revenues</u>						
Other Local Revenues	192,520	0	0	0	0	192,520
<b>Total Other Local Revenues</b>	<b>\$ 3,893,005</b>	<b>\$ 0</b>	<b>\$ 551,093</b>	<b>\$ 25,388</b>	<b>\$ 2,064,544</b>	<b>\$ 6,534,030</b>

(Continued)



Exhibit K-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>State of Tennessee</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 138,712,612	\$ 0	\$ 0	\$ 0	\$ 0	\$ 138,712,612
Early Childhood Education	463,878	0	0	0	0	463,878
School Food Service	0	0	102,451	0	0	102,451
Other State Education Funds	553,262	0	0	0	0	553,262
Coordinated School Health	155,665	0	0	0	0	155,665
Career Ladder Program	433,738	0	0	0	0	433,738
Total State of Tennessee	\$ 140,319,155	\$ 0	\$ 102,451	\$ 0	\$ 0	\$ 140,421,606
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,141,128	\$ 0	\$ 0	\$ 2,141,128
USDA - Commodities	0	0	826,599	0	0	826,599
Breakfast	0	0	322,415	0	0	322,415
Vocational Education - Basic Grants to States	0	322,388	0	0	0	322,388
Other Vocational	113,155	0	0	0	0	113,155
Title I Grants to Local Education Agencies	0	887,512	0	0	0	887,512
Special Education - Grants to States	947,247	6,338,077	0	0	0	7,285,324
Special Education Preschool Grants	0	59,996	0	0	0	59,996
English Language Acquisition Grants	0	88,969	0	0	0	88,969
Eisenhower Professional Development State Grants	0	393,781	0	0	0	393,781
Other Federal through State	0	98,706	0	0	0	98,706
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	464,820	0	0	0	0	464,820
Total Federal Government	\$ 1,525,222	\$ 8,189,429	\$ 3,290,142	\$ 0	\$ 0	\$ 13,004,793

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 505,329	\$ 0	\$ 0	\$ 0	\$ 72,244,468	\$ 72,749,797
Total Other Governments and Citizens Groups	\$ 505,329	\$ 0	\$ 0	\$ 0	\$ 72,244,468	\$ 72,749,797
Total	\$ 367,662,551	\$ 8,189,429	\$ 14,401,306	\$ 6,328,540	\$ 74,309,012	\$ 470,890,838

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	143,400	
Other Per Diem and Fees		6,897	
Audit Services		86,484	
Dues and Memberships		85	
Legal Notices, Recording, and Court Costs		1,881	
Maintenance and Repair Services - Office Equipment		3,000	
Postal Charges		2,000	
Printing, Stationery, and Forms		209	
Travel		2,788	
Other Contracted Services		149,424	
Tax Relief Program		577,969	
Other Charges		384	
Total County Commission	\$		974,521

Board of Equalization

Board and Committee Members Fees	\$	1,990	
Total Board of Equalization			1,990

Beer Board

Board and Committee Members Fees	\$	1,575	
Total Beer Board			1,575

Other Boards and Committees

Board and Committee Members Fees	\$	150	
Total Other Boards and Committees			150

County Mayor/Executive

County Official/Administrative Officer	\$	164,299	
Supervisor/Director		102,669	
Secretary(ies)		96,267	
Longevity Pay		1,750	
Overtime Pay		157	
Communication		2,133	
Dues and Memberships		2,810	
Operating Lease Payments		2,783	
Postal Charges		3,500	
Printing, Stationery, and Forms		678	
Travel		1,846	
Other Contracted Services		114,278	
Office Supplies		1,365	
Other Supplies and Materials		475	
Premiums on Corporate Surety Bonds		100	
In Service/Staff Development		7,932	
Other Charges		4,622	
Total County Mayor/Executive			507,664

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office

Assistant(s)	\$	133,059	
Supervisor/Director		114,192	
Part-time Personnel		6,445	
Longevity Pay		1,100	
Communication		240	
Dues and Memberships		986	
Postal Charges		125	
Printing, Stationery, and Forms		2,261	
Travel		47	
Office Supplies		1,999	
In Service/Staff Development		1,695	
Total Personnel Office			\$ 262,149

County Attorney

Legal Services	\$	791,490	
Total County Attorney			791,490

Election Commission

County Official/Administrative Officer	\$	111,281	
Assistant(s)		191,504	
Temporary Personnel		159,075	
Part-time Personnel		50,459	
Longevity Pay		1,600	
Overtime Pay		30,740	
Election Commission		4,290	
Election Workers		117,832	
Advertising		6,966	
Communication		1,188	
Dues and Memberships		4,520	
Freight Expenses		18,172	
Operating Lease Payments		5,133	
Licenses		11,825	
Maintenance and Repair Services - Equipment		33,266	
Maintenance and Repair Services - Office Equipment		32,946	
Postal Charges		15,986	
Printing, Stationery, and Forms		22,347	
Travel		1,100	
Office Supplies		20,913	
Other Charges		4,826	
Total Election Commission			845,969

Register of Deeds

County Official/Administrative Officer	\$	123,635	
Deputy(ies)		463,407	
Longevity Pay		8,600	
Communication		325	
Dues and Memberships		1,202	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Operating Lease Payments	\$	10,056	
Maintenance and Repair Services - Office Equipment		24,368	
Postal Charges		3,988	
Printing, Stationery, and Forms		22,356	
In Service/Staff Development		1,230	
Data Processing Equipment		19,591	
Total Register of Deeds			\$ 678,758

Development

Assistant(s)	\$	1,629,831	
Supervisor/Director		122,460	
Deputy(ies)		462,338	
Secretary(ies)		336,148	
Temporary Personnel		1,824	
Part-time Personnel		5,044	
Longevity Pay		30,800	
Board and Committee Members Fees		21,310	
Communication		9,733	
Dues and Memberships		945	
Operating Lease Payments		10,370	
Licenses		23,124	
Maintenance and Repair Services - Office Equipment		2,581	
Postal Charges		4,938	
Other Contracted Services		3,386	
Office Supplies		7,617	
In Service/Staff Development		505	
Other Charges		814	
Total Development			2,673,768

Planning

Advertising	\$	761	
Consultants		161,491	
Dues and Memberships		1,662	
Evaluation and Testing		10,485	
Maintenance and Repair Services - Vehicles		291	
Travel		30	
Gasoline		448	
Instructional Supplies and Materials		215	
In Service/Staff Development		3,247	
Highway Construction		12,859	
Total Planning			191,489

Building

Communication	\$	1,704	
Dues and Memberships		440	
Maintenance and Repair Services - Vehicles		5,525	
Gasoline		7,241	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Uniforms	\$	1,431	
In Service/Staff Development		<u>10,321</u>	
Total Building			\$ 26,662

Engineering

Board and Committee Members Fees	\$	2,428	
Consultants		3,400	
Dues and Memberships		706	
Evaluation and Testing		2,612	
Maintenance and Repair Services - Vehicles		2,832	
Permits		3,460	
Gasoline		4,620	
Instructional Supplies and Materials		370	
In Service/Staff Development		<u>5,933</u>	
Total Engineering			26,361

Codes Compliance

Advertising	\$	425	
Communication		1,221	
Maintenance and Repair Services - Vehicles		4,050	
Gasoline		1,370	
Periodicals		39	
Uniforms		846	
In Service/Staff Development		<u>2,952</u>	
Total Codes Compliance			10,903

Geographical Information Systems

Supervisor/Director	\$	114,587	
Data Processing Personnel		745,060	
Secretary(ies)		38,189	
Part-time Personnel		9,466	
Longevity Pay		8,500	
Overtime Pay		5,877	
Communication		202,854	
Consultants		2,970	
Dues and Memberships		1,316	
Licenses		1,074,302	
Maintenance and Repair Services - Vehicles		966	
Other Contracted Services		34,945	
Gasoline		2,452	
Instructional Supplies and Materials		20	
Office Supplies		6,379	
Uniforms		477	
In Service/Staff Development		1,470	
Motor Vehicles		<u>55,978</u>	
Total Geographical Information Systems			2,305,808

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Supervisor/Director	\$	95,160	
Deputy(ies)		128,004	
Foremen		215,451	
Mechanic(s)		774,677	
Nightwatchmen		37,778	
Clerical Personnel		50,032	
Custodial Personnel		306,279	
Part-time Personnel		269,185	
Longevity Pay		10,950	
Overtime Pay		39,243	
Communication		36,130	
Contracts with Private Agencies		197,227	
Operating Lease Payments		1,505	
Maintenance and Repair Services - Buildings		511,791	
Maintenance and Repair Services - Vehicles		30,689	
Custodial Supplies		73,796	
Electricity		622,228	
Gasoline		38,464	
Natural Gas		42,660	
Office Supplies		1,656	
Uniforms		11,597	
Water and Sewer		71,172	
In Service/Staff Development		8,221	
Other Charges		346	
Motor Vehicles		185,013	
Total County Buildings			\$ 3,759,254

Other Facilities

Assistant(s)	\$	73,802	
Supervisor/Director		50,356	
Part-time Personnel		25,980	
Longevity Pay		1,400	
Communication		697	
Licenses		2,839	
Maintenance and Repair Services - Vehicles		461	
Travel		164	
Gasoline		311	
Office Supplies		1,822	
Other Supplies and Materials		2,619	
Communication Equipment		28,492	
Motor Vehicles		61,397	
Total Other Facilities			250,340

Preservation of Records

County Official/Administrative Officer	\$	61,339	
Assistant(s)		100,285	
Temporary Personnel		5,041	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records (Cont.)

Part-time Personnel	\$	25,512	
Longevity Pay		350	
Board and Committee Members Fees		25	
Advertising		565	
Communication		2,506	
Dues and Memberships		996	
Operating Lease Payments		2,697	
Licenses		1,926	
Maintenance and Repair Services - Office Equipment		4,061	
Postal Charges		378	
Other Contracted Services		710	
Office Supplies		10,073	
Other Supplies and Materials		10,478	
Total Preservation of Records			\$ 226,942

Risk Management

County Official/Administrative Officer	\$	100,152	
Assistant(s)		86,938	
Longevity Pay		1,800	
Communication		1,827	
Dues and Memberships		207	
Operating Lease Payments		1,090	
Postal Charges		1,000	
Printing, Stationery, and Forms		80	
Travel		228	
Instructional Supplies and Materials		446	
Office Supplies		600	
Total Risk Management			194,368

Other Risk Management

Paraprofessionals	\$	93,059	
Clerical Personnel		217,911	
Longevity Pay		2,200	
Communication		955	
Operating Lease Payments		5,486	
Postal Charges		8,350	
Printing, Stationery, and Forms		4,280	
Travel		244	
Office Supplies		2,472	
In Service/Staff Development		451	
Total Other Risk Management			335,408

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	112,466	
Assistant(s)		78,593	
Accountants/Bookkeepers		484,255	

(Continued)



Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Purchasing Personnel	\$	122,158	
Longevity Pay		7,800	
Communication		2,834	
Dues and Memberships		648	
Operating Lease Payments		1,703	
Licenses		236,468	
Postal Charges		5,544	
Printing, Stationery, and Forms		4,670	
Travel		93	
Office Supplies		6,376	
In Service/Staff Development		9,133	
Other Charges		115	
Total Accounting and Budgeting			\$ 1,072,856

Property Assessor's Office

County Official/Administrative Officer	\$	123,635	
Deputy(ies)		1,170,053	
Salary Supplements		16,338	
Part-time Personnel		45,077	
Longevity Pay		18,550	
Overtime Pay		13,759	
Advertising		120	
Communication		1,644	
Consultants		139,154	
Data Processing Services		13,998	
Dues and Memberships		3,475	
Operating Lease Payments		27,300	
Maintenance and Repair Services - Office Equipment		23,000	
Maintenance and Repair Services - Vehicles		1,270	
Postal Charges		10,232	
Printing, Stationery, and Forms		3,637	
Travel		3,534	
Gasoline		2,019	
Office Supplies		14,033	
Periodicals		6,591	
Uniforms		1,483	
In Service/Staff Development		1,710	
Other Charges		2,085	
Total Property Assessor's Office			1,642,697

County Trustee's Office

County Official/Administrative Officer	\$	123,635	
Assistant(s)		350,113	
Part-time Personnel		24,001	
Longevity Pay		3,850	
Overtime Pay		400	
Advertising		1,276	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Communication	\$	1,387	
Data Processing Services		43,477	
Dues and Memberships		1,087	
Maintenance and Repair Services - Office Equipment		25,001	
Postal Charges		4,778	
Printing, Stationery, and Forms		2,405	
Travel		991	
Office Supplies		5,785	
In Service/Staff Development		2,991	
Other Charges		333	
Total County Trustee's Office			\$ 591,510

County Clerk's Office

County Official/Administrative Officer	\$	123,635	
Assistant(s)		764,462	
Part-time Personnel		45,403	
Longevity Pay		10,950	
Advertising		1,394	
Communication		338	
Dues and Memberships		1,027	
Operating Lease Payments		3,012	
Maintenance and Repair Services - Office Equipment		31,283	
Postal Charges		75,244	
Printing, Stationery, and Forms		10,350	
In Service/Staff Development		370	
Office Equipment		9,725	
Total County Clerk's Office			1,077,193

Other Finance

Duplicating Supplies	\$	36,879	
Data Processing Equipment		454,632	
Furniture and Fixtures		45,370	
Total Other Finance			536,881

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	123,635	
Deputy(ies)		1,276,918	
Part-time Personnel		20,044	
Longevity Pay		21,450	
Jury and Witness Expense		19,416	
Communication		4,416	
Dues and Memberships		936	
Operating Lease Payments		43,065	
Postal Charges		17,291	
Printing, Stationery, and Forms		10,174	
Food Supplies		116	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Office Supplies	\$	12,313	
Office Equipment		<u>16,042</u>	
Total Circuit Court	\$		1,565,816

General Sessions Court

Judge(s)	\$	333,715	
Assistant(s)		193,533	
Probation Officer(s)		191,797	
Secretary(ies)		88,795	
Clerical Personnel		36,832	
Part-time Personnel		17,080	
Longevity Pay		4,800	
Overtime Pay		634	
Communication		666	
Contracts with Government Agencies		359,422	
Dues and Memberships		1,200	
Evaluation and Testing		4,743	
Operating Lease Payments		3,628	
Printing, Stationery, and Forms		1,425	
Travel		93	
Other Contracted Services		4,864	
Office Supplies		5,855	
Periodicals		3,094	
In Service/Staff Development		581	
Other Charges		<u>143</u>	
Total General Sessions Court			1,252,900

Drug Court

Drug Treatment	\$	<u>98,956</u>	
Total Drug Court			98,956

Chancery Court

County Official/Administrative Officer	\$	123,635	
Assistant(s)		324,391	
Part-time Personnel		15,090	
Longevity Pay		4,050	
Overtime Pay		1,064	
Communication		334	
Dues and Memberships		1,327	
Maintenance and Repair Services - Office Equipment		24,939	
Postal Charges		8,101	
Printing, Stationery, and Forms		5,902	
Office Supplies		5,969	
Periodicals		889	
In Service/Staff Development		100	
Office Equipment		<u>3,864</u>	
Total Chancery Court			519,655

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

County Official/Administrative Officer	\$	123,635	
Assistant(s)		362,301	
Part-time Personnel		14,471	
Longevity Pay		5,450	
Communication		1,422	
Dues and Memberships		942	
Operating Lease Payments		6,019	
Legal Notices, Recording, and Court Costs		50	
Maintenance and Repair Services - Office Equipment		1,832	
Postal Charges		5,000	
Printing, Stationery, and Forms		7,965	
Travel		28	
Other Contracted Services		21,432	
Office Supplies		1,047	
Other Charges		322	
Data Processing Equipment		4,206	
Total Juvenile Court	\$		556,122

Judicial Commissioners

Assistant(s)	\$	310,348	
Part-time Personnel		30,231	
Longevity Pay		4,600	
Overtime Pay		2,323	
Communication		241	
Dues and Memberships		750	
Operating Lease Payments		2,002	
Office Supplies		997	
Periodicals		831	
In Service/Staff Development		112	
Total Judicial Commissioners			352,435

Other Administration of Justice

County Official/Administrative Officer	\$	26,589	
Assistant(s)		188,752	
Part-time Personnel		41,650	
Total Other Administration of Justice			256,991

Victim Assistance Programs

Contributions	\$	88,835	
Total Victim Assistance Programs			88,835

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	126,576	
Deputy(ies)		9,102,286	
Accountants/Bookkeepers		76,918	
Salary Supplements		100,800	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Clerical Personnel	\$	761,297	
Longevity Pay		91,650	
Overtime Pay		398,383	
Communication		155,494	
Contracts with Private Agencies		135,438	
Evaluation and Testing		19,449	
Operating Lease Payments		14,342	
Maintenance and Repair Services - Vehicles		369,748	
Postal Charges		7,029	
Transportation - Other than Students		44,701	
Travel		1,709	
Data Processing Supplies		53,234	
Gasoline		458,623	
Law Enforcement Supplies		57,550	
Office Supplies		43,289	
Periodicals		1,611	
Tires and Tubes		70,066	
Uniforms		177,345	
Other Supplies and Materials		5,341	
In Service/Staff Development		198,934	
Other Charges		26,925	
Data Processing Equipment		128,168	
Law Enforcement Equipment		393,873	
Motor Vehicles		54,994	
Other Equipment		15,497	
Other Capital Outlay		432,902	
Total Sheriff's Department			\$ 13,524,172

Traffic Control

Guards	\$	169,582	
Uniforms		13,782	
Total Traffic Control			183,364

Jail

Guards	\$	3,721,337	
Longevity Pay		16,450	
Overtime Pay		231,832	
Advertising		8,499	
Communication		19,226	
Evaluation and Testing		16,914	
Laundry Service		64,520	
Operating Lease Payments		14,701	
Maintenance and Repair Services - Buildings		191,980	
Maintenance and Repair Services - Equipment		19,605	
Maintenance and Repair Services - Vehicles		5,699	
Medical and Dental Services		1,653,659	
Postal Charges		667	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Drugs and Medical Supplies	\$	6,192	
Electricity		204,161	
Food Supplies		638,802	
Gasoline		14,732	
Natural Gas		39,969	
Office Supplies		30,308	
Periodicals		80	
Prisoners Clothing		23,862	
Uniforms		71,022	
Water and Sewer		163,790	
Other Supplies and Materials		62,652	
In Service/Staff Development		36,317	
Total Jail			\$ 7,256,976

Workhouse

Deputy(ies)	\$	99,576	
Longevity Pay		2,250	
Maintenance and Repair Services - Vehicles		4,959	
Gasoline		11,000	
Instructional Supplies and Materials		35,386	
Office Supplies		1,266	
Other Road Materials		3,314	
Small Tools		1,983	
Uniforms		856	
Other Supplies and Materials		3,698	
Total Workhouse			164,288

Juvenile Services

Judge(s)	\$	166,858	
Assistant(s)		1,635,585	
Teachers		24,763	
Part-time Personnel		81,233	
Longevity Pay		10,900	
Overtime Pay		10,377	
Communication		8,150	
Contracts with Government Agencies		193,101	
Dues and Memberships		2,609	
Operating Lease Payments		7,214	
Licenses		10,409	
Maintenance and Repair Services - Office Equipment		2,705	
Medical and Dental Services		15,460	
Postal Charges		1,125	
Printing, Stationery, and Forms		2,652	
Transportation - Other than Students		3,734	
Travel		9,795	
Other Contracted Services		19,477	
Food Supplies		13,151	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Instructional Supplies and Materials	\$	26	
Office Supplies		5,897	
Periodicals		2,181	
Uniforms		5,535	
Other Supplies and Materials		18,559	
In Service/Staff Development		7,953	
Other Charges		389	
Total Juvenile Services			\$ 2,259,838

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		494,359	
Total Fire Prevention and Control			496,359

Other Emergency Management

Printing, Stationery, and Forms	\$	50	
In Service/Staff Development		5,496	
Total Other Emergency Management			5,546

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	91,650	
Medical and Dental Services		37,050	
Other Contracted Services		100,690	
Drugs and Medical Supplies		72,260	
Total County Coroner/Medical Examiner			301,650

Other Public Safety

County Official/Administrative Officer	\$	107,027	
Assistant(s)		691,695	
Supervisor/Director		148,964	
Dispatchers/Radio Operators		1,805,882	
Secretary(ies)		45,084	
Part-time Personnel		50,152	
Longevity Pay		11,450	
Overtime Pay		281,546	
Advertising		247	
Communication		97,616	
Dues and Memberships		1,467	
Evaluation and Testing		24,580	
Operating Lease Payments		259,976	
Maintenance Agreements		434,710	
Maintenance and Repair Services - Equipment		52,088	
Maintenance and Repair Services - Office Equipment		12,577	
Maintenance and Repair Services - Vehicles		34,769	
Postal Charges		218	
Travel		1,671	
Other Contracted Services		6,325	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety (Cont.)

Electricity	\$	291,450	
Gasoline		44,686	
Natural Gas		44,171	
Office Supplies		7,115	
Uniforms		41,683	
Water and Sewer		7,627	
Other Supplies and Materials		32,646	
In Service/Staff Development		47,022	
Motor Vehicles		138,715	
Other Equipment		162,939	
Total Other Public Safety			\$ 4,886,098

Public Health and Welfare

Local Health Center

Medical Personnel	\$	206,168	
Secretary(ies)		38,158	
Clerical Personnel		34,310	
Custodial Personnel		27,957	
Part-time Personnel		16,924	
Longevity Pay		7,750	
Board and Committee Members Fees		2,425	
Communication		11,331	
Contracts with Government Agencies		616,231	
Dues and Memberships		642	
Laundry Service		187	
Maintenance and Repair Services - Buildings		16,913	
Travel		3,863	
Other Contracted Services		6,139	
Drugs and Medical Supplies		5,899	
Food Supplies		2,333	
Instructional Supplies and Materials		8,572	
Office Supplies		1,677	
Utilities		27,745	
Liability Insurance		1,224	
Other Charges		767	
Total Local Health Center			1,037,215

Rabies and Animal Control

Assistant(s)	\$	49,622	
Supervisor/Director		78,206	
Paraprofessionals		144,307	
Attendants		534,569	
Custodial Personnel		25,414	
Part-time Personnel		85,743	
Longevity Pay		2,400	
Overtime Pay		40,376	
Communication		11,579	

(Continued)



Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Contracts with Private Agencies	\$	4,370	
Operating Lease Payments		1,885	
Maintenance and Repair Services - Vehicles		7,469	
Postal Charges		500	
Printing, Stationery, and Forms		2,238	
Veterinary Services		14,252	
Other Contracted Services		11,608	
Animal Food and Supplies		47,409	
Custodial Supplies		6,929	
Drugs and Medical Supplies		197,090	
Electricity		24,862	
Gasoline		14,378	
Instructional Supplies and Materials		392	
Natural Gas		6,239	
Office Supplies		9,008	
Uniforms		4,442	
Water and Sewer		10,814	
Other Supplies and Materials		22,874	
In Service/Staff Development		13,039	
Data Processing Equipment		16,659	
Total Rabies and Animal Control			\$ 1,388,673

Ambulance/Emergency Medical Services

Contracts with Government Agencies	\$	1,943,624	
Total Ambulance/Emergency Medical Services			1,943,624

Regional Mental Health Center

Contributions	\$	19,000	
Total Regional Mental Health Center			19,000

Appropriation to State

Contributions	\$	103,816	
Total Appropriation to State			103,816

General Welfare Assistance

Contributions	\$	17,617	
Total General Welfare Assistance			17,617

Aid to Dependent Children

Contracts with Government Agencies	\$	10,370	
Total Aid to Dependent Children			10,370

Other Local Welfare Services

Pauper Burials	\$	1,200	
Total Other Local Welfare Services			1,200

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Public Health and Welfare

Communication	\$	7,175	
Dues and Memberships		1,939	
Operating Lease Payments		8,534	
Maintenance and Repair Services - Vehicles		3,584	
Postal Charges		315	
Printing, Stationery, and Forms		993	
Data Processing Supplies		389	
Gasoline		9,423	
Office Supplies		6,750	
Periodicals		39	
Uniforms		2,475	
Other Supplies and Materials		3,815	
In Service/Staff Development		4,282	
Total Other Public Health and Welfare			\$ 49,713

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$	22,732	
Total Adult Activities			22,732

Senior Citizens Assistance

Contributions	\$	56,552	
Total Senior Citizens Assistance			56,552

Libraries

County Official/Administrative Officer	\$	84,999	
Librarians		1,329,467	
Temporary Personnel		14,879	
Part-time Personnel		279,393	
Longevity Pay		15,250	
Communication		12,609	
Contributions		98,115	
Data Processing Services		5,500	
Dues and Memberships		342	
Operating Lease Payments		10,466	
Maintenance and Repair Services - Office Equipment		4,608	
Postal Charges		1,981	
Printing, Stationery, and Forms		1,269	
Travel		69	
Other Contracted Services		19,648	
Data Processing Supplies		149,154	
Library Books/Media		237,941	
Office Supplies		9,208	
Periodicals		7,500	
Utilities		119,978	
Other Supplies and Materials		35,234	
In Service/Staff Development		2,116	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Other Charges	\$	8,000	
Data Processing Equipment		13,378	
Other Capital Outlay		11,682	
Total Libraries			\$ 2,472,786

Parks and Fair Boards

County Official/Administrative Officer	\$	107,235
Assistant(s)		2,389,754
Supervisor/Director		503,211
Mechanic(s)		43,243
Clerical Personnel		321,755
Custodial Personnel		223,960
Maintenance Personnel		881,556
Temporary Personnel		519,683
Part-time Personnel		3,884,525
Longevity Pay		35,100
Overtime Pay		24,251
Advertising		33,915
Communication		89,540
Contracts with Private Agencies		299,080
Dues and Memberships		6,533
Evaluation and Testing		3,740
Maintenance and Repair Services - Buildings		508,196
Maintenance and Repair Services - Equipment		116,036
Maintenance and Repair Services - Office Equipment		48,443
Maintenance and Repair Services - Vehicles		44,406
Pest Control		4,260
Postal Charges		1,525
Printing, Stationery, and Forms		26,368
Rentals		4,335
Travel		2,949
Disposal Fees		31,382
Permits		3,817
Other Contracted Services		204,098
Custodial Supplies		153,714
Drugs and Medical Supplies		13,957
Electricity		910,813
Fertilizer, Lime, and Seed		95,127
Food Supplies		8,799
Fuel Oil		2,105
Gasoline		55,334
Instructional Supplies and Materials		215,440
Natural Gas		180,870
Office Supplies		28,092
Periodicals		1,393
Sand		2,200
Uniforms		41,951

(Continued)

Exhibit K-8

Williamson 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.)

Water and Sewer	\$	263,663	
Chemicals		103,960	
Other Supplies and Materials		152,698	
Refunds		64,863	
Surcharge		26,452	
In Service/Staff Development		6,488	
Other Charges		232,871	
Motor Vehicles		259,797	
Total Parks and Fair Boards			\$ 13,183,483

Other Social, Cultural, and Recreational

Supervisor/Director	\$	84,594	
Foremen		54,683	
Clerical Personnel		95,524	
Cafeteria Personnel		76,025	
Maintenance Personnel		303,959	
Temporary Personnel		14,590	
Longevity Pay		6,500	
Overtime Pay		24,070	
Communication		11,775	
Dues and Memberships		541	
Operating Lease Payments		1,499	
Maintenance and Repair Services - Buildings		54,158	
Maintenance and Repair Services - Equipment		8,305	
Maintenance and Repair Services - Vehicles		2,500	
Rentals		13,006	
Travel		517	
Disposal Fees		12,728	
Other Contracted Services		5,316	
Custodial Supplies		15,000	
Electricity		166,982	
Food Supplies		81,192	
Gasoline		3,958	
Natural Gas		28,066	
Office Supplies		1,000	
Small Tools		2,193	
Tires and Tubes		2,500	
Uniforms		7,571	
Water and Sewer		33,336	
Other Supplies and Materials		31,825	
In Service/Staff Development		1,991	
Other Capital Outlay		24,931	
Total Other Social, Cultural, and Recreational			1,170,835

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	30,479	
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(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Salary Supplements	\$	198,169	
Part-time Personnel		67,188	
Longevity Pay		2,016	
Board and Committee Members Fees		825	
Social Security		11,560	
Extension Service Medicare		2,618	
Pensions		29,294	
Medical Insurance		21,304	
Communication		2,409	
Dues and Memberships		865	
Janitorial Services		6,998	
Operating Lease Payments		1,992	
Maintenance and Repair Services - Equipment		2,037	
Maintenance and Repair Services - Vehicles		1,391	
Travel		238	
Gasoline		1,539	
Office Equipment		4,321	
Total Agricultural Extension Service			\$ 385,243

Soil Conservation

Secretary(ies)	\$	49,327	
Longevity Pay		1,700	
Other Charges		5,463	
Total Soil Conservation			56,490

Other Operations

Other Economic and Community Development

Contracts with Other Public Agencies	\$	400,000	
Total Other Economic and Community Development			400,000

Public Transportation

Other Contracted Services	\$	732,957	
Total Public Transportation			732,957

Veterans' Services

Supervisor/Director	\$	17,222	
Dues and Memberships		449	
Travel		90	
Office Supplies		494	
Other Supplies and Materials		2,413	
Total Veterans' Services			20,668

Other Charges

Dues and Memberships	\$	74,513	
Building and Contents Insurance		185,524	
Excess Risk Insurance		942,688	
Trustee's Commission		1,323,342	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Other Charges (Cont.)

Workers' Compensation Insurance	\$	75,964	
Liability Claims		981,267	
Total Other Charges			\$ 3,583,298

Employee Benefits

Social Security	\$	2,940,835	
Pensions		2,073,493	
Life Insurance		49,296	
Medical Insurance		10,123,052	
Disability Insurance		24,598	
Unemployment Compensation		9,447	
Local Retirement		150,000	
Employer Medicare		694,681	
Total Employee Benefits			16,065,402

Miscellaneous

Contracts with Government Agencies	\$	40,592	
Contracts with Private Agencies		98,610	
Contributions		1,592,757	
Total Miscellaneous			1,731,959

Total General Fund \$ 97,210,340

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	92,414	
Deputy(ies)		213,744	
Laborers		708,499	
Guards		598,033	
Clerical Personnel		118,412	
Longevity Pay		14,450	
Overtime Pay		91,156	
Advertising		2,966	
Communication		16,124	
Dues and Memberships		978	
Evaluation and Testing		903	
Maintenance and Repair Services - Buildings		18,723	
Maintenance and Repair Services - Equipment		200,461	
Maintenance and Repair Services - Office Equipment		2,929	
Maintenance and Repair Services - Vehicles		154,636	
Postal Charges		292	
Printing, Stationery, and Forms		128	
Rentals		6,034	
Other Contracted Services		2,235,651	
Diesel Fuel		316,966	
Electricity		31,461	

(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Gasoline	\$	11,022	
Lubricants		12,490	
Natural Gas		2,433	
Office Supplies		2,276	
Periodicals		272	
Tires and Tubes		57,769	
Uniforms		12,668	
Water and Sewer		2,388	
Other Supplies and Materials		26,171	
In Service/Staff Development		4,534	
Other Charges		57,839	
Total Sanitation Management	\$		5,014,822

Other Operations

Other Charges

Building and Contents Insurance	\$	7,945	
Excess Risk Insurance		147,220	
Trustee's Commission		107,770	
Workers' Compensation Insurance		2,452	
Liability Claims		241,915	
Total Other Charges			507,302

Employee Benefits

Social Security	\$	108,727	
Pensions		59,912	
Life Insurance		1,404	
Medical Insurance		286,200	
Disability Insurance		2,040	
Employer Medicare		25,614	
Total Employee Benefits			483,897

Total Solid Waste/Sanitation Fund \$ 6,006,021

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	2,601	
Confidential Drug Enforcement Payments		20,000	
Operating Lease Payments		1,041	
Maintenance and Repair Services - Vehicles		299	
Towing Services		505	
Other Supplies and Materials		9,530	
Trustee's Commission		588	
In Service/Staff Development		2,372	
Other Capital Outlay		34,506	
Total Drug Enforcement	\$		71,442

Total Drug Control Fund 71,442

(Continued)

Exhibit K-8

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	135,991	
Accountants/Bookkeepers		70,772	
Dispatchers/Radio Operators		61,890	
Secretary(ies)		51,324	
Longevity Pay		47,150	
Board and Committee Members Fees		9,500	
Advertising		181	
Communication		9,521	
Engineering Services		381,396	
Evaluation and Testing		1,490	
Operating Lease Payments		1,194	
Legal Services		17,670	
Legal Notices, Recording, and Court Costs		138	
Maintenance and Repair Services - Office Equipment		257	
Postal Charges		914	
Electricity		37,107	
Natural Gas		14,230	
Office Supplies		271	
Water and Sewer		16,295	
Other Charges		3,362	
Total Administration			\$ 860,653

Highway and Bridge Maintenance

Foremen	\$	190,539	
Equipment Operators		2,431,704	
Part-time Personnel		59,318	
Overtime Pay		34,976	
Contracts with Private Agencies		115,184	
Rentals		22,998	
Asphalt - Cold Mix		4,642	
Asphalt - Hot Mix		3,237,841	
Asphalt - Liquid		27,513	
Other Road Materials		178,098	
Pipe		76,885	
Road Signs		18,458	
Uniforms		22,226	
Other Charges		136	
Total Highway and Bridge Maintenance			6,420,518

Operation and Maintenance of Equipment

Foremen	\$	67,257	
Mechanic(s)		183,635	
Nightwatchmen		128,209	
Part-time Personnel		8,691	
Diesel Fuel		264,021	
Equipment Parts - Heavy		438,783	
Equipment and Machinery Parts		1,637	

(Continued)



Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Garage Supplies	\$	25,959	
Gasoline		101,076	
Lubricants		18,184	
Tires and Tubes		50,352	
Total Operation and Maintenance of Equipment			\$ 1,287,804

Quarry Operations

Equipment Operators	\$	373,274	
Overtime Pay		1,852	
Explosive and Drilling Services		47,317	
Maintenance and Repair Services - Vehicles		111,223	
Electricity		39,392	
Other Supplies and Materials		2,639	
Total Quarry Operations			575,697

Other Charges

Building and Contents Insurance	\$	14,014	
Excess Risk Insurance		320,247	
Trustee's Commission		130,901	
Workers' Compensation Insurance		4,947	
Liability Claims		129,481	
Total Other Charges			599,590

Employee Benefits

Social Security	\$	229,119	
Pensions		182,056	
Life Insurance		4,200	
Medical Insurance		826,800	
Disability Insurance		1,404	
Unemployment Compensation		1,405	
Employer Medicare		53,624	
Total Employee Benefits			1,298,608

Capital Outlay

Bridge Construction	\$	36,282	
Highway Construction		93,546	
Highway Equipment		879,392	
Site Development		6,023	
Total Capital Outlay			<u>1,015,243</u>

Total Highway/Public Works Fund \$ 12,058,113

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	12,745,000	
Total General Government			\$ 12,745,000

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

Principal on Bonds	\$ 13,850,000	
Total Education		\$ 13,850,000

Interest on Debt

General Government

Interest on Bonds	\$ 6,047,558	
Total General Government		6,047,558

Education

Interest on Bonds	\$ 7,729,058	
Total Education		7,729,058

Other Debt Service

General Government

Fiscal Agent Charges	\$ 7,754	
Trustee's Commission	736,105	
Total General Government		743,859

Education

Underwriter's Discount	\$ 56,037	
Other Debt Issuance Charges	78,100	
Other Debt Service	60,300	
Total Education		194,437

Total General Debt Service Fund		\$ 41,309,912
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Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 32,705,000	
Principal on Capital Leases	137,869	
Total Education		\$ 32,842,869

Interest on Debt

Education

Interest on Bonds	\$ 15,254,274	
Total Education		15,254,274

Other Debt Service

Education

Fiscal Agent Charges	\$ 9,841	
Trustee's Commission	624,868	
Underwriter's Discount	55,545	
Other Debt Issuance Charges	105,600	
Other Debt Service	39,250	
Total Education		835,104

Total Rural Debt Service Fund		48,932,247
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(Continued)

Exhibit K-8

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

General Capital Projects Fund

Capital Projects

General Administration Projects

Underwriter's Discount	\$	19,627	
Other Debt Issuance Charges		62,114	
Building Improvements		3,117,073	
Heating and Air Conditioning Equipment		41,731	
Other Equipment		290,840	
Other Capital Outlay		963,077	
Total General Administration Projects			\$ 4,494,462

Public Safety Projects

Trustee's Commission	\$	3,889	
Building Construction		34,976	
Building Improvements		423,739	
Communication Equipment		67,999	
Data Processing Equipment		160,411	
Heating and Air Conditioning Equipment		47,106	
Land		423,934	
Motor Vehicles		3,007,675	
Other Equipment		921,938	
Other Capital Outlay		7,684,794	
Total Public Safety Projects			12,776,461

Public Health and Welfare Projects

Building Construction	\$	29,861	
Solid Waste Equipment		350,035	
Other Equipment		232,474	
Other Capital Outlay		339,898	
Total Public Health and Welfare Projects			952,268

Social, Cultural, and Recreation Projects

Trustee's Commission	\$	5,481	
Land		2,222,530	
Other Equipment		11,487	
Other Construction		175,664	
Other Capital Outlay		4,531,817	
Total Social, Cultural, and Recreation Projects			6,946,979

Other General Government Projects

Other Capital Outlay	\$	17,500	
Total Other General Government Projects			17,500

Highway and Street Capital Projects

Trustee's Commission	\$	707	
Highway Construction		664,559	
Total Highway and Street Capital Projects			665,266

Education Capital Projects

Trustee's Commission	\$	316,455	
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(Continued)

Exhibit K-8

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

<u>General Capital Projects Fund (Cont.)</u>			
<u>Capital Projects (Cont.)</u>			
<u>Education Capital Projects (Cont.)</u>			
Underwriter's Discount	\$	89,983	
Other Debt Issuance Charges		<u>133,281</u>	
Total Education Capital Projects	\$		539,719
 <u>Capital Projects - Donated</u>			
<u>Capital Projects Donated to School Department</u>			
Contributions	\$	<u>72,244,468</u>	
Total Capital Projects Donated to School Department			<u>72,244,468</u>
Total General Capital Projects Fund			\$ 98,637,123
 <u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Contributions	\$	<u>505,329</u>	
Total Education Capital Projects			<u>\$ 505,329</u>
Total Education Capital Projects Fund			<u>505,329</u>
Total Governmental Funds - Primary Government			<u>\$ 304,730,527</u>

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2019

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 111,824,688	
Career Ladder Program	214,701	
Homebound Teachers	209,675	
Educational Assistants	2,661,875	
Longevity Pay	35,100	
Overtime Pay	1,495	
Other Salaries and Wages	828,728	
Certified Substitute Teachers	791,049	
Non-certified Substitute Teachers	2,640,146	
Social Security	7,032,183	
Pensions	10,448,970	
Life Insurance	93,024	
Medical Insurance	23,118,900	
Dental Insurance	1,144,500	
Unemployment Compensation	11,987	
Employer Medicare	1,657,708	
Retirement - Hybrid Stabilization	80,347	
Maintenance and Repair Services - Equipment	92,802	
Other Contracted Services	212,916	
Instructional Supplies and Materials	836,222	
Textbooks - Bound	2,628,508	
Software	1,889,110	
Other Supplies and Materials	32,792	
Other Charges	689,709	
Regular Instruction Equipment	89,624	
Total Regular Instruction Program		\$ 169,266,759

Alternative Instruction Program

Teachers	\$ 365,476	
Career Ladder Program	2,000	
Educational Assistants	48,633	
Social Security	23,021	
Pensions	38,843	
Life Insurance	350	
Medical Insurance	90,900	
Dental Insurance	4,500	
Employer Medicare	5,686	
Other Supplies and Materials	4,226	
Other Equipment	5,391	
Total Alternative Instruction Program		589,026

Special Education Program

Teachers	\$ 18,979,985	
Career Ladder Program	35,347	
Educational Assistants	9,068,064	
Speech Pathologist	2,510,029	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Longevity Pay	\$	73,450	
Overtime Pay		34	
Other Salaries and Wages		282,819	
Social Security		1,810,370	
Pensions		2,398,880	
Life Insurance		39,614	
Medical Insurance		9,941,103	
Dental Insurance		492,750	
Employer Medicare		424,034	
Contracts with Other Public Agencies		51,434	
Contracts with Private Agencies		1,135,636	
Maintenance and Repair Services - Equipment		12,657	
Other Contracted Services		51,927	
Instructional Supplies and Materials		207,519	
Textbooks - Bound		80,803	
Special Education Equipment		76,100	
Total Special Education Program			\$ 47,672,555

Career and Technical Education Program

Teachers	\$	3,519,730	
Career Ladder Program		8,500	
Educational Assistants		623,907	
Longevity Pay		2,950	
Overtime Pay		1,459	
Other Salaries and Wages		78,429	
Social Security		251,503	
Pensions		342,988	
Life Insurance		3,559	
Medical Insurance		848,400	
Dental Insurance		42,000	
Employer Medicare		58,824	
Maintenance and Repair Services - Equipment		4,316	
Other Contracted Services		227,117	
Instructional Supplies and Materials		178,377	
Other Charges		2,381	
Vocational Instruction Equipment		41,315	
Other Equipment		505,329	
Total Career and Technical Education Program			6,741,084

Student Body Education Program

Other Salaries and Wages	\$	62,197	
Certified Substitute Teachers		61,673	
In-service Training		6,260	
Other Contracted Services		8,074	
Instructional Supplies and Materials		501,760	
Library Books/Media		159,139	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Student Body Education Program (Cont.)

Other Supplies and Materials	\$	131,383	
In Service/Staff Development		152,877	
Fee Waivers		13,856	
Other Charges		99,594	
Regular Instruction Equipment		372,295	
Total Student Body Education Program			\$ 1,569,108

Support Services

Attendance

Supervisor/Director	\$	87,174	
Longevity Pay		1,250	
Other Salaries and Wages		255,250	
Social Security		20,086	
Pensions		24,674	
Life Insurance		243	
Medical Insurance		60,600	
Dental Insurance		3,000	
Employer Medicare		4,698	
Other Contracted Services		106	
In Service/Staff Development		4,683	
Total Attendance			461,764

Health Services

Medical Personnel	\$	3,666,750	
Longevity Pay		13,150	
Other Salaries and Wages		120,980	
Social Security		220,356	
Pensions		293,008	
Life Insurance		3,216	
Medical Insurance		821,920	
Dental Insurance		40,750	
Employer Medicare		51,766	
Communication		720	
Travel		13,546	
Other Contracted Services		18,090	
Drugs and Medical Supplies		21,714	
Other Supplies and Materials		12,024	
In Service/Staff Development		3,524	
Health Equipment		16,806	
Total Health Services			5,318,320

Other Student Support

Career Ladder Program	\$	7,000	
Guidance Personnel		5,403,602	
Social Workers		482,526	
Secretary(ies)		360,558	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Longevity Pay	\$	3,550	
Social Security		362,694	
Pensions		552,899	
Life Insurance		5,102	
Medical Insurance		1,292,800	
Dental Insurance		64,000	
Employer Medicare		86,035	
Contracts with Government Agencies		267,220	
Other Contracted Services		705,654	
Other Supplies and Materials		124,866	
Total Other Student Support	\$		9,718,506

Regular Instruction Program

Supervisor/Director	\$	641,227	
Career Ladder Program		18,501	
Librarians		2,820,984	
Secretary(ies)		346,905	
Clerical Personnel		821,489	
Longevity Pay		22,450	
Other Salaries and Wages		2,543,378	
Certified Substitute Teachers		501	
In-service Training		53,813	
Social Security		427,215	
Pensions		663,089	
Life Insurance		5,650	
Medical Insurance		1,482,410	
Dental Insurance		73,500	
Employer Medicare		100,040	
Consultants		1,390	
Travel		34,405	
Other Contracted Services		128,831	
Other Supplies and Materials		75,634	
In Service/Staff Development		222,375	
Other Charges		129,574	
Regular Instruction Equipment		23,790	
Total Regular Instruction Program			10,637,151

Alternative Instruction Program

Supervisor/Director	\$	111,909	
Secretary(ies)		35,624	
Social Security		8,697	
Pensions		13,433	
Life Insurance		102	
Medical Insurance		20,200	
Dental Insurance		1,000	
Employer Medicare		2,034	
Total Alternative Instruction Program			192,999

(Continued)



Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	118,248	
Career Ladder Program		4,000	
Psychological Personnel		2,712,650	
Secretary(ies)		64,856	
Other Salaries and Wages		758,411	
In-service Training		89,348	
Social Security		221,629	
Pensions		344,631	
Life Insurance		2,470	
Medical Insurance		616,100	
Dental Insurance		30,500	
Employer Medicare		51,866	
Travel		97,110	
Other Contracted Services		650,805	
Other Supplies and Materials		144,606	
In Service/Staff Development		63,049	
Total Special Education Program			\$ 5,970,279

Career and Technical Education Program

Supervisor/Director	\$	119,614	
Secretary(ies)		28,320	
Longevity Pay		1,050	
Other Salaries and Wages		39,033	
Social Security		10,920	
Pensions		16,509	
Life Insurance		101	
Medical Insurance		25,250	
Dental Insurance		1,250	
Employer Medicare		2,667	
Travel		5,668	
Other Contracted Services		21,596	
Other Supplies and Materials		1,113	
In Service/Staff Development		16,854	
Other Equipment		1,799	
Total Career and Technical Education Program			291,744

Technology

Supervisor/Director	\$	111,206	
Data Processing Personnel		2,227,119	
Longevity Pay		23,000	
Overtime Pay		46,525	
Social Security		141,230	
Pensions		116,828	
Life Insurance		1,154	
Medical Insurance		383,800	
Dental Insurance		19,000	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Employer Medicare	\$	33,037	
Internet Connectivity		614,936	
Travel		18,795	
Other Contracted Services		2,196,012	
Instructional Supplies and Materials		540,010	
Other Supplies and Materials		103,297	
In Service/Staff Development		3,174	
Data Processing Equipment		135,647	
Total Technology			\$ 6,714,770

Board of Education

Other Salaries and Wages	\$	94,538	
Board and Committee Members Fees		72,600	
Social Security		8,718	
Pensions		4,601	
Life Insurance		40	
Medical Insurance		10,100	
Dental Insurance		500	
Employer Medicare		2,039	
Audit Services		53,795	
Contributions		499,901	
Dues and Memberships		20,347	
Legal Services		2,652	
Travel		641	
Lobbying Services		17,500	
Other Contracted Services		8,724	
Other Supplies and Materials		6,744	
Judgments		48,670	
Liability Insurance		1,167,020	
Trustee's Commission		3,692,708	
Workers' Compensation Insurance		1,277,452	
In Service/Staff Development		4,522	
Criminal Investigation of Applicants - TBI		91,237	
Total Board of Education			7,085,049

Director of Schools

County Official/Administrative Officer	\$	296,221	
Assistant(s)		139,717	
Career Ladder Program		500	
Secretary(ies)		213,854	
Longevity Pay		3,950	
Other Salaries and Wages		274,309	
Social Security		45,294	
Pensions		63,320	
Life Insurance		947	
Medical Insurance		111,100	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Dental Insurance	\$	5,500	
Employer Medicare		12,990	
Communication		192,639	
Travel		610	
Other Contracted Services		41,097	
Office Supplies		31,578	
Other Supplies and Materials		155	
In Service/Staff Development		6,603	
Total Director of Schools			\$ 1,440,384

Office of the Principal

Principals	\$	5,470,282	
Career Ladder Program		32,043	
Accountants/Bookkeepers		1,809,194	
Assistant Principals		7,312,984	
Secretary(ies)		2,331,161	
Longevity Pay		44,750	
Overtime Pay		2,154	
Social Security		999,676	
Pensions		1,502,600	
Life Insurance		10,326	
Medical Insurance		2,571,026	
Dental Insurance		127,500	
Employer Medicare		235,528	
Other Contracted Services		468,035	
Total Office of the Principal			22,917,259

Fiscal Services

Supervisor/Director	\$	132,905	
Accountants/Bookkeepers		592,893	
Purchasing Personnel		256,323	
Longevity Pay		10,700	
Overtime Pay		3,132	
Other Salaries and Wages		104,155	
Social Security		63,891	
Pensions		51,633	
Life Insurance		688	
Medical Insurance		171,700	
Dental Insurance		8,500	
Employer Medicare		15,030	
Travel		808	
Other Contracted Services		107,384	
In Service/Staff Development		14,792	
Administration Equipment		82,321	
Total Fiscal Services			1,616,855

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel

Supervisor/Director	\$	123,051	
Secretary(ies)		374,215	
Longevity Pay		2,500	
Overtime Pay		1,471	
Other Salaries and Wages		302,078	
Social Security		46,781	
Pensions		39,073	
Life Insurance		648	
Medical Insurance		161,600	
Dental Insurance		8,000	
Employer Medicare		10,941	
Travel		1,006	
Other Contracted Services		65,107	
Other Supplies and Materials		73,965	
In Service/Staff Development		13,172	
Administration Equipment		3,900	
Total Human Services/Personnel			\$ 1,227,508

Operation of Plant

Supervisor/Director	\$	120,413	
Secretary(ies)		32,748	
Custodial Personnel		232,796	
Longevity Pay		4,450	
Other Salaries and Wages		152,322	
Social Security		32,667	
Pensions		26,568	
Life Insurance		364	
Medical Insurance		90,900	
Dental Insurance		4,500	
Employer Medicare		7,640	
Janitorial Services		7,486,293	
Disposal Fees		139,183	
Other Contracted Services		22,955	
Electricity		6,304,148	
Natural Gas		372,723	
Water and Sewer		1,433,168	
Other Supplies and Materials		58,257	
Building and Contents Insurance		463,089	
Building Improvements		81,293	
Total Operation of Plant			17,066,477

Maintenance of Plant

Supervisor/Director	\$	97,378	
Secretary(ies)		86,178	
Maintenance Personnel		2,941,750	
Longevity Pay		31,050	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Overtime Pay	\$	87,204	
Other Salaries and Wages		149,888	
Social Security		199,725	
Pensions		162,653	
Life Insurance		3,321	
Medical Insurance		828,200	
Dental Insurance		41,000	
Employer Medicare		47,069	
Maintenance and Repair Services - Buildings		684,212	
Maintenance and Repair Services - Equipment		353,430	
Travel		624	
Other Contracted Services		1,548,206	
General Construction Materials		1,296,508	
Other Supplies and Materials		9,579	
In Service/Staff Development		9,762	
Other Charges		14,831	
Administration Equipment		227,911	
Plant Operation Equipment		59,855	
Total Maintenance of Plant			\$ 8,880,334

Transportation

Supervisor/Director	\$	97,378
Mechanic(s)		328,921
Bus Drivers		7,408,905
Clerical Personnel		135,926
Longevity Pay		115,500
Overtime Pay		501,993
Other Salaries and Wages		1,366,813
Social Security		581,026
Pensions		478,413
Life Insurance		14,578
Medical Insurance		3,636,000
Dental Insurance		180,000
Employer Medicare		136,543
Contracts with Private Agencies		4,570
Contracts with Parents		12,864
Contracts with Public Carriers		7,255
Maintenance and Repair Services - Buildings		3,699
Maintenance and Repair Services - Vehicles		344,041
Other Contracted Services		26,405
Gasoline		1,518,134
Lubricants		30,877
Tires and Tubes		208,570
Vehicle Parts		489,296
Other Supplies and Materials		35,414
Vehicle and Equipment Insurance		335,688

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

In Service/Staff Development	\$	5,243	
Other Charges		30,966	
Transportation Equipment		276,284	
Total Transportation			\$ 18,311,302

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	97,378	
Clerical Personnel		60,582	
Longevity Pay		3,050	
Overtime Pay		2,681	
Other Salaries and Wages		421,193	
Social Security		34,707	
Pensions		27,776	
Life Insurance		283	
Medical Insurance		70,700	
Dental Insurance		3,500	
Employer Medicare		8,243	
Travel		3,855	
Other Contracted Services		130,327	
Food Supplies		876	
Other Supplies and Materials		11,622	
In Service/Staff Development		9,326	
Total Community Services			886,099

Early Childhood Education

Supervisor/Director	\$	89,260	
Teachers		360,082	
Career Ladder Program		1,000	
Educational Assistants		100,641	
In-service Training		361	
Social Security		32,924	
Pensions		39,806	
Life Insurance		364	
Medical Insurance		90,900	
Dental Insurance		4,500	
Employer Medicare		7,702	
Travel		593	
Other Contracted Services		600	
Instructional Supplies and Materials		23,960	
Other Supplies and Materials		15,111	
In Service/Staff Development		3,368	
Regular Instruction Equipment		11,054	
Total Early Childhood Education			782,226

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Other Debt Service

Education

Contributions	\$ 11,045,723	
Debt Service Contribution to Primary Government	676,786	
Total Education		\$ 11,722,509

Total General Purpose School Fund

\$ 357,080,067

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 486,052	
Educational Assistants	24,295	
Other Salaries and Wages	35,018	
Certified Substitute Teachers	1,355	
Social Security	29,775	
Pensions	47,519	
Life Insurance	332	
Medical Insurance	79,706	
Dental Insurance	3,948	
Employer Medicare	7,526	
Instructional Supplies and Materials	74,508	
Regular Instruction Equipment	43,693	
Total Regular Instruction Program		\$ 833,727

Special Education Program

Teachers	\$ 37,750	
Educational Assistants	2,739,259	
Other Salaries and Wages	140,537	
Social Security	168,169	
Pensions	138,717	
Life Insurance	6,118	
Medical Insurance	1,346,672	
Dental Insurance	66,339	
Employer Medicare	39,330	
Contracts with Private Agencies	180,251	
Instructional Supplies and Materials	80,550	
Other Supplies and Materials	7,200	
Total Special Education Program		4,950,892

Career and Technical Education Program

Teachers	\$ 14,183	
Clerical Personnel	15,402	
Social Security	1,746	
Pensions	2,157	
Life Insurance	22	
Medical Insurance	5,366	
Dental Insurance	266	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Employer Medicare	\$	408	
Vocational Instruction Equipment		184,009	
Total Career and Technical Education Program			\$ 223,559

Support Services

Health Services

Medical Personnel	\$	560,053	
Social Security		32,082	
Pensions		43,914	
Life Insurance		365	
Medical Insurance		83,325	
Dental Insurance		4,084	
Employer Medicare		7,719	
Travel		2,392	
Total Health Services			733,934

Other Student Support

Other Salaries and Wages	\$	16,527	
Social Security		995	
Pensions		1,624	
Employer Medicare		233	
Travel		64,855	
Other Supplies and Materials		5,674	
In Service/Staff Development		8,316	
Other Charges		13,771	
Total Other Student Support			111,995

Regular Instruction Program

Supervisor/Director	\$	3,125	
Education Media Personnel		22,438	
Secretary(ies)		17,559	
Other Salaries and Wages		273,809	
Social Security		18,792	
Pensions		30,044	
Life Insurance		209	
Medical Insurance		50,500	
Dental Insurance		2,500	
Employer Medicare		4,395	
Travel		1,582	
In Service/Staff Development		139,049	
Other Charges		1,544	
Other Equipment		8,624	
Total Regular Instruction Program			574,170

Special Education Program

Psychological Personnel	\$	104,697	
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(Continued)



Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Secretary(ies)	\$	37,804	
Other Salaries and Wages		195,676	
Social Security		20,110	
Pensions		27,256	
Life Insurance		209	
Medical Insurance		50,500	
Dental Insurance		2,542	
Employer Medicare		4,674	
Travel		5,103	
In Service/Staff Development		1,500	
Total Special Education Program			\$ 450,071

Career and Technical Education Program

Clerical Personnel	\$	5,134	
Social Security		316	
Pensions		224	
Life Insurance		4	
Medical Insurance		947	
Dental Insurance		47	
Employer Medicare		74	
In Service/Staff Development		3,056	
Total Career and Technical Education Program			9,802

Transportation

Bus Drivers	\$	21,013	
Social Security		1,303	
Pensions		1,019	
Life Insurance		28	
Employer Medicare		305	
Contracts with Parents		1,323	
Contracts with Vehicle Owners		155	
Other Supplies and Materials		1,401	
Transportation Equipment		90,969	
Total Transportation			117,516

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	3,953	
Total Food Service			3,953

Total School Federal Projects Fund \$ 8,009,619

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	97,378	
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(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Clerical Personnel	\$	77,865	
Cafeteria Personnel		3,796,500	
Longevity Pay		47,950	
Overtime Pay		67,939	
Other Salaries and Wages		285,631	
Social Security		257,407	
Pensions		151,751	
Life Insurance		5,409	
Medical Insurance		1,244,320	
Dental Insurance		60,700	
Unemployment Compensation		756	
Employer Medicare		60,386	
Bank Charges		18,882	
Communication		3,962	
Maintenance and Repair Services - Equipment		68,422	
Transportation - Other than Students		55,314	
Travel		8,937	
Other Contracted Services		105,580	
Electricity		469,699	
Equipment and Machinery Parts		103,693	
Food Supplies		5,159,613	
Uniforms		9,107	
USDA - Commodities		826,599	
Other Supplies and Materials		513,504	
In Service/Staff Development		13,428	
Food Service Equipment		305,505	
Total Food Service			\$ 13,816,237

Total Central Cafeteria Fund

\$ 13,816,237

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Accountants/Bookkeepers	\$	54,036
Secretary(ies)		37,345
Attendants		2,768,214
Longevity Pay		4,150
Overtime Pay		81,590
Other Salaries and Wages		1,485,259
Social Security		259,997
Pensions		134,721
Life Insurance		1,837
Medical Insurance		430,835
Dental Insurance		19,585
Employer Medicare		60,618
Retirement - Hybrid Stabilization		1,417

(Continued)

Exhibit K-9

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

<u>Extended School Program Fund (Cont.)</u>		
<u>Operation of Non-Instructional Services (Cont.)</u>		
<u>Community Services (Cont.)</u>		
Bank Charges	\$	96,651
Communication		17,910
Consultants		9,250
Travel		27,126
Other Contracted Services		385,164
Food Supplies		152,803
Other Supplies and Materials		101,131
Refunds		4,039
In Service/Staff Development		8,714
Other Equipment		51,847
Total Community Services		<u>\$ 6,194,239</u>
Total Extended School Program Fund		\$ 6,194,239
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$	3,748,117
Engineering Services		247,379
Other Contracted Services		423,897
Library Books/Media		390,751
T&I Construction Materials		104,618
Utilities		244,457
Water and Sewer		570,730
Other Charges		3,290
Building Construction		34,164,855
Building Improvements		19,320,098
Data Processing Equipment		7,462,337
Furniture and Fixtures		1,101,481
Land		2,464,823
Site Development		839,809
Transportation Equipment		37,760
Other Equipment		569,555
Other Capital Outlay		915,957
Total Education Capital Projects		<u>\$ 72,609,914</u>
Total Education Capital Projects Fund		<u>72,609,914</u>
Total Governmental Funds - Williamson County School Department		<u>\$ 457,710,076</u>

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2019

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
	<hr/>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Self-Insurance Premiums/Contributions	\$ 63,683,657
Other Employee Benefits Charges/Contributions	8,500,785
Total Charges for Current Services	<hr/> \$ 72,184,442 <hr/>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 2,382,416
Cobra Insurance Payments	234,752
Miscellaneous Refunds	5,778,893
Total Other Local Revenues	<hr/> \$ 8,396,061 <hr/>
Total Revenues	<hr/> <hr/> \$ 80,580,503 <hr/> <hr/>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 10,087,809
Life Insurance	243,057
Dental Insurance	3,941,597
Other Fringe Benefits	2,333,245
Medical Claims	45,656,027
Other Self-Insured Claims	13,676,379
Total Other General Government	<hr/> \$ 75,938,114 <hr/>
Total Expenses	<hr/> <hr/> \$ 75,938,114 <hr/> <hr/>

Exhibit K-11

Williamson County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Funds  
For the Year Ended June 30, 2019

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Cities Adequate Facilities Tax Fund	Special School District Fund	Total
<u>Cash Receipts</u>					
<u>County Property Taxes</u>					
Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 12,109,323	\$ 12,109,323
Trustee's Collections - Prior Years	0	0	0	15,757	15,757
Circuit/Clerk & Master Collections - Prior Years	0	0	0	38,583	38,583
Interest and Penalty	0	0	0	22,004	22,004
Payments in-Lieu-of Taxes - Other	0	0	0	55,681	55,681
Local Option Sales Tax	71,994,246	0	0	5,770,723	77,764,969
Mixed Drink Tax	0	0	0	97,853	97,853
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	33,746,809	0	21,117,975	54,864,784
Trustee's Collections - Prior Years	0	241,376	0	178,357	419,733
Interest and Penalty	0	56,506	0	46,589	103,095
Payments in-Lieu-of Taxes	0	232,569	0	0	232,569
Pick-up Taxes	0	0	0	62,730	62,730
Marriage Licenses	0	0	0	732	732
Other Local Revenues	0	0	0	108	108
Transfers In	0	0	1,973,500	782,381	2,755,881
Total Cash Receipts	\$ 71,994,246	\$ 34,277,260	\$ 1,973,500	\$ 40,298,796	\$ 148,543,802
<u>Cash Disbursements</u>					
Remittance of Revenues Collected	\$ 60,021,260	\$ 34,273,938	\$ 1,885,305	\$ 39,476,241	\$ 135,656,744
Trustee's Commission	606,275	19,799	0	731,772	1,357,846
Contributions	11,366,711	0	88,195	0	11,454,906
Total Cash Disbursements	\$ 71,994,246	\$ 34,293,737	\$ 1,973,500	\$ 40,208,013	\$ 148,469,496
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ (16,477)	\$ 0	\$ 90,783	\$ 74,306
Cash Balance, July 1, 2018	0	75,141	0	577,362	652,503
Cash Balance, June 30, 2019	\$ 0	\$ 58,664	\$ 0	\$ 668,145	\$ 726,809

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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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 12, 2019. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District, as described in our report on Williamson 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 Williamson 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 Williamson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Williamson County's internal control.

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

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2019-001.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Williamson 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

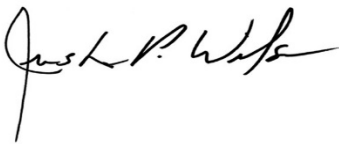
### **Williamson County's Response to the Finding**

Williamson County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Williamson 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 Williamson 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 12, 2019

JPW/kp





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

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Williamson 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 Williamson County's major federal programs for the year ended June 30, 2019. Williamson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Williamson 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 Williamson County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Williamson County's compliance.

### ***Opinion on Each Major Federal Program***

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

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

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

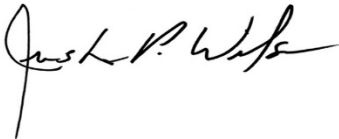
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements. We issued our report thereon dated December 12, 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 12, 2019

JPW/kp

Williamson County, Tennessee, and the Williamson County School Department  
 Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6)  
 For the Year Ended June 30, 2019

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 826,599 (5)
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	322,415
National School Lunch Program	10.555	N/A	2,141,128 (5)
Total U.S. Department of Agriculture			<u>\$ 3,290,142</u>
U.S. Department of Justice:			
Direct Programs:			
Federal Asset Forfeiture Program	16.U01	N/A	\$ 4,379
State Criminal Alien Assistance Program	16.606	N/A	7,530
Drug Court Discretionary Grant Program	16.585	N/A	112,273
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	81,321
Passed through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention	16.540	N/A	11,061
Total U.S. Department of Justice			<u>\$ 216,564</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (4)			
Highway Planning and Construction	20.205	(3)	\$ 554,107
Alcohol Open Container Requirements	20.607	(3)	45,160
Highway Safety Cluster: (4)			
National Priority Safety Programs	20.616	(3)	35,659
Total U.S. Department of Transportation			<u>\$ 634,926</u>
U.S. Institute of Museum and Library Services:			
Passed-through Tennessee State Library and Archives:			
Grants to States	45.310	(3)	\$ 8,000
Total U.S. Institute of Museum and Library Services			<u>\$ 8,000</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 890,392
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	7,285,324
Special Education - Preschool Grants	84.173	N/A	59,996
Career and Technical Education - Basic Grants to States	84.048	N/A	322,388
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	N/A	113,155
English Language Acquisition State Grants	84.365	N/A	88,969
Supporting Effective Instruction State Grants	84.367	N/A	393,781
Student Support and Academic Enrichment Program	84.424	N/A	58,108
Total U.S. Department of Education			<u>\$ 9,212,113</u>

(Continued)

Williamson County, Tennessee, and the Williamson County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Direct Program:			
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	\$ 256,812
Passed-through State Department of Human Services:			
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	(3)	40,598
Passed-through State Administrative Office of the Courts:			
State Court Improvement Program	93.586	(3)	2,380
Total U.S. Department of Health and Human Services			<u>\$ 299,790</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(3)	\$ 53,850
Homeland Security Grant Program	97.067	(3)	10,597
Total U.S. Department of Homeland Security			<u>\$ 64,447</u>
Total Expenditures of Federal Awards			<u>\$ 13,725,982</u>

State Grants		Contract Number	
Access to Health and Healthy Active Built Environments - State Department of Health	N/A	(3)	\$ 20,000
Access to Visitation Grant - State Department of Administration for Children and Families	N/A	(3)	264
Animal Friendly Spay/Neuter Grant - State Department of Health	N/A	(3)	4,720
Community Intervention Services - State Department of Children's Services	N/A	(3)	183,581
Competency Based Learning Grant - State Department of Education	N/A	(3)	533
Coordinated School Health - State Department of Education	N/A	(3)	155,665
Dental Services Grant - State Department of Health	N/A	(3)	175,329
Development and Coordination of Rural Health Services Grant - State Department of Health	N/A	(3)	830,001
Early Childhood Education - State Department of Education	N/A	(3)	463,878
Juvenile Justice and Delinquency Prevention - State Commission on Children and Youth	N/A	(3)	9,000
Litter Program - State Department of Transportation	N/A	(3)	92,000
Lottery for Education Afterschool Program - State Department of Education	N/A	(3)	44,594
Parent Education and Mediation Fund - State Administrative Office of the Courts	N/A	(3)	4,150
Safe Schools Act Grant - State Department of Education	N/A	(3)	495,132
Total State Grants			<u>\$ 2,478,847</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) Williamson 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 \$3,290,142; Highway Planning and Construction Cluster total is \$554,107; Highway Safety Cluster total is \$35,659; Special Education Cluster total is \$7,345,320; CCDF Cluster total is \$40,598.
- (5) Total for CFDA No. 10.555 is \$2,967,727.

(6) SUBRECIPIENTS Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Highway Planning and Construction	20.205	\$ 535,025	The TMA Group

Williamson 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 for Williamson 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
2018	252	2018-001	An Investigation of the Williamson County Parks and Recreation Disclosed a Misappropriation of at Least \$7,615	N/A	Corrected

***Prior-year Federal Awards Findings***

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

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**WILLIAMSON 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 Williamson 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 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants
  - \* CFDA Number 84.010 Title I Grants to Local Educational Agencies
- 8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
- 9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

The finding and recommendation, as a result of our audit, are presented below. We reviewed the finding and recommendation with management to provide an opportunity for their response. The written response is paraphrased and presented following the finding and recommendation. Management's corrective action plan, whether related to the financial statements or federal awards, is presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### **OFFICE OF COUNTY MAYOR**

#### **FINDING 2019-001**

#### **A CASH SHORTAGE RESULTED FROM GIFT CARDS TOTALING \$2,000 BEING TRANSFERRED TO A FICTITIOUS EMPLOYEE AS THE RESULT OF A PHISHING SCHEME**

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

On August 29, 2019, Williamson County received a phishing email requesting an employee to purchase gift cards in the amount of \$2,000 and to send the corresponding card numbers to an individual acting as the county mayor. The employee utilized the purchasing card assigned to the county mayor to make the purchase, in violation of the purchasing card policy, which states "only the cardholder whose name is embossed on the card may use the purchasing card; no other person is authorized to use the card." Because the employee did not follow established internal controls for the use of county purchasing cards, which would have exposed this as a fictitious transaction, the gift cards were purchased, sent to the fictitious employee, and subsequently spent, resulting in a cash shortage of \$2,000. After becoming aware of the fraud, county officials filed a police report and filed a fraud reporting form with the state Comptroller's Office.

#### **RECOMMENDATION**

Management should follow established internal controls for the use of purchasing cards to ensure proper documentation is on file and proper approval is obtained before disbursements are made.

#### **Management's Response – Director of Accounts and Budgets**

The employee realized this was a scheme and self-reported this to the purchasing agent, who is the purchasing card program administrator as well. The store where the gift cards were purchased was contacted in an effort to cancel the cards, however, by this time the cards had been spent. In addition to contacting the store, the bank through which the purchasing card program is administered was contacted in an effort to stop the purchase, however, this was not a transaction that could be canceled at that point. County officials then filed a police report and reported the fraud to the State Comptroller's Office. Management reviewed the internal controls and purchasing card procedures with the employee.



### **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.

**Williamson 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 Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY MAYOR**

2019-001	A cash shortage resulted from gift cards totaling \$2,000 being transferred to a fictitious employee as the result of a phishing scheme	263
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## WILLIAMSON COUNTY GOVERNMENT

### Corrective Action Plan

**FINDING:** A CASH SHORTAGE RESULTED FROM GIFT CARDS TOTALING \$2,000 BEING TRANSFERRED TO A FICTITIOUS EMPLOYEE AS THE RESULT OF A PHISHING SCHEME

**Response and Corrective Action Plan Prepared by:**  
Nena Graham, Budget Director

**Person Responsible for Implementing the Corrective Action:**  
Diane Giddens, Chief of Staff

**Anticipated Completion Date of Corrective Action:**  
August 30, 2019

**Repeat Finding:**  
No

**Planned Corrective Action:**  
Consultation has been provided to personnel. Staff must have prior authorization to use purchasing cards. The changes are effective immediately.

Signature:

  
Mayor



## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Williamson County.

### **WILLIAMSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Williamson County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Williamson County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.