



ANNUAL FINANCIAL REPORT

Loudon County, Tennessee

For the Year Ended June 30, 2020

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

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

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.

INTRODUCTORY SECTION

Loudon County Officials
June 30, 2020

Officials

Rollen Bradshaw, County Mayor
Eddie Simpson, Highway Superintendent
Michael Garren, Director of Schools
George Miller, II, Trustee
Michael Campbell, Assessor of Property
Carrie McKelvey, County Clerk
Stephen Harrelson, Circuit, General Sessions, and Juvenile Courts Clerk
Lisa Niles, Clerk and Master
Tracie Littleton, Register of Deeds
Tim Guider, Sheriff
Tracy Blair, Director of Accounts and Budgets
Susan Huskey, Purchasing Agent

Board of County Commissioners

Henry Cullen, Chairman	Michael Waller
Harold Duff	David Meers
Julia Hurley	Van Shaver
Matthew Tinker	Kelly Littleton-Brewster
Bill Satterfield	Gary Whitfield

Board of Education

Bobby Johnson, Jr., Chairman	Brian Brown
Kimberly Bridges	William Jenkins
Scott Newman	Philip Moffett
Craig Simon	Zack Cusick
Kenny Ridings	Gary Ubben

Audit Committee

Matthew Tinker, Chairman
Van Shaver
Gary Whitfield
Charlie Bettis

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Loudon County Mayor and
Board of County Commissioners
Loudon 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 Loudon County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Loudon County, Tennessee, as of June 30, 2020, and the respective changes in financial position 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

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the 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 Loudon County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Loudon County School Department (a discretely presented component unit), miscellaneous schedules and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule

of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2021, on our consideration of Loudon 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 Loudon 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 Loudon County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 11, 2021

JEM/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Unit Loudon County School Department
<u>ASSETS</u>		
Cash	\$ 6,270	\$ 180,008
Equity in Pooled Cash and Investments	25,541,502	9,550,828
Accounts Receivable	541,327	11,914
Due from Other Governments	2,068,795	1,304,940
Due from Primary Government	0	12,000
Property Taxes Receivable	17,943,745	10,083,628
Allowance for Uncollectible Property Taxes	(355,006)	(199,956)
Prepaid Items	29,433	95,320
Net Pension Asset - Agent Plan	2,246,588	727,844
Net Pension Asset - Teacher Retirement Plan	0	234,164
Net Pension Asset - Teacher Legacy Pension Plan	0	5,149,086
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	204,305
Capital Assets:		
Assets Not Depreciated:		
Land	5,779,410	3,946,406
Construction in Progress	17,224,693	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	10,170,740	72,429,348
Infrastructure	21,155,149	87,438
Other Capital Assets	2,643,953	1,138,305
Total Assets	<u>\$ 104,996,599</u>	<u>\$ 104,955,578</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ 413,060	\$ 0
Deferred Amount on Refunding	16,548	0
Pension Changes in Experience	271,722	348,437
Pension Changes in Assumptions	287,670	795,201
Pension Changes in Proportion	0	61,868
Pension Contributions after Measurement Date	801,303	1,978,599
OPEB Changes in Experience	0	179,368
OPEB Changes in Assumptions	3,762,521	88,377
OPEB Changes in Proportion	0	28,615
OPEB Contributions after Measurement Date	0	228,603
Total Deferred Outflows of Resources	<u>\$ 5,552,824</u>	<u>\$ 3,709,068</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 350,925	\$ 314,908
Accrued Payroll	298,205	35,969
Accrued Interest Payable	134,592	0
Payroll Deductions Payable	57,677	1,271,240
Contracts Payable	265,097	0
Retainage Payable	13,952	0
Due to Component Units	12,000	0
Due to State of Tennessee	15,618	0
Due to Litigants, Heirs, and Others	11,333	0
Derivative - Interest Rate Swap	413,060	0
Other Current Liabilities	30,852	22,784
Noncurrent Liabilities:		
Due Within One Year - Debt	4,543,300	0
Due Within One Year - Other	722,304	132,731
Due in More Than One Year - Debt	56,309,839	0
Due in More than One Year - Other	16,707,573	4,467,037
Total Liabilities	<u>\$ 79,886,327</u>	<u>\$ 6,244,669</u>

(Continued)

Exhibit A

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

	Primary Government <u>Governmental Activities</u>	Component Unit <u>Loudon County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 17,363,889	\$ 9,756,720
Deferred Credit on Refunding	877,826	0
Pension Changes in Experience	1,089,769	3,539,103
Pension Changes in Investment Earnings	438,088	1,623,024
Pension Changes in Proportion	0	10,242
OPEB Changes in Experience	1,068,851	782,493
OPEB Changes in Assumptions	435,827	471,894
OPEB Changes in Proportion	0	85,741
Total Deferred Inflows of Resources	<u>\$ 21,274,250</u>	<u>\$ 16,269,217</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 39,333,795	\$ 77,601,497
Restricted for:		
General Government	39,481	0
Finance	68,477	0
Administration of Justice	325,588	0
Public Safety	534,226	0
Social, Cultural, and Recreational	337,767	0
Highways	1,200,813	0
Education	0	425,345
Pensions	2,246,588	6,315,399
Debt Service	2,200,392	0
Capital Projects	578,382	2,630,728
Unrestricted	<u>(37,476,663)</u>	<u>(822,209)</u>
Total Net Position	<u>\$ 9,388,846</u>	<u>\$ 86,150,760</u>

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

Exhibit B

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total	Component Unit
					Governmental Activities	Loudon County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 5,171,827	\$ 1,367,960	\$ 427,867	\$ 0	\$ (3,376,000)	\$ 0
Finance	2,480,596	1,489,818	0	0	(990,778)	0
Administration of Justice	2,332,157	976,348	10,500	0	(1,345,309)	0
Public Safety	10,287,518	362,803	140,954	0	(9,783,761)	0
Public Health and Welfare	1,754,323	136,467	434,381	0	(1,183,475)	0
Social, Cultural, and Recreational Services	676,715	7,222	192,057	0	(477,436)	0
Agriculture and Natural Resources	195,696	0	0	0	(195,696)	0
Highways	4,187,650	17,753	2,275,236	92,831	(1,801,830)	0
Education	471,350	0	0	0	(471,350)	0
Interest on Long-term Debt	2,032,936	0	203,472	0	(1,829,464)	0
Total Primary Government	\$ 29,590,768	\$ 4,358,371	\$ 3,684,467	\$ 92,831	\$ (21,455,099)	\$ 0
Component Unit:						
Loudon County School Department	\$ 45,652,250	\$ 387,059	\$ 5,614,379	\$ 0	\$ 0	\$ (39,650,812)
Total Component Unit	\$ 45,652,250	\$ 387,059	\$ 5,614,379	\$ 0	\$ 0	\$ (39,650,812)

(Continued)

Exhibit B

Loudon County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Governmental Total Activities	Unit Loudon County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 10,960,346	\$ 10,150,463
Property Taxes Levied for Public Library					321,388	0
Property Taxes Levied for Highway/Public Works					570,136	0
Property Taxes Levied for General Debt Service					1,718,577	0
Property Taxes Levied for Education Debt Service					3,456,111	0
Property Taxes Levied for Capital Projects					170,421	0
Property Taxes Levied for Highway Capital Projects					293,254	0
Sales Taxes					1,575,900	4,557,787
Hotel/Motel Tax					458,578	0
Business Tax					670,755	0
Litigation Tax					510,124	0
Mineral Severance Tax					56,994	0
Adequate Facilities/Development Tax					779,553	0
Other Local Taxes					110,186	0
Bank Excise Tax					135,112	0
Mixed Drink Tax					30,632	0
Grants and Contributions Not Restricted to Specific Programs					1,282,584	24,005,228
Unrestricted Investment Income					702,065	159,427
Gain on Investments					0	6,338
Miscellaneous					1,092,155	76,380
Revenue from Joint Ventures					21,761	0
Gain on Fire Damage to Courthouse					1,880,583	0
Total General Revenues					\$ 26,797,215	\$ 38,955,623
Change in Net Position					\$ 5,342,116	\$ (695,189)
Net Position, July 1, 2019					4,046,730	86,845,949
Net Position, June 30, 2020					\$ 9,388,846	\$ 86,150,760

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

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 970	\$ 500	\$ 0	\$ 0	\$ 4,800	\$ 6,270
Equity in Pooled Cash and Investments	7,973,176	934,316	7,643,407	4,329,590	4,661,013	25,541,502
Accounts Receivable	213,899	0	0	316,149	11,279	541,327
Due from Other Governments	1,308,974	415,817	0	136,113	207,891	2,068,795
Due from Other Funds	9,530	0	0	0	134,383	143,913
Property Taxes Receivable	12,165,697	570,292	3,445,481	3,940	1,758,335	17,943,745
Allowance for Uncollectible Property Taxes	(232,179)	(11,452)	(68,614)	(1,738)	(41,023)	(355,006)
Prepaid Items	23,967	2,240	0	0	3,226	29,433
Total Assets	\$ 21,464,034	\$ 1,911,713	\$ 11,020,274	\$ 4,784,054	\$ 6,739,904	\$ 45,919,979
<u>LIABILITIES</u>						
Accounts Payable	\$ 311,228	\$ 14,940	\$ 0	\$ 0	\$ 24,757	\$ 350,925
Accrued Payroll	260,459	22,873	0	0	14,873	298,205
Payroll Deductions Payable	50,363	4,750	0	0	2,564	57,677
Contracts Payable	0	0	0	265,097	0	265,097
Retainage Payable	0	0	0	13,952	0	13,952
Due to Other Funds	9,383	0	0	0	134,530	143,913
Due to Component Units	12,000	0	0	0	0	12,000
Due to State of Tennessee	15,618	0	0	0	0	15,618
Due to Litigants, Heirs, and Others	0	0	0	0	11,333	11,333
Other Current Liabilities	30,852	0	0	0	0	30,852
Total Liabilities	\$ 689,903	\$ 42,563	\$ 0	\$ 279,049	\$ 188,057	\$ 1,199,572

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 11,792,114	\$ 551,475	\$ 3,333,112	\$ 0	\$ 1,687,188	\$ 17,363,889
Deferred Delinquent Property Taxes	126,828	6,606	40,598	1,975	27,019	203,026
Other Deferred/Unavailable Revenue	474,070	220,689	0	26,990	105,657	827,406
Total Deferred Inflows of Resources	\$ 12,393,012	\$ 778,770	\$ 3,373,710	\$ 28,965	\$ 1,819,864	\$ 18,394,321
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 23,967	\$ 2,240	\$ 0	\$ 0	\$ 3,226	\$ 29,433
Restricted:						
Restricted for General Government	39,481	0	0	0	0	39,481
Restricted for Finance	68,477	0	0	0	0	68,477
Restricted for Administration of Justice	302,016	0	0	0	23,526	325,542
Restricted for Public Safety	38,963	0	0	0	495,023	533,986
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	332,158	332,158
Restricted for Highways/Public Works	0	1,046,348	0	0	0	1,046,348
Restricted for Debt Service	0	0	6,911,840	0	2,224,450	9,136,290
Restricted for Capital Projects	0	0	0	585,400	576,407	1,161,807
Committed:						
Committed for General Government	100,000	0	0	0	0	100,000
Committed for Public Safety	35,456	0	0	0	0	35,456
Committed for Public Health and Welfare	109,669	0	0	0	576,269	685,938
Committed for Social, Cultural, and Recreational Services	1,656	0	0	0	23,686	25,342
Committed for Other Operations	0	0	0	0	170,340	170,340
Committed for Highways/Public Works	0	41,792	0	0	0	41,792
Committed for Debt Service	0	0	734,724	0	306,898	1,041,622

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>						
Committed (Cont.):						
Committed for Capital Projects	\$ 0	\$ 0	\$ 0	\$ 3,890,640	\$ 0	\$ 3,890,640
Assigned:						
Assigned for General Government	1,676,412	0	0	0	0	1,676,412
Assigned for Finance	31,560	0	0	0	0	31,560
Assigned for Administration of Justice	6,606	0	0	0	0	6,606
Assigned for Public Safety	260,964	0	0	0	0	260,964
Assigned for Public Health and Welfare	130	0	0	0	0	130
Assigned for Social, Cultural, and Recreational Services	1,298	0	0	0	0	1,298
Assigned for Other Operations	5,458	0	0	0	0	5,458
Unassigned	5,679,006	0	0	0	0	5,679,006
Total Fund Balances	\$ 8,381,119	\$ 1,090,380	\$ 7,646,564	\$ 4,476,040	\$ 4,731,983	\$ 26,326,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,464,034	\$ 1,911,713	\$ 11,020,274	\$ 4,784,054	\$ 6,739,904	\$ 45,919,979

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

Exhibit C-2

Loudon County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
June 30, 2020

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 26,326,086	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 5,779,410		
Add: construction in progress	17,224,693		
Add: buildings and improvements net of accumulated depreciation	10,170,740		
Add: infrastructure net of accumulated depreciation	21,155,149		
Add: other capital assets net of accumulated depreciation	<u>2,643,953</u>	56,973,945	
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$ (132,000)		
Less: bonds payable	(52,465,000)		
Less: other loans payable	(5,501,277)		
Less: accrued interest on notes, bonds, and other loans	(134,592)		
Less: unamortized premium on debt	(2,754,862)		
Add: deferred charge on refunding	16,548		
Less: deferred credit on refunding	(877,826)		
Less: net OPEB liability	(16,680,595)		
Less: compensated absences payable	<u>(749,282)</u>	(79,278,886)	
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$ 1,360,695		
Less: deferred inflows of resources related to pensions	(1,527,857)		
Add: deferred outflows related to OPEB	3,762,521		
Less: deferred inflows related to OPEB	<u>(1,504,678)</u>	2,090,681	
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			2,246,588
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,030,432</u>
Net position of governmental activities (Exhibit A)			<u>\$ 9,388,846</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	General Capital Projects	Other Govern- mental Funds	
Revenues						
Local Taxes	\$ 13,625,775	\$ 650,866	\$ 4,450,990	\$ 428,825	\$ 3,477,250	\$ 22,633,706
Licenses and Permits	921,876	0	0	0	0	921,876
Fines, Forfeitures, and Penalties	347,701	0	0	0	21,110	368,811
Charges for Current Services	161,388	0	0	0	7,656	169,044
Other Local Revenues	516,694	103,430	307,204	108,754	829,788	1,865,870
Fees Received From County Officials	2,519,626	0	0	0	0	2,519,626
State of Tennessee	1,161,718	2,269,173	0	0	94,261	3,525,152
Federal Government	451,335	2,390	0	90,441	17,469	561,635
Other Governments and Citizens Groups	52,799	0	0	0	251,273	304,072
Total Revenues	\$ 19,758,912	\$ 3,025,859	\$ 4,758,194	\$ 628,020	\$ 4,698,807	\$ 32,869,792
Expenditures						
Current:						
General Government	\$ 3,571,635	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,571,635
Finance	2,388,816	0	0	0	628	2,389,444
Administration of Justice	2,266,604	0	0	0	0	2,266,604
Public Safety	9,225,292	0	0	0	112,140	9,337,432
Public Health and Welfare	741,370	0	0	0	935,940	1,677,310
Social, Cultural, and Recreational Services	243,735	0	0	0	356,390	600,125
Agriculture and Natural Resources	195,696	0	0	0	0	195,696
Other Operations	865,075	0	0	3,398	217,496	1,085,969
Highways	0	2,805,085	0	0	0	2,805,085
Debt Service:						
Principal on Debt	0	0	3,615,300	0	882,000	4,497,300
Interest on Debt	0	0	1,427,913	0	557,068	1,984,981
Other Debt Service	0	0	471,350	0	239,301	710,651

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 8,581,247	\$ 157,400	\$ 8,738,647
Total Expenditures	\$ 19,498,223	\$ 2,805,085	\$ 5,514,563	\$ 8,584,645	\$ 3,458,363	\$ 39,860,879
Excess (Deficiency) of Revenues Over Expenditures	\$ 260,689	\$ 220,774	\$ (756,369)	\$ (7,956,625)	\$ 1,240,444	\$ (6,991,087)
<u>Other Financing Sources (Uses)</u>						
Refunding Debt Issued	\$ 0	\$ 0	\$ 24,220,000	\$ 0	\$ 0	\$ 24,220,000
Premiums on Debt Sold	0	0	2,104,454	0	0	2,104,454
Proceeds from Sale of Capital Assets	0	64,000	0	151,000	11,500	226,500
Insurance Recovery	29,977	83,350	0	3,710,103	0	3,823,430
Transfers In	345,952	0	0	51,482	125,000	522,434
Transfers Out	(37,400)	(14,082)	0	(55,546)	(415,406)	(522,434)
Payments to Refunded Debt Escrow Agent	0	0	(25,925,000)	0	0	(25,925,000)
Total Other Financing Sources (Uses)	\$ 338,529	\$ 133,268	\$ 399,454	\$ 3,857,039	\$ (278,906)	\$ 4,449,384
Net Change in Fund Balances	\$ 599,218	\$ 354,042	\$ (356,915)	\$ (4,099,586)	\$ 961,538	\$ (2,541,703)
Fund Balance, July 1, 2019	7,781,901	736,338	8,003,479	8,575,626	3,770,445	28,867,789
Fund Balance, June 30, 2020	\$ 8,381,119	\$ 1,090,380	\$ 7,646,564	\$ 4,476,040	\$ 4,731,983	\$ 26,326,086

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

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (2,541,703)
(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	\$ 7,130,299	
Less: current-year depreciation expense	<u>(1,866,665)</u>	5,263,634
(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	\$ (475,743)	
Add: donated capital assets received	<u>25,175</u>	(450,568)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$ (1,074,900)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	<u>1,030,432</u>	(44,468)
(4) The issuance of long-term debt (e.g., notes, other loans, 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 notes	\$ 42,000	
Add: principal payments on other loans	1,410,300	
Add: principal payments on bonds	3,045,000	
Add: principal amount of bonds refunded	25,925,000	
Less: change in unamortized premium on debt issues	(1,037,795)	
Less: change in deferred charge on refunding debt	(11,804)	
Less: change in deferred credit on refunding debt	(877,826)	
Less: refunding bond proceeds	<u>(24,220,000)</u>	4,274,875
(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	\$ 14,317	
Change in compensated absences payable	(183,716)	
Change in net pension asset - agent plan	1,897,715	
Change in deferred outflows related to pensions	(454,816)	
Change in deferred inflows related to pensions	(1,222,971)	
Change in net OPEB liability	(4,165,895)	
Change in deferred outflows related to OPEB	2,814,620	
Change in deferred inflows related to OPEB	<u>141,092</u>	(1,159,654)
Change in net position of governmental activities (Exhibit B)		<u>\$ 5,342,116</u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 13,625,775	\$ 0	\$ 0	\$ 13,625,775	\$ 13,087,868	\$ 13,121,657	\$ 504,118
Licenses and Permits	921,876	0	0	921,876	849,760	840,000	81,876
Fines, Forfeitures, and Penalties	347,701	0	0	347,701	426,313	312,785	34,916
Charges for Current Services	161,388	0	0	161,388	87,000	139,421	21,967
Other Local Revenues	516,694	0	0	516,694	129,882	367,822	148,872
Fees Received From County Officials	2,519,626	0	0	2,519,626	2,293,250	2,384,645	134,981
State of Tennessee	1,161,718	0	0	1,161,718	1,352,703	1,275,185	(113,467)
Federal Government	451,335	0	0	451,335	107,567	501,401	(50,066)
Other Governments and Citizens Groups	52,799	0	0	52,799	46,000	51,782	1,017
Total Revenues	\$ 19,758,912	\$ 0	\$ 0	\$ 19,758,912	\$ 18,380,343	\$ 18,994,698	\$ 764,214
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 200,359	\$ (50,000)	\$ 52,120	\$ 202,479	\$ 207,782	\$ 210,579	\$ 8,100
Board of Equalization	1,278	0	0	1,278	2,600	2,600	1,322
Beer Board	1,434	0	0	1,434	5,000	5,000	3,566
Other Boards and Committees	5,100	0	0	5,100	7,150	7,150	2,050
County Mayor/Executive	210,606	0	0	210,606	237,726	235,234	24,628
Personnel Office	32,986	0	0	32,986	45,802	40,539	7,553
County Attorney	138,203	(682)	15,540	153,061	155,000	180,000	26,939
Election Commission	719,449	0	23,716	743,165	906,469	933,153	189,988
Register of Deeds	301,519	(528)	0	300,991	303,452	306,608	5,617
Planning	128,907	(4,425)	0	124,482	151,242	162,038	37,556
Codes Compliance	259,470	0	0	259,470	316,152	288,402	28,932
Geographical Information Systems	65,070	0	0	65,070	68,598	67,830	2,760
County Buildings	1,225,330	(3,000)	14,321	1,236,651	1,278,624	1,280,528	43,877
Other General Administration	281,924	0	0	281,924	302,500	289,992	8,068
Preservation of Records	0	0	0	0	1,000	1,000	1,000
<u>Finance</u>							
Accounting and Budgeting	615,861	(7,866)	14,368	622,363	656,361	632,201	9,838

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Purchasing	\$ 249,834	\$ (1,181)	\$ 4,329	\$ 252,982	\$ 259,726	\$ 270,679	\$ 17,697
Property Assessor's Office	389,005	(1,200)	2,619	390,424	430,763	435,201	44,777
County Trustee's Office	359,181	0	3,192	362,373	378,668	373,805	11,432
County Clerk's Office	596,093	0	5,131	601,224	645,050	636,488	35,264
Data Processing	178,842	0	1,921	180,763	190,253	189,320	8,557
<u>Administration of Justice</u>							
Circuit Court	449,852	(14,306)	3,000	438,546	451,991	453,927	15,381
General Sessions Court	644,634	(9,997)	663	635,300	695,227	702,973	67,673
General Sessions Judge	468,943	0	589	469,532	471,761	486,707	17,175
Chancery Court	315,384	(31,429)	0	283,955	282,236	300,713	16,758
Juvenile Court	293,878	0	0	293,878	316,508	321,453	27,575
Judicial Commissioners	61,532	(165)	0	61,367	66,400	66,400	5,033
Other Administration of Justice	13,115	0	2,089	15,204	18,760	18,760	3,556
Courtroom Security	1,059	0	265	1,324	2,000	3,000	1,676
Victim Assistance Programs	18,207	0	0	18,207	22,000	22,000	3,793
<u>Public Safety</u>							
Sheriff's Department	4,847,518	(5,729)	142,436	4,984,225	5,300,376	5,301,798	317,573
Special Patrols	16,358	(10,275)	0	6,083	20,000	20,000	13,917
Traffic Control	23,984	0	0	23,984	22,500	34,500	10,516
Administration of the Sexual Offender Registry	438	0	0	438	1,500	1,500	1,062
Jail	3,218,614	0	16,920	3,235,534	4,285,006	3,931,739	696,205
Rural Fire Protection	235,000	(95,000)	100,000	240,000	240,000	240,000	0
Civil Defense	194,423	(7,600)	1,608	188,431	221,717	218,938	30,507
Other Emergency Management	30,259	(585)	0	29,674	0	29,675	1
County Coroner/Medical Examiner	117,198	0	0	117,198	109,000	124,000	6,802
Other Public Safety	541,500	0	0	541,500	541,500	541,500	0
<u>Public Health and Welfare</u>							
Local Health Center	29,588	0	0	29,588	42,241	41,388	11,800
Rabies and Animal Control	378,185	0	130	378,315	455,898	468,097	89,782

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Other Local Health Services	\$ 313,597	\$ 0	\$ 0	\$ 313,597	\$ 406,400	\$ 436,300	\$ 122,703
Other Public Health and Welfare	20,000	0	0	20,000	20,000	20,000	0
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	3,000	0	0	3,000	3,000	3,000	0
Senior Citizens Assistance	240,735	0	1,298	242,033	271,188	277,762	35,729
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	172,458	0	0	172,458	178,389	178,389	5,931
Soil Conservation	17,778	0	0	17,778	21,335	21,335	3,557
Flood Control	2,000	0	0	2,000	2,000	2,000	0
Storm Water Management	3,460	0	0	3,460	4,000	4,000	540
<u>Other Operations</u>							
Tourism	132,953	0	0	132,953	145,000	145,203	12,250
Industrial Development	166,429	0	0	166,429	166,430	166,430	1
Housing and Urban Development	6,000	0	0	6,000	6,750	6,750	750
Veterans' Services	50,897	0	1,657	52,554	48,761	55,716	3,162
Contributions to Other Agencies	83,100	0	0	83,100	83,100	83,100	0
Employee Benefits	1,340	0	0	1,340	2,500	2,500	1,160
COVID-19 Grant #1	17,506	0	3,801	21,307	0	30,000	8,693
COVID-19 Grant #2	28,000	0	0	28,000	0	28,000	0
Miscellaneous	378,850	0	0	378,850	330,000	385,700	6,850
<u>Principal on Debt</u>							
General Government	0	0	0	0	50,000	50,000	50,000
Total Expenditures	\$ 19,498,223	\$ (243,968)	\$ 411,713	\$ 19,665,968	\$ 21,855,392	\$ 21,773,600	\$ 2,107,632
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 260,689	\$ 243,968	\$ (411,713)	\$ 92,944	\$ (3,475,049)	\$ (2,778,902)	\$ 2,871,846
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 29,977	\$ 0	\$ 0	\$ 29,977	\$ 0	\$ 27,008	\$ 2,969

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>							
Transfers In	\$ 345,952	\$ 0	\$ 0	\$ 345,952	\$ 55,546	\$ 345,952	\$ 0
Transfers Out	(37,400)	0	0	(37,400)	0	(37,400)	0
Total Other Financing Sources	\$ 338,529	\$ 0	\$ 0	\$ 338,529	\$ 55,546	\$ 335,560	\$ 2,969
Net Change in Fund Balance	\$ 599,218	\$ 243,968	\$ (411,713)	\$ 431,473	\$ (3,419,503)	\$ (2,443,342)	\$ 2,874,815
Fund Balance, July 1, 2019	7,781,901	(243,968)	0	7,537,933	4,781,170	4,781,170	2,756,763
Fund Balance, June 30, 2020	\$ 8,381,119	\$ 0	\$ (411,713)	\$ 7,969,406	\$ 1,361,667	\$ 2,337,828	\$ 5,631,578

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

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 650,866	\$ 0	\$ 0	\$ 650,866	\$ 651,098	\$ 651,098	\$ (232)
Other Local Revenues	103,430	0	0	103,430	51,535	118,986	(15,556)
State of Tennessee	2,269,173	0	0	2,269,173	2,795,770	3,531,367	(1,262,194)
Federal Government	2,390	0	0	2,390	947,618	948,618	(946,228)
Total Revenues	\$ 3,025,859	\$ 0	\$ 0	\$ 3,025,859	\$ 4,446,021	\$ 5,250,069	\$ (2,224,210)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 830,950	\$ 0	\$ 0	\$ 830,950	\$ 852,211	\$ 850,261	\$ 19,311
Highway and Bridge Maintenance	898,733	0	0	898,733	672,500	1,272,670	373,937
Operation and Maintenance of Equipment	202,772	0	0	202,772	304,500	307,048	104,276
Other Charges	170,236	0	0	170,236	185,100	196,993	26,757
Employee Benefits	450,224	0	0	450,224	477,282	471,821	21,597
COVID-19 Grant #1	118	0	1,000	1,118	0	5,000	3,882
Capital Outlay	252,052	(5,000)	516,671	763,723	1,897,881	2,689,036	1,925,313
Total Expenditures	\$ 2,805,085	\$ (5,000)	\$ 517,671	\$ 3,317,756	\$ 4,389,474	\$ 5,792,829	\$ 2,475,073
Excess (Deficiency) of Revenues Over Expenditures	\$ 220,774	\$ 5,000	\$ (517,671)	\$ (291,897)	\$ 56,547	\$ (542,760)	\$ 250,863
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 64,000	\$ 0	\$ 0	\$ 64,000	\$ 0	\$ 156,000	\$ (92,000)
Insurance Recovery	83,350	0	0	83,350	0	83,350	0
Transfers Out	(14,082)	0	0	(14,082)	(14,082)	(14,082)	0
Total Other Financing Sources	\$ 133,268	\$ 0	\$ 0	\$ 133,268	\$ (14,082)	\$ 225,268	\$ (92,000)

(Continued)

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Net Change in Fund Balance	\$ 354,042	\$ 5,000	\$ (517,671)	\$ (158,629)	\$ 42,465	\$ (317,492)	\$ 158,863
Fund Balance, July 1, 2019	736,338	(5,000)	0	731,338	736,338	736,338	(5,000)
Fund Balance, June 30, 2020	\$ 1,090,380	\$ 0	\$ (517,671)	\$ 572,709	\$ 778,803	\$ 418,846	\$ 153,863

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 959,542
Equity in Pooled Cash and Investments	4,454,421
Accounts Receivable	29,668
Due from Other Governments	1,468,668
Taxes Receivable	5,318,278
Allowance for Uncollectible Taxes	<u>(105,461)</u>
Total Assets	<u><u>\$ 12,125,116</u></u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 2,554
Due to Other Taxing Units	6,940,221
Due to Litigants, Heirs, and Others	959,542
Due to Joint Ventures	<u>4,222,799</u>
Total Liabilities	<u><u>\$ 12,125,116</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Loudon 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 Loudon County:

A. Reporting Entity

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

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

The Loudon County School Department operates the public school system in the county, and the voters of Loudon 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 Loudon County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Loudon County, and the Loudon County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Loudon County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Loudon County Emergency
Communications District
500 John Parris Drive
Loudon, TN 37774

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 Loudon 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 Loudon 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.

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

Separate financial statements are provided for governmental funds, proprietary funds (internal service funds), and fiduciary funds. Internal service funds are 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 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 Loudon 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. The school department 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. Loudon 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 adequate facilities taxes, 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.

The 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.

Loudon 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.

Education Debt Service Fund – This fund accounts for resources accumulated and payments made for principal and interest on debt issued by Loudon County that is subsequently contributed to the discretely presented Loudon County School Department for construction and renovation projects.

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

Additionally, Loudon County reports the following fund type:

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 Loudon County, the city school system’s share of educational revenues, and assets held in a custodial capacity for joint ventures. 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 Loudon 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 resources provided to the school department for building construction, renovations, and other capital outlays.

Additionally, the Loudon County School Department reports the following fund types:

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

Internal Service Fund – The Employee Dental and Vision Insurance Fund is used to account for the school department’s self-insured dental health and vision programs.

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. Operating revenues and expenses generally result from providing services in connection with the fund’s principal ongoing operations. The principal operating revenues of the internal service fund are charges for services. Operating expenses for the internal service fund consist of dental and vision claims.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows of the school department’s internal service fund (the Employee Dental and Vision Insurance Fund), cash includes demand deposits.

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Loudon 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. Income from these pooled investments is allocated to various funds based on their cash balances at the time the income is received. Loudon County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

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

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

same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United State of America. Loudon County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

All outstanding balances between funds are reported as due to/from other funds.

All property taxes receivables are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.01 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 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. Due to litigants, heirs, and others in the nonmajor governmental funds represents law enforcement seizures awaiting disposition.

Retainage payable represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments.

3. Prepaid Items

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

4. Restricted Assets

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

5. Capital Assets

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40 - 65
Other Capital Assets	3 - 15
Infrastructure	30 - 50

6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension changes in experience, pension changes in assumptions, employer contributions made to the pension plan after the measurement date, pension changes in proportion, OPEB changes in experience, OPEB changes in assumptions, OPEB contributions after the measurement date, OPEB changes in proportion, accumulated decrease in the fair value of hedging derivatives, and deferred charges on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

experience, OPEB changes in proportion, deferred credit on refunding, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

It is the primary government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. School department employees must use their vacation benefits within the year earned. There is no liability for unpaid accumulated sick leave since the primary government 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. 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.

8. Long-term Debt and Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as 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, director of schools' mediation agreement

liability, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

9. Net Position and Fund Balance

In the government-wide financial statements and the proprietary 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 for the primary government reports \$7,531,714 of restricted net position, of which \$450,377 is restricted by enabling legislation. The government-wide Statement of Net Position for the school department reports \$9,371,472 of restricted net position, of which \$2,630,728 is restricted by enabling legislation.

As of June 30, 2020, Loudon County had \$40,205,300 in outstanding debt for capital purposes for the discretely presented Loudon County School Department. This debt is a liability of Loudon County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Loudon County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

These classifications may consist of the following:

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission makes assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the General Fund consists of amounts assigned for encumbrances (\$411,713) and fund balance appropriated for use in the 2020-2021 budget (\$1,570,715). Assigned fund balance in the General Purpose School Fund consists of amounts assigned for encumbrances (\$229,911) and fund balance appropriated for use in the 2020-2021 budget (\$1,969,332).

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

E. Pension Plans

Primary Government

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

Discretely Presented Loudon 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 Loudon 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 Loudon County School Department

Exhibit I-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds to 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 Loudon County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted. 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 Loudon County Commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

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

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 411,713
Highway/Public Works	517,671
General Capital Projects	1,033,565
Nonmajor Funds:	
Public Library	177
Highway Capital Projects	17,102
School Department:	
Major Funds:	
General Purpose School	229,911
Education Capital Projects	652,595
Nonmajor Fund:	
School Federal Projects	18,028

B. Expenditures Exceeded Appropriations

Expenditures and encumbrances exceeded appropriations approved by the county commission in the Administration of Justice Projects major appropriations category (the legal level of control) of the General Capital Projects Fund by \$361,874. Expenditures and encumbrances that exceed

appropriations are a violation of state statutes. These expenditures and encumbrances in excess of appropriations were funded by insurance recoveries in the General Capital Projects Fund.

C. Resignation of Director of Schools

On July 17, 2019, the board of education approved a mediation agreement for the buyout of Director of Schools Jason Vance's employment contract which called for Vance to resign his position on July 18, 2019. Payments by the board and its insurance carrier under the agreement are expected to total approximately \$448,192 and consist of the following: (1) \$303,012 to be paid by the board to Vance over a 36-month period in-lieu of wages; (2) \$72,000 to be paid by the board to Vance over a 36-month period for various disputed claims; (3) \$50,000 to be paid by the board's insurance carrier to Vance in a one-time payment for various disputed claims; and (4) payroll taxes expected to be paid to the federal government by the board over a 36-month period totaling approximately \$23,180. During the 2019-20 fiscal year, the board of education made payments of \$132,730 to Vance under the agreement; and the board's insurance carrier paid Vance \$50,000. The Loudon County School Department has recognized a long-term liability for the remaining payments due under the agreement of \$265,462 as of June 30, 2020. In addition to the above noted amounts, Vance received \$7,300 and \$390 in wages and travel allowance, respectively, for the period of July 1, 2019, through the effective date of his resignation.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase. Other than the TCRS Stabilization Trust discussed below, the county had no pooled and nonpooled investments as of June 30, 2020.

TCRS Stabilization Trust

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

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

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

- Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are

not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.

- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

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

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

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

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

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

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

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

At June 30, 2020, the Loudon 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	\$ 63,335
Developed Market International Equity	N/A	N/A	28,603
Emerging Market International Equity	N/A	N/A	8,172
U.S. Fixed Income	N/A	N/A	40,861
Real Estate	N/A	N/A	20,430
Short-term Securities	N/A	N/A	2,043
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>40,861</u>
Total			<u><u>\$ 204,305</u></u>

Investment by Fair Value Level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 63,335	\$ 63,335	\$ 0	\$ 0	0
Developed Market International Equity	28,603	28,603	0	0	0
Emerging Market International Equity	8,172	8,172	0	0	0
U.S. Fixed Income	40,861	0	40,861	0	0
Real Estate	20,430	0	0	20,430	0
Short-term Securities	2,043	0	2,043	0	0
Private Equity and Strategic Lending	40,861	0	0	0	40,861
Total	<u>\$ 204,305</u>	<u>\$ 100,110</u>	<u>\$ 42,904</u>	<u>\$ 20,430</u>	<u>40,861</u>

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Loudon 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 Loudon 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. Loudon 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 Loudon County School Department to pay retirement benefits of the school department employees.

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

B. Derivative Instrument

At June 30, 2020, Loudon County had the following derivative instrument outstanding:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$12.5M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate swap	\$12,500,000	12-1-09	6-1-25	Pay 3.13% receive 59% of LIBOR plus 35 basis points

The fair value balance and notional amount of the derivative instrument outstanding at June 30, 2020, classified by type, and the changes in fair value using a pay fixed, receive percentage of LIBOR pricing model (Level 2 inputs of the GAAP fair value hierarchy) of such derivative instruments for the year then ended as reported in the 2020 financial statements is as follows:

Type	Changes in Fair Value Classification	Fair Value at June 30, 2020 Amount	Fair Value at June 30, 2020 Classification	Fair Value at June 30, 2020 Amount	6-30-20 Notional Amount
Governmental Activities					
Cash Flow Hedge:					
Pay fixed interest rate swap:					
\$12.5M Swap	Deferred	\$ (44,228)	Debt	\$ (413,060)	\$ 5,125,000
	Outflow				
Total		<u>\$ (44,228)</u>		<u>\$ (413,060)</u>	<u>\$ 5,125,000</u>

Derivative Swap Agreement Detail

Under its loan agreement, the Public Building Authority of Blount County, Tennessee (the authority), at the request of the county, has entered into an interest rate swap agreement for all of the outstanding Local Government Improvement Bonds, Series IV-H-1.

Objective of the interest rate swap. To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into an interest rate swap in connection with its \$12.5 million Series IV-H-1 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series IV-H-1 bonds have since been refunded with a portion of the proceeds of the Series E-3-C bonds, and the interest rate swap is now associated with the Series E-3-C bonds.

Terms. Under the swap, the authority pays the counterparty a fixed payment of 3.13 percent and receives a variable payment computed as 59 percent of the three-month London Interbank Offered Rate (LIBOR) plus 35 basis points. The swap had an original notional amount of \$12.5 million, and the associated variable-rate bond had an original \$12.5 million principal amount. At no time will the notional amount on the interest rate swap agreement exceed the

outstanding principal of the Series E-3-C Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association (the "SIFMA"). The bonds and the related swap agreement mature on June 1, 2025. As of June 30, 2020, rates were as follows:

	<u>Terms</u>	<u>Rates</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	3.13 %
Variable payment from counterparty	% of LIBOR	<u>-0.45</u>
Net interest rate swap payments		2.68 %
Variable-rate bond coupon payments		<u>0.67</u>
 Synthetic interest rate on bonds		 <u><u>3.35 %</u></u>

Fair value. As of June 30, 2020, the swap had a negative fair value of \$413,060. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates and then discounts those cash flows at their present value.

Credit risk. As of June 30, 2020, the county was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the swap agreement's fair value. The swap counterparty, Raymond James Financial Products ("RJFP", formerly Morgan Keegan Financial Products) was rated "Baa1/BBB+" by Moody's and Standard and Poor's as of June 30, 2020, with its Credit Support Provider, Deutsche Bank, rated A3/BBB+/BBB+ by Moody's, Standard and Poor's, and Fitch, respectively.

Basis risk. As noted above, the swap exposes the county to basis risk should the rate on the bonds increase to above 59 percent of LIBOR plus 35 basis points, thus increasing the synthetic rate on the bonds. If a change occurs that results in the rate on the bonds to be below 59 percent of LIBOR plus 35 basis points, then the synthetic rate on the bonds will decrease.

Termination risk. The swap agreement contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an "additional termination provision." The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the authority would be liable

to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap's fair value.

Swap payments and associated debt. As of June 30, 2020, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Fiscal Year Ending June 30	Variable Rate Bonds		Net Interest Rate Swap Payment	Total
	Principal	Interest		
2021	\$ 910,000	\$ 34,582	\$ 137,085	\$ 1,081,667
2022	965,000	28,442	112,744	1,106,186
2023	1,020,000	21,930	86,932	1,128,862
2024	1,085,000	15,047	59,649	1,159,696
2025	1,145,000	7,726	30,627	1,183,353
Total	\$ 5,125,000	\$ 107,727	\$ 427,037	\$ 5,659,764

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 5,915,130	\$ 0	\$ (135,720)	\$ 5,779,410
Construction in Progress	11,052,505	6,172,188	0	17,224,693
Total Capital Assets Not Depreciated	\$ 16,967,635	\$ 6,172,188	\$ (135,720)	\$ 23,004,103
Capital Assets Depreciated:				
Buildings and Improvements	\$ 14,869,172	\$ 7,847	\$ 0	\$ 14,877,019
Infrastructure	49,096,941	0	0	49,096,941
Other Capital Assets	9,725,305	975,439	(801,035)	9,899,709
Total Capital Assets Depreciated	\$ 73,691,418	\$ 983,286	\$ (801,035)	\$ 73,873,669
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 4,452,713	\$ 253,566	\$ 0	\$ 4,706,279
Infrastructure	26,953,464	988,328	0	27,941,792
Other Capital Assets	7,091,997	624,771	(461,012)	7,255,756
Total Accumulated Depreciation	\$ 38,498,174	\$ 1,866,665	\$ (461,012)	\$ 39,903,827
Total Capital Assets Depreciated, Net	\$ 35,193,244	\$ (883,379)	\$ (340,023)	\$ 33,969,842
Governmental Activities Capital Assets, Net	\$ 52,160,879	\$ 5,288,809	\$ (475,743)	\$ 56,973,945

The above table does not include capital assets of a hospital facility titled to Loudon County but used in the operations of Fort Loudoun Medical Center. The construction of that facility was funded by Fort Loudoun Medical Center and, pursuant to an agreement with the county, the facility was titled to the county and leased to Fort Loudoun Medical Center. Those assets are used pursuant to a lease agreement by Fort Loudoun Medical Center for a nominal rental of \$100 per year. The lease is further discussed in Note IV.G.

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

Governmental Activities:

General Government	\$	196,917
Finance		15,282
Administration of Justice		21,263
Public Safety		358,631
Public Health and Welfare		66,306
Social, Cultural, and Recreational Services		28,624
Highways/Public Works		<u>1,179,642</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>1,866,665</u></u>

Discretely Presented Loudon County School Department

Governmental Activities:

	Balance 7-1-19	Increases	Balance 6-30-20
Capital Assets Not Depreciated:			
Land	\$ 3,946,406	\$ 0	\$ 3,946,406
Total Capital Assets Not Depreciated	<u>\$ 3,946,406</u>	<u>\$ 0</u>	<u>\$ 3,946,406</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 96,817,055	\$ 0	\$ 96,817,055
Infrastructure	96,087	0	96,087
Other Capital Assets	2,540,008	29,258	2,569,266
Total Capital Assets Depreciated	<u>\$ 99,453,150</u>	<u>\$ 29,258</u>	<u>\$ 99,482,408</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 22,523,268	\$ 1,864,439	\$ 24,387,707
Infrastructure	6,727	1,922	8,649
Other Capital Assets	1,239,718	191,243	1,430,961
Total Accumulated Depreciation	<u>\$ 23,769,713</u>	<u>\$ 2,057,604</u>	<u>\$ 25,827,317</u>
Total Capital Assets Depreciated, Net	<u>\$ 75,683,437</u>	<u>\$ (2,028,346)</u>	<u>\$ 73,655,091</u>
Governmental Activities Capital Assets, Net	<u>\$ 79,629,843</u>	<u>\$ (2,028,346)</u>	<u>\$ 77,601,497</u>

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

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

Governmental Activities:

Instruction	\$ 67,092
Support Services	1,977,854
Operation of Non-instructional Services	<u>12,658</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,057,604</u></u>

D. Asset Impairment and Insurance Recoveries

Primary Government

The Loudon County Courthouse suffered massive fire damage on April 23, 2019, and is no longer useable for county office space. The courthouse was built in 1872 and was fully depreciated with a carrying value of \$0 at the time of the fire. The only offices housed in the facility at the time of the fire were those of the Circuit Court Clerk, Clerk and Master, and Soil Conservation. Those offices have been relocated. Expenses of the primary government governmental activities during the year for cleanup, office relocation, and costs to stabilize the remaining structure amounted to \$1,829,520 and have been reported net of associated insurance recoveries of \$3,710,103, resulting in a gain of \$1,880,583.

Discretely Presented School Department

Program expenses of the discretely presented Loudon County School Department include \$608,868 in repair and restoration costs related to wind and hail damage to school buildings resulting from storms in Loudon County. These expenses have been reported net of associated insurance recoveries of \$672,472.

E. Construction Commitments

At June 30, 2020, the General Capital Projects Fund had uncompleted contracts of \$344,655 for the expansion of the justice center. Funding was obtained for these future expenditures through a debt issue in fiscal year 2018-2019. There are also uncompleted contracts of \$517,987 for the restoration of the courthouse in the General Capital Projects Fund. Funding has been received for these future expenditures through insurance recoveries due to the fire that occurred in April 2019.

F. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 9,530
Nonmajor governmental	Nonmajor governmental	125,000
Nonmajor governmental	General	9,383
Discretely Presented School Department:		
General Purpose School	Education Capital Projects	2,834
Nonmajor governmental	General Purpose School	4,693

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

Due to/from Primary Government and Component Unit:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Component Unit:		
School Department:	Primary Government:	
Nonmajor governmental	General	\$ 12,000

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		
	General Fund	General Capital Projects Fund	Nonmajor Governmental Fund
General Fund	\$ 0	\$ 37,400	\$ 0
Highway/Public Works Fund	0	14,082	0
General Capital Projects Fund	55,546	0	0
Nonmajor governmental funds	290,406	0	125,000
Total	\$ 345,952	\$ 51,482	\$ 125,000

The Courthouse/Jail Maintenance Fund transferred \$125,000 to the General Debt Service Fund for future debt service for the jail project, and the Industrial/Economic Development fund transferred \$290,406 in industrial park land sale proceeds to the General fund.

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.

G. Hospital Lease Agreement

During June 2002, Loudon County entered into an agreement with Fort Sanders Medical Center (Covenant Health) to acquire a certificate of need from the Tennessee Health Facility Commission. Covenant Health agreed to build and operate a facility under a future lease agreement with Loudon County. The facility was completed, and ownership was transferred to Loudon County. Loudon County has leased the facility to Fort Loudoun Medical Center, of which Covenant Health is the sole member. Fort Loudoun Medical Center has entered into an agreement to lease the property from Loudon County for a period of 20 years, commencing October 4, 2004, for a nominal annual charge of \$100. The agreement provides for two renewal terms for five years each at the option of Fort Loudoun Medical Center. This lease agreement also includes provisions for Fort Loudoun Medical Center to expend additional amounts during the original lease term for capital outlay, recruitment, and/or other community benefits projects.

H. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds – Loudon 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 outstanding were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service and Education Debt Service funds.

Direct Borrowing and Direct Placements – Loudon County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital Outlay Notes and other loans outstanding were issued for original terms of up to ten years for notes and 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2020, will be retired from the General Fund and the Debt Service Funds.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-20
General Obligation Bonds	1.4 to 5 %	6-1-38	\$ 36,380,000	\$ 28,245,000
General Obligation Bonds - Refunding	2 to 5	6-1-36	24,220,000	24,220,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	2.88	2-1-23	400,000	132,000
Other Loans - City of Loudon	0	N/A	475,000	75,977
Other Loans - PBA Variable Rate	variable	6-1-25	12,265,000	5,150,000
Loan Agreement - State School Bond Authority (QZABs)	0	12-1-20	4,129,500	275,300

Loudon County has entered into a loan agreement with a Public Building Authority (PBA) to finance capital projects for the discretely presented Loudon County School Department. The following table summarizes the PBA loan agreement outstanding at June 30, 2020:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-20	Interest Type	Variable Interest Rates as of 6-30-20	Other Fees on Variable Rate Debt
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Blount County

Public Building Authority:

School Projects-Refunding	\$ 12,265,000	\$ <u>5,150,000</u>	Variable	0.67	(1)	0.13
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Total		\$ <u><u>5,150,000</u></u>				
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(1) In addition to the interest requirements on this refunding debt, the county is also obligated for payments under a swap agreement that was entered into in connection with the refunded debt. See Note IV.B. Derivative Instruments.

Loudon County has also entered into the following agreement with the City of Loudon to provide funding for infrastructure improvements for a business development. The agreement is reflected as other loans in this report.

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-20	Interest Rates
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City of Loudon

Highlands Business Center	\$ 475,000	\$ 75,977	0 %
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Under the agreement, the county must pay its incremental tax revenues (excess of current taxes over base year amounts), from properties within the development toward the retirement of this obligation. The maximum amount the county is required to pay is \$475,000 (with no interest accruing and no stated maturity date). The county did not pay anything under the agreement for the year ended June 30, 2020.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 3,310,000	\$ 1,666,419	\$ 4,976,419
2022	3,665,000	1,549,952	5,214,952
2023	3,745,000	1,429,153	5,174,153
2024	2,815,000	1,307,702	4,122,702
2025	2,910,000	1,203,603	4,113,603
2026-2030	15,150,000	4,371,137	19,521,137
2031-2035	16,260,000	2,047,137	18,307,137
2036-2038	4,610,000	220,150	4,830,150
Total	<u>\$ 52,465,000</u>	<u>\$ 13,795,253</u>	<u>\$ 66,260,253</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 43,000	\$ 3,802	\$ 46,802
2022	44,000	2,563	46,563
2023	45,000	1,296	46,296
Total	<u>\$ 132,000</u>	<u>\$ 7,661</u>	<u>\$ 139,661</u>

Year Ending June 30	Other Loans - PBA and QZAB - Direct Placement			
	Principal	Interest	Other Fees	Total
2021	\$ 1,190,300	\$ 172,525	\$ 6,695	\$ 1,369,520
2022	970,000	141,873	5,506	1,117,379
2023	1,025,000	109,378	4,245	1,138,623
2024	1,090,000	75,040	2,912	1,167,952
2025	1,150,000	38,524	1,494	1,190,018
Total	\$ 5,425,300	\$ 537,340	\$ 20,852	\$ 5,983,492

Annual requirements for the \$75,977 other loan payable for the Highlands Business Center project are not included in the schedule since the loan is to be repaid with tax increment revenues only, and there is no defined payment schedule.

Interest requirements in the above schedule include the synthetic rate the county is obligated for under a swap agreement. See Note IV.B. Derivative Instrument.

There is \$10,177,912 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$364, based on the 2010 federal census for residents living inside the Lenoir City School District and \$1,236 for residents living outside of the school district. Total debt per capita, including bonds, notes, other loans, and unamortized premium on debt, totaled \$376 for residents living inside the Lenoir City School District and \$1,443 for residents living outside of the school district.

Changes in Long-term Debt

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

	Bonds	Notes - Direct Placement
Balance, July 1, 2019	\$ 57,215,000	\$ 174,000
Additions	24,220,000	0
Reductions	(28,970,000)	(42,000)
	<hr/>	<hr/>
Balance, June 30, 2020	\$ 52,465,000	\$ 132,000
	<hr/>	<hr/>
Balance Due Within One Year	\$ 3,310,000	\$ 43,000
	<hr/>	<hr/>

	Other Loans City of Loudon - Direct Placement	Other Loans PBA & QZAB - Direct Placement
Balance, July 1, 2019	\$ 75,977	\$ 6,835,600
Additions	0	0
Reductions	0	(1,410,300)
	<hr/>	<hr/>
Balance, June 30, 2020	\$ 75,977	\$ 5,425,300
	<hr/>	<hr/>
Balance Due Within One Year	\$ 0	\$ 1,190,300
	<hr/>	<hr/>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 58,098,277
Less: Balance Due Within One Year - Debt	(4,543,300)
Add: Unamortized Premium on Debt	<u>2,754,862</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 56,309,839</u>

Current Refunding

On May 29, 2020, Loudon County refunded the outstanding balances of the Rural School Bonds Series 2011 (\$8,500,000) and Series 2012 (\$17,425,000). The county issued \$24,220,000 of rural school refunding bonds, using those proceeds and the premium received from the issuance (\$2,104,454), to provide resources to call and redeem the refunded debt. Because of the refunding, total debt service payments over the next 16 years will be reduced by \$3,189,284, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$2,469,305 was obtained.

I. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 565,566	\$ 12,514,700
Additions	722,304	4,618,976
Reductions	(538,588)	(453,081)
Balance, June 30, 2020	<u>\$ 749,282</u>	<u>\$ 16,680,595</u>
Balance Due Within One Year	<u>\$ 722,304</u>	<u>\$ 0</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 17,429,877
Less: Balance Due Within One Year - Other	<u>(722,304)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 16,707,573</u>

Discretely Presented Loudon County School Department

Changes in Long-term Obligations

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

	Other Postemployment Benefits	Former Director of Schools Mediation Agreement Liability
Balance, July 1, 2019	\$ 4,268,170	\$ 0
Additions	733,958	398,192
Reductions	(667,822)	(132,730)
Balance, June 30, 2020	<u>\$ 4,334,306</u>	<u>\$ 265,462</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 132,731</u>

The former director of schools' mediation agreement liability will be paid from the General Purpose School Fund. The other postemployment benefits liability will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 4,599,768
Less: Balance Due Within One Year - Other	<u>(132,731)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 4,467,037</u>

J. Pledges of Future Revenues

Tax Incremental Revenues Pledged for Retirement of County Debt

As discussed in Note IV.H., Loudon County has pledged incremental real and personal property tax revenues from the Highland Business Center development toward the retirement of a loan agreement entered into between the county and the City of Loudon. The principal amount of this outstanding loan at June 30, 2020, was \$75,977.

K. On-Behalf Payments – Discretely Presented Loudon County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Loudon County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, were \$206,201. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

L. Short-term Debt

Loudon County issued revenue anticipation notes in advance of revenue collections and deposited the proceeds in the School Federal Projects Fund. These notes were necessary because funds were not available to meet payroll expenditures coming due before current revenue collections. Short-term debt activity for the year ended June 30, 2020, was as follows:

	Balance 7-1-19	Issued	Paid	Balance 6-30-20
Revenue Anticipation Notes \$	0 \$	60,000 \$	(60,000) \$	0

V. OTHER INFORMATION

A. Risk Management

Loudon County School Department has established the Employee Dental and Vision Insurance Fund for risks associated with the employees' dental and vision plans. The Employee Dental and Vision Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements.

All full-time employees of the Loudon County School Department are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of this fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Employee Dental and Vision Insurance Fund establishes claims 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
2018-2019	\$16,046	\$413,070	(\$414,244)	\$14,872
2019-2020	14,872	366,852	(358,940)	22,784

The primary government provides health, dental, and vision coverage through commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

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

B. Contingent Liabilities

Loudon County is contingently liable for a State of Tennessee revolving loan agreement of a joint venture, Tellico Area Services System (TASS). Loudon County would become liable for this loan agreement in the event of default by TASS. As of June 30, 2020, future principal and interest requirements were \$1,964,140 and \$156,021. During the year, with the approval of Loudon County commission, TASS issued, \$4,120,000 in Water and Sewer Revenue Bonds. The resolution authorizing the debt calls for all debt requirements for those bonds to be paid solely from revenues of the joint venture, and therefore this debt is not a contingent liability of Loudon County.

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

C. Joint Ventures

The Loudon County Solid Waste Disposal Commission (LCSWDC) is a joint venture formed by an interlocal governmental agreement between Loudon County, the City of Loudon, and Lenoir City. The joint venture operates the Loudon County regional landfill. The LCSWDC is governed by a seven-member board appointed by the participating governments.

The Center Executive Board is a joint venture formed by an interlocal agreement between Loudon County and Lenoir City. The purpose of the board is to provide operation and maintenance for the Career Center Building jointly owned by Loudon County and Lenoir City. The Center Executive Board members are approved by the city and county legislative bodies. The interlocal agreement calls for any excess revenue over the operational and maintenance cost to be remitted back to the county and city based on the percentage of prior construction costs provided by each entity. However, the county and city may be required to compensate the federal government for its fair share based on contributions made by federal grants. The financial transactions of this joint venture are channeled through the county Trustee's Office, and the county accounts for these transactions in an agency fund.

The Tellico Area Services System (TASS), a regional water, sewer, and solid waste system is jointly owned by Monroe and Loudon counties. TASS comprises the county Boards of Public Utilities of each of the counties. Loudon County has control over budgeting and financing the joint venture only to the extent of representation by its county Board of Public Utility. As discussed in Note V.B., Loudon County is contingently liable for certain debt issued by the county on behalf of this joint venture.

The Ninth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Ninth Judicial District; Roane, Loudon, Meigs, and Morgan 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, which includes the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Loudon County made no contributions to the DTF for the year ended June 30, 2020.

The Loudon County Economic Development Agency, Inc., was designated to function as the Joint Economic and Community Development Board under Public Chapter 1101. The agency is responsible for coordinating governmental and private industrial development and economic development activities in Loudon County. The agency is a joint venture between Loudon County and the cities of Loudon and Lenoir City, and Lenoir City Industrial Committee of 100, in which each provide financial support. The agency is governed by an eight-member board comprising one member from the three governments and the remaining members from other various community organizations. Loudon County provided the agency \$162,545 in financial support during the 2019-20 year.

Loudon County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for these joint ventures can be obtained from their respective administrative office at the following addresses:

Administrative Offices:

Loudon County Solid Waste Disposal Commission
101 Mulberry Street, Suite 102
Loudon, TN 37774

Tellico Area Services System
P.O. Box 277
Vonore, TN 37885-0277

District Attorney General
Ninth Judicial District Drug Task Force
P.O. Box 703
Kingston, TN 37763

Loudon County Economic Development Agency, Inc.
274 Blair Bend Drive
Loudon, TN 37774

D. Jointly Governed Organization

Loudon County, Monroe County, and various city school systems jointly govern the Little Tennessee Valley Educational Cooperative. The cooperative was established pursuant to an agreement between the participating governments and is governed by a board of control consisting of the director of schools of each participating government, one representative appointed by the county commission or City Council of each participating government, and one member appointed by the Board of Education of each participating government. The cooperative was organized in order to combine resources to provide services for special education programs such as the Birth-to-Three program for handicapped children, a child development program for language and behaviorally delayed older students, and an occupational and physical therapy program, as well as psychological services. The cooperative provides educational services on a contractual basis to the various school systems. The systems may, but are not required, to contract for these services.

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Loudon County and non-certified employees of the discretely presented Loudon 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 75.53 percent, the non-certified employees of the discretely presented school department comprise 24.47 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

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

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

CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	249
Inactive Employees Entitled to But Not Yet Receiving Benefits	440
Active Employees	364
Total	1,053

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. Loudon County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contribution for Loudon County was \$1,032,281 based on a rate of 6.71 percent of covered payroll for general employees and 10.21 percent of covered payroll for public safety officers. By law, employer contributions are required to be paid. The TCRS may intercept Loudon 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)

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

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	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				

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 46,767,073	\$ 47,232,920	\$ (465,847)
Changes for the Year:			
Service Cost	\$ 1,240,312	\$ 0	\$ 1,240,312
Interest	3,403,372	0	3,403,372
Differences Between Expected and Actual Experience	(1,675,606)	0	(1,675,606)
Contributions-Employer	0	1,332,864	(1,332,864)
Contributions-Employees	0	665,287	(665,287)
Net Investment Income	0	3,510,885	(3,510,885)
Benefit Payments, Including Refunds of Employee Contributions	(2,128,645)	(2,128,645)	0
Administrative Expense	0	(32,373)	32,373
Net Changes	\$ 839,433	\$ 3,348,018	\$ (2,508,585)
Balance, June 30, 2019	\$ 47,606,506	\$ 50,580,938	\$ (2,974,432)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	75.53%	\$ 35,957,194	\$ 38,203,782	\$ (2,246,588)
School Department	24.47%	11,649,312	12,377,156	(727,844)
Total		\$ 47,606,506	\$ 50,580,938	\$ (2,974,432)

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

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 3,219,122	\$ (2,974,432)	\$ (8,116,491)

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

Pension Expense. For the year ended June 30, 2020, Loudon County recognized pension expense of \$779,356.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Loudon 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	\$ 359,754	\$ 1,442,830
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	580,019
Changes in Assumptions	380,869	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	1,032,281	N/A
Total	<u>\$ 1,772,904</u>	<u>\$ 2,022,849</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,360,695	\$ 1,527,857
School Department	412,209	494,992
Total	<u>\$ 1,772,904</u>	<u>\$ 2,022,849</u>

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

Year Ending June 30	Amount
2021	\$ (161,904)
2022	(428,674)
2023	(338,047)
2024	(353,601)
2025	0
Thereafter	0

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

Payable to the Pension Plan

At June 30, 2020, Loudon County reported a payable of \$164,763 for the outstanding amount of contributions due to the pension plan at year end.

Discretely Presented Loudon County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Loudon County and non-certified employees of the discretely presented Loudon 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 75.53 percent and the non-certified employees of the discretely presented school department comprise 24.47 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$107,661, which is 2.03 percent of covered payroll. In addition, employer contributions of \$103,637 were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$234,164) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019,

the school department's proportion was .414826 percent. The proportion as of June 30, 2018, was .420840 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$74,343.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 9,709	\$ 40,878
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	9,900
Changes in Assumptions	8,136	0
Changes in Proportion of Net Pension Liability (Asset)	9,703	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	107,661	N/A
Total	<u>\$ 135,209</u>	<u>\$ 50,778</u>

The school department's employer contributions of \$107,661, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (4,109)
2022	(5,624)
2023	(2,847)
2024	(1,431)
2025	(1,028)
Thereafter	(8,191)

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

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

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

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

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

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

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

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

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

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

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

Net Pension Liability (Asset) \$ 74,192 \$ (234,164) \$ (462,096)

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

Payable to the Pension Plan

At June 30, 2020, the Loudon County School Department reported a payable of \$78,726 for the outstanding amount of contributions due to the pension plan at year end.

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members

are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Loudon County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$1,639,960, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$5,149,086) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an

actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was .500796 percent. The proportion measured at June 30, 2018, was .486977 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$724,509.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference Between Expected and Actual Experience	\$ 250,696	\$ 3,145,164
Changes in Assumptions	693,866	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,471,193
Changes in Proportion of Net Pension Liability (Asset)	52,165	10,242
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>1,639,960</u>	N/A
Total	<u>\$ 2,636,687</u>	<u>\$ 4,626,599</u>

The school department's employer contributions of \$1,639,960 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (1,013,276)
2022	(1,473,565)
2023	(652,419)
2024	(490,612)
2025	0
Thereafter	0

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

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

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

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

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

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

investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

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

Net Pension Liability(Asset) \$ 10,528,392 \$ (5,149,086) \$ (17,620,084)

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

Payable to the Pension Plan

At June 30, 2020, the Loudon County School Department reported a payable of \$374,782 for the outstanding amount of contributions due to the pension plan at year end.

2. Deferred Compensation

Teachers hired after July 1, 2014, by the discretely presented Loudon County 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 Loudon County School Department contributed \$259,533 and teachers contributed \$148,604 to this deferred compensation pension plan.

F. Other Postemployment Benefits (OPEB)

Primary Government

Plan Description. Loudon County participates in a commercial postemployment benefits plan administered by United Health Care for its pre-65 retirees and through Humana for its post-65 retirees. Employees are eligible for OPEB benefits if they retire at any age with at least 30 years of service or if they are over the age 60 and have at least 5 years of service. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the county commission. The plan is funded on

a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The United Health Care portion of the plan provides healthcare and life insurance benefits for retirees until they are Medicare eligible. Post-65 benefits are provided through the Humana portion of the plan. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The benefit terms provide for the county to pay 50 percent of the medical premiums for pre-65 retirees and 100% of the Humana premium for post-65 retirees. Post-65 retirees pay the Medicare Part B premium. The county pays 50% of life insurance premiums.

Employees Covered by Benefit Terms

As of July 1, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	74
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	222
Total	296

Total OPEB Liability

The county’s total OPEB liability of \$16,680,595 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2018 and updated to the measurement date.

Actuarial Assumptions and Other Inputs. The total OPEB liability 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
Salary Increases	3.5%
Payroll Growth Rate	2.5%
Inflation	2%
Discount Rate	2.21%
Healthcare Cost Trend Rates	7% in 2020 with an ultimate rate of 5% by 2022
Retirees share of Benefit-related Cost	Discussed under Benefits Provided

The discount rate was based on the Bond Buyer’s 20-year bond index.

The mortality rates are from the RPH-2014 Total Dataset mortality table projected with projection scale MP-2018.

The actuarial assumptions used in the June 30, 2018, valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2019	\$ 12,514,700
Changes for the Year:	
Service Cost	\$ 850,897
Interest	461,294
Difference between Expected and Actual Experience	(78,333)
Changes in Assumption and Other Inputs	3,306,785
Benefit Payments	<u>(374,748)</u>
Net Changes	<u>\$ 4,165,895</u>
Balance June 30, 2020	<u>\$ 16,680,595</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.5 percent in 2019 to 2.21 percent in 2020.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the county recognized OPEB expense of \$1,587,308. At June 30, 2020, the county 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	\$ 1,068,851
Changes of Assumptions/Inputs	<u>3,762,521</u>	<u>435,827</u>
Total	<u>\$ 3,762,521</u>	<u>\$ 1,504,678</u>

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

Year Ending June 30	Amount
2021	\$ 275,117
2022	275,117
2023	275,117
2024	275,117
2025	275,117
Thereafter	882,258

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

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

<u>Discount Rate</u>	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Total OPEB Liability	\$ 20,020,316	\$ 16,680,595	\$ 14,043,270

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease (6% decreasing to 4%)	Current Trend Rate (7% decreasing to 5%)	1% Increase (8% decreasing to 6%)
Total OPEB Liability	\$ 13,611,750	\$ 16,680,595	\$ 20,827,984

Discretely Presented Loudon County School Department

The discretely presented Loudon County School Department provides OPEB benefits to its retirees through a state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit

OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). 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. Employees of the Loudon County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

The post-65 certified retirees of Loudon County School Department may join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

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

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.20%
Salary Increases	Salary increases used in the July 1, 2018 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting 6.03% for pre-65 retirees in the 2019 calendar year, and gradually decreasing over a 10-year period to an ultimate trend of rate of 4.5%.
Retirees Share of Benefit Related Cost	Discussed under Benefits Provided

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

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System

(TCRS). These mortality rates were used in the July 1, 2019, actuarial valuation of the TCRS.

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

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

Benefits Provided. The Loudon County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Loudon County School Department provides a direct subsidy \$150 per month for certified retirees with 30 years of service. The school department does not provide a direct subsidy for noncertified retirees. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	32
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	411
Total	<u><u>444</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$228,603 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Loudon County School Department 67.41%	State of TN 32.59%	Total OPEB Liability
Balance July 1, 2018	\$ 4,268,170	\$ 1,952,763	\$ 6,220,933
Changes for the Year:			
Service Cost	\$ 219,601	\$ 106,168	\$ 325,769
Interest	155,234	75,049	230,283
Changes in Benefit Terms	157,999	76,386	234,385
Difference between Expected and Actuarial Experience	201,124	97,235	298,359
Changes in Assumption and Other Inputs	(341,390)	(165,048)	(506,438)
Change in Proportion	(74,369)	74,369	0
Benefit Payments	(252,063)	(121,862)	(373,925)
Net Changes	\$ 66,136	\$ 142,297	\$ 208,433
Balance June 30, 2019	\$ 4,334,306	\$ 2,095,060	\$ 6,429,366

The Loudon County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Loudon County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$206,201 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Loudon County School Department's proportionate share of the collective OPEB liability was 67.41 percent and the State of Tennessee's share was 32.59 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized OPEB expense of \$611,320, which includes expenses funded by subsidies provided by the state. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 179,368	\$ 782,493
Changes of Assumptions/Inputs	88,377	471,894
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	28,615	85,741
Benefits Paid After the Measurement Date of June 30, 2019	<u>228,603</u>	<u>0</u>
Total	<u>\$ 524,963</u>	<u>\$ 1,340,128</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:

<u>Year Ending June 30</u>	<u>School Department</u>
2021	\$ (127,748)
2022	(127,748)
2023	(127,748)
2024	(127,748)
2025	(127,748)
Thereafter	(405,030)

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 4,681,440	\$ 4,334,306	\$ 4,008,518
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 3,853,224	\$ 4,334,306	\$ 4,906,319
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G. Office of Director of Accounts and Budgets

Loudon County operates under the provisions of the Fiscal Control Acts of 1957, which provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

H. Purchasing Laws

Purchasing procedures for the Offices of County Mayor, Director of Schools, and Highway Superintendent are governed by 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 provide for a purchasing agent and require competitive bids on all purchases exceeding \$25,000.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 1,030,236	\$ 1,049,591	\$ 1,055,657	\$ 1,093,488	\$ 1,180,630	\$ 1,240,312
Interest	2,640,126	2,745,456	2,909,485	3,040,971	3,188,872	3,403,372
Differences Between Actual and Expected Experience	(634,481)	113,188	(511,733)	95,266	536,079	(1,675,606)
Changes in Assumptions	0	0	0	952,171	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,546,219)	(1,755,428)	(1,699,079)	(1,777,098)	(1,884,649)	(2,128,645)
Net Change in Total Pension Liability	\$ 1,489,662	\$ 2,152,807	\$ 1,754,330	\$ 3,404,798	\$ 3,020,932	\$ 839,433
Total Pension Liability, Beginning	34,944,544	36,434,206	38,587,013	40,341,343	43,746,141	46,767,073
Total Pension Liability, Ending (a)	\$ 36,434,206	\$ 38,587,013	\$ 40,341,343	\$ 43,746,141	\$ 46,767,073	\$ 47,606,506
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,164,019	\$ 1,179,065	\$ 1,210,474	\$ 1,269,682	\$ 1,277,244	\$ 1,332,864
Contributions - Employee	572,872	569,765	583,304	611,683	617,873	665,287
Net Investment Income	5,239,536	1,136,952	1,009,897	4,437,383	3,621,037	3,510,885
Benefit Payments, Including Refunds of Employee Contributions	(1,546,219)	(1,755,428)	(1,699,079)	(1,777,098)	(1,884,649)	(2,128,645)
Administrative Expense	(14,675)	(18,696)	(27,486)	(30,948)	(34,411)	(32,373)
Other Changes	0	0	0	8,551	0	0
Net Change in Plan Fiduciary Net Position	\$ 5,415,533	\$ 1,111,658	\$ 1,077,110	\$ 4,519,253	\$ 3,597,094	\$ 3,348,018
Plan Fiduciary Net Position, Beginning	31,512,272	36,927,805	38,039,463	39,116,573	43,635,826	47,232,920
Plan Fiduciary Net Position, Ending (b)	\$ 36,927,805	\$ 38,039,463	\$ 39,116,573	\$ 43,635,826	\$ 47,232,920	\$ 50,580,938
Net Pension Liability (Asset), Ending (a - b)	\$ (493,599)	\$ 547,550	\$ 1,224,770	\$ 110,315	\$ (465,847)	\$ (2,974,432)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.35%	98.58%	96.96%	99.75%	101.00%	106.25%
Covered Payroll	\$ 11,217,514	\$ 11,373,353	\$ 11,697,786	\$ 12,233,651	\$ 12,357,383	\$ 12,867,814
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(4.40%)	4.81%	10.47%	0.90%	(3.77%)	(23.12%)

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

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,164,019	\$ 1,179,065	\$ 1,210,474	\$ 1,263,736	\$ 1,277,244	\$ 1,332,864	\$ 1,032,281
Less Contributions in Relation to the Actuarially Determined Contribution	(1,164,019)	(1,179,065)	(1,210,474)	(1,269,682)	(1,277,244)	(1,332,864)	(1,032,281)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (5,946)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,217,514	\$ 11,373,353	\$ 11,697,786	\$ 12,233,651	\$ 12,357,383	\$ 12,867,814	\$ 13,839,324
Contributions as a Percentage of Covered Payroll	10.38%	10.37%	10.35%	10.38%	10.34%	10.36%	7.46%

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

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 39,566	\$ 80,105	\$ 118,104	\$ 147,105	\$ 85,160	\$ 107,661
Less Contributions in Relation to the Contractually Required Contribution	(39,566)	(80,105)	(118,104)	(147,105)	(85,160)	(107,661)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 989,143	\$ 2,002,608	\$ 2,952,609	\$ 3,677,638	\$ 4,389,688	\$ 5,303,495
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 1,671,722	\$ 1,644,078	\$ 1,583,832	\$ 1,550,954	\$ 1,548,354	\$ 1,756,486	\$ 1,639,960
Less Contributions in Relation to the Contractually Required Contribution	(1,671,722)	(1,644,078)	(1,583,832)	(1,550,954)	(1,548,354)	(1,756,486)	(1,639,960)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 18,825,699	\$ 18,186,701	\$ 17,520,275	\$ 17,156,583	\$ 17,052,345	\$ 16,792,405	\$ 15,427,695
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

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

Exhibit E-5

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	0.476072%	0.455135%	0.449860%	0.420840%	0.414826%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (19,152)	\$ (47,381)	\$ (118,690)	\$ (190,863)	\$ (234,164)
Covered Payroll	\$ 989,143	\$ 2,002,608	\$ 2,952,609	\$ 3,677,638	\$ 4,389,688
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	0.479637%	0.485820%	0.485353%	0.485341%	0.486977%	0.500796%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 77,939	\$ 199,009	\$ 3,033,188	\$ (158,795)	\$ (1,713,632)	\$ (5,149,086)
Covered Payroll	\$ 18,825,699	\$ 18,186,701	\$ 17,520,275	\$ 17,156,583	\$ 17,052,345	\$ 16,792,405
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(.93%)	(10.05%)	(30.66%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit E-7

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

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 860,669	\$ 756,915	\$ 850,897
Interest	432,499	444,584	461,294
Differences Between Actual and Expected Experience	0	(1,282,217)	(78,333)
Changes in Assumptions or Other Inputs	(603,671)	1,053,224	3,306,785
Benefit Payments	(164,767)	(284,505)	(374,748)
Net Change in Total OPEB Liability	\$ 524,730	\$ 688,001	\$ 4,165,895
Total OPEB Liability, Beginning	11,301,969	11,826,699	12,514,700
Total OPEB Liability, Ending	<u>\$ 11,826,699</u>	<u>\$ 12,514,700</u>	<u>\$ 16,680,595</u>
Covered Employee Payroll	\$ 8,262,028	\$ 8,959,101	\$ 8,959,101
Net OPEB Liability as a Percentage of Covered Employee Payroll	143.15%	139.69%	186.19%

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

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit E-8

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 400,311	\$ 369,672	\$ 325,769
Interest	220,183	264,214	230,283
Changes in Benefit Terms	0	(2,479)	234,385
Differences Between Actual and Expected Experience	0	(1,437,089)	298,359
Changes in Assumptions or Other Inputs	(350,429)	162,307	(506,438)
Benefit Payments	(340,903)	(375,525)	(373,925)
Net Change in Total OPEB Liability	\$ (70,838)	\$ (1,018,900)	\$ 208,433
Total OPEB Liability, Beginning	7,310,671	7,239,833	6,220,933
Total OPEB Liability, Ending	<u>\$ 7,239,833</u>	<u>\$ 6,220,933</u>	<u>\$ 6,429,366</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,319,461	\$ 1,952,763	\$ 2,095,060
Employer Proportionate Share of the Total OPEB Liability	4,920,372	4,268,170	4,334,306
Covered Employee Payroll	\$ 24,267,070	\$ 25,265,415	\$ 25,800,311
Net OPEB Liability as a Percentage of Covered Employee Payroll	20.28%	16.89%	16.80%

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

Note 2: Changes in assumptions.

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

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

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

For the 2019 plan year - from 5.4% to 6.75%
 For the 2020 plan year - from 6.75% to 6.03%

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Law Library Fund – The Law Library Fund is used to account for a special tax levied by a private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

Public Library Fund – The Public Library Fund is used to account for library transactions for various libraries in Loudon County.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions related to convenience centers maintained by the county.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions related to the Centre 75 Business Park.

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for revenues received from federal drug-related forfeitures and seizures.

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

Debt Service Funds

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

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

Capital Project Funds

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

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

Exhibit F-1

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 250	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	551,805	23,578	365,484	488,577	170,340	73,382
Accounts Receivable	0	0	36	11,068	0	0
Due from Other Governments	0	0	0	207,891	0	0
Due from Other Funds	0	0	0	9,383	0	0
Property Taxes Receivable	0	0	321,826	0	0	0
Allowance for Uncollectible Property Taxes	0	0	(6,453)	0	0	0
Prepaid Items	0	46	1,892	1,048	0	240
Total Assets	<u>\$ 551,805</u>	<u>\$ 23,624</u>	<u>\$ 683,035</u>	<u>\$ 717,967</u>	<u>\$ 170,340</u>	<u>\$ 73,622</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 52	\$ 3,390	\$ 19,714	\$ 0	\$ 1,601
Accrued Payroll	0	0	5,660	9,213	0	0
Payroll Deductions Payable	0	0	1,303	1,261	0	0
Due to Other Funds	125,000	0	0	4,805	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	0	11,333
Total Liabilities	<u>\$ 125,000</u>	<u>\$ 52</u>	<u>\$ 10,353</u>	<u>\$ 34,993</u>	<u>\$ 0</u>	<u>\$ 12,934</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 311,229	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	3,717	0	0	0

(Continued)

Exhibit F-1

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 0	\$ 0	\$ 0	\$ 105,657	\$ 0	\$ 0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 314,946	\$ 105,657	\$ 0	\$ 0
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 0	\$ 46	\$ 1,892	\$ 1,048	\$ 0	\$ 240
Restricted:						
Restricted for Administration of Justice	0	23,526	0	0	0	0
Restricted for Public Safety	426,805	0	0	0	0	60,448
Restricted for Social, Cultural, and Recreational Services	0	0	332,158	0	0	0
Restricted for Debt Service	0	0	0	0	0	0
Restricted for Capital Projects	0	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	0	0	0	576,269	0	0
Committed for Social, Cultural, and Recreational Services	0	0	23,686	0	0	0
Committed for Other Operations	0	0	0	0	170,340	0
Committed for Debt Service	0	0	0	0	0	0
Total Fund Balances	\$ 426,805	\$ 23,572	\$ 357,736	\$ 577,317	\$ 170,340	\$ 60,688
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 551,805	\$ 23,624	\$ 683,035	\$ 717,967	\$ 170,340	\$ 73,622

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Fund</u>	<u>Projects</u>	
	<u>Special</u>	<u>Officers -</u>			<u>General</u>	<u>Highway</u>
	<u>Revenue</u>	<u>Fees</u>		<u>Debt</u>	<u>Capital</u>	<u>Governmental</u>
				<u>Service</u>	<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>						
Cash	\$ 0	\$ 4,550	\$ 4,800	\$ 0	\$ 0	\$ 4,800
Equity in Pooled Cash and Investments	7,770	0	1,680,936	2,404,061	576,016	4,661,013
Accounts Receivable	0	175	11,279	0	0	11,279
Due from Other Governments	0	0	207,891	0	0	207,891
Due from Other Funds	0	0	9,383	125,000	0	134,383
Property Taxes Receivable	0	0	321,826	1,142,898	293,611	1,758,335
Allowance for Uncollectible Property Taxes	0	0	(6,453)	(28,677)	(5,893)	(41,023)
Prepaid Items	0	0	3,226	0	0	3,226
Total Assets	\$ 7,770	\$ 4,725	\$ 2,232,888	\$ 3,643,282	\$ 863,734	\$ 6,739,904
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 24,757	\$ 0	\$ 0	\$ 24,757
Accrued Payroll	0	0	14,873	0	0	14,873
Payroll Deductions Payable	0	0	2,564	0	0	2,564
Due to Other Funds	0	4,725	134,530	0	0	134,530
Due to Litigants, Heirs, and Others	0	0	11,333	0	0	11,333
Total Liabilities	\$ 0	\$ 4,725	\$ 188,057	\$ 0	\$ 0	\$ 188,057
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 311,229	\$ 1,092,031	\$ 283,928	\$ 1,687,188
Deferred Delinquent Property Taxes	0	0	3,717	19,903	3,399	27,019

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Fund</u>	<u>Projects</u>	
	<u>Special</u>	<u>tional</u>			<u>General</u>	<u>Highway</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Debt</u>	<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Service</u>	<u>Projects</u>	<u>Funds</u>
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 0	\$ 0	\$ 105,657	\$ 0	\$ 0	\$ 105,657
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 420,603	\$ 1,111,934	\$ 287,327	\$ 1,819,864
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 0	\$ 0	\$ 3,226	\$ 0	\$ 0	\$ 3,226
Restricted:						
Restricted for Administration of Justice	0	0	23,526	0	0	23,526
Restricted for Public Safety	7,770	0	495,023	0	0	495,023
Restricted for Social, Cultural, and Recreational Services	0	0	332,158	0	0	332,158
Restricted for Debt Service	0	0	0	2,224,450	0	2,224,450
Restricted for Capital Projects	0	0	0	0	576,407	576,407
Committed:						
Committed for Public Health and Welfare	0	0	576,269	0	0	576,269
Committed for Social, Cultural, and Recreational Services	0	0	23,686	0	0	23,686
Committed for Other Operations	0	0	170,340	0	0	170,340
Committed for Debt Service	0	0	0	306,898	0	306,898
Total Fund Balances	\$ 7,770	\$ 0	\$ 1,624,228	\$ 2,531,348	\$ 576,407	\$ 4,731,983
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7,770	\$ 4,725	\$ 2,232,888	\$ 3,643,282	\$ 863,734	\$ 6,739,904

Exhibit F-2

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control
<u>Revenues</u>						
Local Taxes	\$ 112,136	\$ 4,522	\$ 334,810	\$ 907,730	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	0	21,110
Charges for Current Services	0	0	7,028	0	0	0
Other Local Revenues	0	0	67,831	77,702	595,250	21,408
State of Tennessee	0	0	0	94,261	0	0
Federal Government	0	0	1,327	0	0	16,142
Other Governments and Citizens Groups	0	0	47,801	0	0	0
Total Revenues	\$ 112,136	\$ 4,522	\$ 458,797	\$ 1,079,693	\$ 595,250	\$ 58,660
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	0	0	112,140
Public Health and Welfare	0	0	0	935,940	0	0
Social, Cultural, and Recreational Services	0	2,279	354,111	0	0	0
Other Operations	1,148	46	0	74	216,228	0
Debt Service:						
Principal on Debt	0	0	0	0	0	0
Interest on Debt	0	0	0	0	0	0
Other Debt Service	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	0
Total Expenditures	\$ 1,148	\$ 2,325	\$ 354,111	\$ 936,014	\$ 216,228	\$ 112,140

(Continued)

Exhibit F-2

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control
Excess (Deficiency) of Revenues Over Expenditures	\$ 110,988	\$ 2,197	\$ 104,686	\$ 143,679	\$ 379,022	\$ (53,480)
<u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,500
Transfers In	0	0	0	0	0	0
Transfers Out	(125,000)	0	0	0	(290,406)	0
Total Other Financing Sources (Uses)	\$ (125,000)	\$ 0	\$ 0	\$ 0	\$ (290,406)	\$ 11,500
Net Change in Fund Balances	\$ (14,012)	\$ 2,197	\$ 104,686	\$ 143,679	\$ 88,616	\$ (41,980)
Fund Balance, July 1, 2019	440,817	21,375	253,050	433,638	81,724	102,668
Fund Balance, June 30, 2020	\$ 426,805	\$ 23,572	\$ 357,736	\$ 577,317	\$ 170,340	\$ 60,688

(Continued)

Exhibit F-2

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Fund</u>	<u>Projects</u>	
	<u>Special</u>	<u>tional</u>			<u>General</u>	<u>Highway</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Debt</u>	<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Service</u>	<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 1,359,198	\$ 1,812,544	\$ 305,508	\$ 3,477,250
Fines, Forfeitures, and Penalties	0	0	21,110	0	0	21,110
Charges for Current Services	0	628	7,656	0	0	7,656
Other Local Revenues	0	0	762,191	67,597	0	829,788
State of Tennessee	0	0	94,261	0	0	94,261
Federal Government	0	0	17,469	0	0	17,469
Other Governments and Citizens Groups	0	0	47,801	203,472	0	251,273
Total Revenues	\$ 0	\$ 628	\$ 2,309,686	\$ 2,083,613	\$ 305,508	\$ 4,698,807
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 628	\$ 628	\$ 0	\$ 0	\$ 628
Public Safety	0	0	112,140	0	0	112,140
Public Health and Welfare	0	0	935,940	0	0	935,940
Social, Cultural, and Recreational Services	0	0	356,390	0	0	356,390
Other Operations	0	0	217,496	0	0	217,496
Debt Service:						
Principal on Debt	0	0	0	882,000	0	882,000
Interest on Debt	0	0	0	557,068	0	557,068
Other Debt Service	0	0	0	239,301	0	239,301
Capital Projects	0	0	0	0	157,400	157,400
Total Expenditures	\$ 0	\$ 628	\$ 1,622,594	\$ 1,678,369	\$ 157,400	\$ 3,458,363

(Continued)

Exhibit F-2

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Fund</u>	<u>Projects</u>	
	<u>Special</u>	<u>tional</u>		<u>General</u>	<u>Highway</u>	<u>Nonmajor</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Debt</u>	<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Service</u>	<u>Projects</u>	<u>Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 687,092	\$ 405,244	\$ 148,108	\$ 1,240,444
<u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 11,500	\$ 0	\$ 0	\$ 11,500
Transfers In	0	0	0	125,000	0	125,000
Transfers Out	0	0	(415,406)	0	0	(415,406)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ (403,906)	\$ 125,000	\$ 0	\$ (278,906)
Net Change in Fund Balances	\$ 0	\$ 0	\$ 283,186	\$ 530,244	\$ 148,108	\$ 961,538
Fund Balance, July 1, 2019	7,770	0	1,341,042	2,001,104	428,299	3,770,445
Fund Balance, June 30, 2020	\$ 7,770	\$ 0	\$ 1,624,228	\$ 2,531,348	\$ 576,407	\$ 4,731,983

Exhibit F-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 112,136	\$ 100,000	\$ 100,000	\$ 12,136
Total Revenues	\$ 112,136	\$ 100,000	\$ 100,000	\$ 12,136
<u>Expenditures</u>				
<u>Other Operations</u>				
Miscellaneous	\$ 1,148	\$ 2,000	\$ 2,000	\$ 852
Total Expenditures	\$ 1,148	\$ 2,000	\$ 2,000	\$ 852
Excess (Deficiency) of Revenues Over Expenditures	\$ 110,988	\$ 98,000	\$ 98,000	\$ 12,988
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (125,000)	\$ (125,000)	\$ (125,000)	\$ 0
Total Other Financing Sources	\$ (125,000)	\$ (125,000)	\$ (125,000)	\$ 0
Net Change in Fund Balance	\$ (14,012)	\$ (27,000)	\$ (27,000)	\$ 12,988
Fund Balance, July 1, 2019	440,817	419,393	419,393	21,424
Fund Balance, June 30, 2020	\$ 426,805	\$ 392,393	\$ 392,393	\$ 34,412

Exhibit F-4

Loudon County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,522	\$ 4,500	\$ 4,500	\$ 22
Total Revenues	\$ 4,522	\$ 4,500	\$ 4,500	\$ 22
<u>Expenditures</u>				
<u>Social, Cultural, and Recreational Services</u>				
Libraries	\$ 2,279	\$ 4,600	\$ 4,600	\$ 2,321
<u>Other Operations</u>				
Miscellaneous	46	150	150	104
Total Expenditures	\$ 2,325	\$ 4,750	\$ 4,750	\$ 2,425
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,197	\$ (250)	\$ (250)	\$ 2,447
Net Change in Fund Balance	\$ 2,197	\$ (250)	\$ (250)	\$ 2,447
Fund Balance, July 1, 2019	21,375	19,414	19,414	1,961
Fund Balance, June 30, 2020	\$ 23,572	\$ 19,164	\$ 19,164	\$ 4,408

Exhibit F-5

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 334,810	\$ 0	\$ 334,810	\$ 326,168	\$ 326,168	\$ 8,642
Charges for Current Services	7,028	0	7,028	9,550	9,550	(2,522)
Other Local Revenues	67,831	0	67,831	1,596	67,294	537
Federal Government	1,327	0	1,327	0	1,327	0
Other Governments and Citizens Groups	47,801	0	47,801	34,415	47,578	223
Total Revenues	\$ 458,797	\$ 0	\$ 458,797	\$ 371,729	\$ 451,917	\$ 6,880
<u>Expenditures</u>						
<u>Social, Cultural, and Recreational Services</u>						
Libraries	\$ 354,111	\$ 177	\$ 354,288	\$ 332,206	\$ 374,339	\$ 20,051
<u>Other Operations</u>						
Miscellaneous	0	0	0	6,500	0	0
Total Expenditures	\$ 354,111	\$ 177	\$ 354,288	\$ 338,706	\$ 374,339	\$ 20,051
Excess (Deficiency) of Revenues Over Expenditures	\$ 104,686	\$ (177)	\$ 104,509	\$ 33,023	\$ 77,578	\$ 26,931
Net Change in Fund Balance	\$ 104,686	\$ (177)	\$ 104,509	\$ 33,023	\$ 77,578	\$ 26,931
Fund Balance, July 1, 2019	253,050	0	253,050	232,876	232,876	20,174
Fund Balance, June 30, 2020	\$ 357,736	\$ (177)	\$ 357,559	\$ 265,899	\$ 310,454	\$ 47,105

Exhibit F-6

Loudon 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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 907,730	\$ 0	\$ 907,730	\$ 656,260	\$ 821,260	\$ 86,470
Other Local Revenues	77,702	0	77,702	131,082	61,757	15,945
State of Tennessee	94,261	0	94,261	99,100	113,600	(19,339)
Total Revenues	\$ 1,079,693	\$ 0	\$ 1,079,693	\$ 886,442	\$ 996,617	\$ 83,076
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Sanitation Education/Information	\$ 41,855	\$ 0	\$ 41,855	\$ 49,100	\$ 49,100	\$ 7,245
Convenience Centers	867,014	(57,347)	809,667	809,285	849,844	40,177
Other Waste Collection	27,071	0	27,071	0	50,000	22,929
<u>Other Operations</u>						
COVID-19 Grant #1	74	0	74	0	0	(74)
Total Expenditures	\$ 936,014	\$ (57,347)	\$ 878,667	\$ 858,385	\$ 948,944	\$ 70,277
Excess (Deficiency) of Revenues Over Expenditures	\$ 143,679	\$ 57,347	\$ 201,026	\$ 28,057	\$ 47,673	\$ 153,353
Net Change in Fund Balance	\$ 143,679	\$ 57,347	\$ 201,026	\$ 28,057	\$ 47,673	\$ 153,353
Fund Balance, July 1, 2019	433,638	(57,347)	376,291	282,611	282,611	93,680
Fund Balance, June 30, 2020	\$ 577,317	\$ 0	\$ 577,317	\$ 310,668	\$ 330,284	\$ 247,033

Exhibit F-7

Loudon County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 595,250	\$ 0	\$ 595,250	\$ 21,295	\$ 600,645	\$ (5,395)
Total Revenues	\$ 595,250	\$ 0	\$ 595,250	\$ 21,295	\$ 600,645	\$ (5,395)
<u>Expenditures</u>						
<u>Other Operations</u>						
Industrial Development	\$ 216,228	\$ (13,000)	\$ 203,228	\$ 12,300	\$ 298,244	\$ 95,016
Total Expenditures	\$ 216,228	\$ (13,000)	\$ 203,228	\$ 12,300	\$ 298,244	\$ 95,016
Excess (Deficiency) of Revenues Over Expenditures	\$ 379,022	\$ 13,000	\$ 392,022	\$ 8,995	\$ 302,401	\$ 89,621
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (290,406)	\$ 0	\$ (290,406)	\$ 0	\$ (290,406)	\$ 0
Total Other Financing Sources	\$ (290,406)	\$ 0	\$ (290,406)	\$ 0	\$ (290,406)	\$ 0
Net Change in Fund Balance	\$ 88,616	\$ 13,000	\$ 101,616	\$ 8,995	\$ 11,995	\$ 89,621
Fund Balance, July 1, 2019	81,724	(13,000)	68,724	5,977	5,977	62,747
Fund Balance, June 30, 2020	\$ 170,340	\$ 0	\$ 170,340	\$ 14,972	\$ 17,972	\$ 152,368

Exhibit F-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 21,110	\$ 71,000	\$ 71,000	\$ (49,890)
Other Local Revenues	21,408	20,000	20,000	1,408
Federal Government	16,142	0	0	16,142
Total Revenues	<u>\$ 58,660</u>	<u>\$ 91,000</u>	<u>\$ 91,000</u>	<u>\$ (32,340)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 112,140	\$ 135,150	\$ 142,431	\$ 30,291
Total Expenditures	<u>\$ 112,140</u>	<u>\$ 135,150</u>	<u>\$ 142,431</u>	<u>\$ 30,291</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (53,480)</u>	<u>\$ (44,150)</u>	<u>\$ (51,431)</u>	<u>\$ (2,049)</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	\$ 11,500	\$ 0	\$ 0	\$ 11,500
Total Other Financing Sources	<u>\$ 11,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,500</u>
Net Change in Fund Balance	\$ (41,980)	\$ (44,150)	\$ (51,431)	\$ 9,451
Fund Balance, July 1, 2019	<u>102,668</u>	<u>102,668</u>	<u>102,668</u>	<u>0</u>
Fund Balance, June 30, 2020	<u><u>\$ 60,688</u></u>	<u><u>\$ 58,518</u></u>	<u><u>\$ 51,237</u></u>	<u><u>\$ 9,451</u></u>

Exhibit F-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 0	\$ 1,000	\$ 1,000	\$ (1,000)
Total Revenues	\$ 0	\$ 1,000	\$ 1,000	\$ (1,000)
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 0	\$ 1,000	\$ 1,000	\$ 1,000
Total Expenditures	\$ 0	\$ 1,000	\$ 1,000	\$ 1,000
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balance, July 1, 2019	7,770	6,553	6,553	1,217
Fund Balance, June 30, 2020	\$ 7,770	\$ 6,553	\$ 6,553	\$ 1,217

Exhibit F-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,812,544	\$ 1,781,578	\$ 1,781,578	\$ 30,966
Other Local Revenues	67,597	30,000	30,000	37,597
Other Governments and Citizens Groups	203,472	234,420	234,420	(30,948)
Total Revenues	<u>\$ 2,083,613</u>	<u>\$ 2,045,998</u>	<u>\$ 2,045,998</u>	<u>\$ 37,615</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 882,000	\$ 882,000	\$ 882,000	\$ 0
<u>Interest on Debt</u>				
General Government	557,068	563,240	563,240	6,172
<u>Other Debt Service</u>				
General Government	239,301	271,920	271,920	32,619
Total Expenditures	<u>\$ 1,678,369</u>	<u>\$ 1,717,160</u>	<u>\$ 1,717,160</u>	<u>\$ 38,791</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 405,244</u>	<u>\$ 328,838</u>	<u>\$ 328,838</u>	<u>\$ 76,406</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 125,000	\$ 125,000	\$ 125,000	\$ 0
Total Other Financing Sources	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 530,244	\$ 453,838	\$ 453,838	\$ 76,406
Fund Balance, July 1, 2019	<u>2,001,104</u>	<u>1,953,171</u>	<u>1,953,171</u>	<u>47,933</u>
Fund Balance, June 30, 2020	<u><u>\$ 2,531,348</u></u>	<u><u>\$ 2,407,009</u></u>	<u><u>\$ 2,407,009</u></u>	<u><u>\$ 124,339</u></u>

Exhibit F-11

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 305,508	\$ 0	\$ 305,508	\$ 304,172	\$ 304,172	\$ 1,336
Total Revenues	\$ 305,508	\$ 0	\$ 305,508	\$ 304,172	\$ 304,172	\$ 1,336
<u>Expenditures</u>						
<u>Capital Projects</u>						
Highway and Street Capital Projects	\$ 157,400	\$ 17,102	\$ 174,502	\$ 361,000	\$ 361,000	\$ 186,498
Total Expenditures	\$ 157,400	\$ 17,102	\$ 174,502	\$ 361,000	\$ 361,000	\$ 186,498
Excess (Deficiency) of Revenues Over Expenditures	\$ 148,108	\$ (17,102)	\$ 131,006	\$ (56,828)	\$ (56,828)	\$ 187,834
Net Change in Fund Balance	\$ 148,108	\$ (17,102)	\$ 131,006	\$ (56,828)	\$ (56,828)	\$ 187,834
Fund Balance, July 1, 2019	428,299	0	428,299	101,335	101,335	326,964
Fund Balance, June 30, 2020	\$ 576,407	\$ (17,102)	\$ 559,305	\$ 44,507	\$ 44,507	\$ 514,798

Major Governmental Funds

Education Debt Service Fund

The Education Debt Service Fund is used to account for the accumulation of resources for, and the payment of, education long-term debt principal, interest, and related cost.

General Capital Projects Fund

The General Capital Projects Fund is used to account for general capital expenditures of the county funded either by the issuance of debt or other revenue including property tax.

Exhibit G-1

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,450,990	\$ 4,212,918	\$ 4,212,918	\$ 238,072
Other Local Revenues	307,204	60,000	60,000	247,204
Total Revenues	<u>\$ 4,758,194</u>	<u>\$ 4,272,918</u>	<u>\$ 4,272,918</u>	<u>\$ 485,276</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 3,615,300	\$ 3,615,000	\$ 3,615,000	\$ (300)
<u>Interest on Debt</u>				
Education	1,427,913	1,478,975	1,478,975	51,062
<u>Other Debt Service</u>				
Education	471,350	130,000	529,454	58,104
Total Expenditures	<u>\$ 5,514,563</u>	<u>\$ 5,223,975</u>	<u>\$ 5,623,429</u>	<u>\$ 108,866</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (756,369)</u>	<u>\$ (951,057)</u>	<u>\$ (1,350,511)</u>	<u>\$ 594,142</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 24,220,000	0	\$ 24,220,000	0
Premiums on Debt Sold	2,104,454	0	2,104,454	0
Payments to Refunded Debt Escrow Agent	(25,925,000)	0	(25,925,000)	0
Total Other Financing Sources	<u>\$ 399,454</u>	<u>\$ 0</u>	<u>\$ 399,454</u>	<u>\$ 0</u>
Net Change in Fund Balance	<u>\$ (356,915)</u>	<u>\$ (951,057)</u>	<u>\$ (951,057)</u>	<u>\$ 594,142</u>
Fund Balance, July 1, 2019	<u>8,003,479</u>	<u>7,805,742</u>	<u>7,805,742</u>	<u>197,737</u>
Fund Balance, June 30, 2020	<u>\$ 7,646,564</u>	<u>\$ 6,854,685</u>	<u>\$ 6,854,685</u>	<u>\$ 791,879</u>

Exhibit G-2

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 428,825	\$ 0	\$ 0	\$ 428,825	\$ 355,685	\$ 402,948	\$ 25,877
Other Local Revenues	108,754	0	0	108,754	2,500	107,500	1,254
Federal Government	90,441	0	0	90,441	0	93,480	(3,039)
Total Revenues	\$ 628,020	\$ 0	\$ 0	\$ 628,020	\$ 358,185	\$ 603,928	\$ 24,092
<u>Expenditures</u>							
<u>Other Operations</u>							
Miscellaneous	\$ 3,398	\$ 0	\$ 0	\$ 3,398	\$ 4,000	\$ 4,500	\$ 1,102
<u>Capital Projects</u>							
General Administration Projects	204,194	0	7,685	211,879	200,000	307,300	95,421
Administration of Justice Projects	1,829,520	(9,433)	620,732	2,440,819	61,261	2,078,945	(361,874)
Public Safety Projects	6,446,640	(6,484,562)	401,920	363,998	168,000	701,500	337,502
Public Health and Welfare Projects	5,952	0	0	5,952	0	6,000	48
Other General Government Projects	4,177	0	0	4,177	0	4,178	1
Highway and Street Capital Projects	90,764	(93,940)	3,228	52	89,820	90,820	90,768
Total Expenditures	\$ 8,584,645	\$ (6,587,935)	\$ 1,033,565	\$ 3,030,275	\$ 523,081	\$ 3,193,243	\$ 162,968
Excess (Deficiency) of Revenues Over Expenditures	\$ (7,956,625)	\$ 6,587,935	\$ (1,033,565)	\$ (2,402,255)	\$ (164,896)	\$ (2,589,315)	\$ 187,060
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 151,000	\$ 0	\$ 0	\$ 151,000	\$ 0	\$ 222,300	\$ (71,300)
Insurance Recovery	3,710,103	0	0	3,710,103	0	3,393,955	316,148
Transfers In	51,482	0	0	51,482	14,081	51,481	1
Transfers Out	(55,546)	0	0	(55,546)	(55,546)	(55,546)	0
Total Other Financing Sources	\$ 3,857,039	\$ 0	\$ 0	\$ 3,857,039	\$ (41,465)	\$ 3,612,190	\$ 244,849
Net Change in Fund Balance	\$ (4,099,586)	\$ 6,587,935	\$ (1,033,565)	\$ 1,454,784	\$ (206,361)	\$ 1,022,875	\$ 431,909
Fund Balance, July 1, 2019	8,575,626	(6,587,935)	0	1,987,691	8,575,626	8,575,626	(6,587,935)
Fund Balance, June 30, 2020	\$ 4,476,040	\$ 0	\$ (1,033,565)	\$ 3,442,475	\$ 8,369,265	\$ 9,598,501	\$ (6,156,026)

Fiduciary Funds

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

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

City School ADA - Lenoir City Fund – The City School ADA - Lenoir City Fund is used to account for the city school system’s share of education revenues collected by the county, which must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school system on a monthly basis.

Center Board Fund – The Center Board Fund is used to account for amounts handled in an agency capacity for the Center Board, a joint venture of the county and Lenoir City.

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

Other Agency Fund – The Other Agency Fund is used to account for the transactions of the Loudon County Solid Waste Disposal Commission, a joint venture of the county and cities. Transactions of the Loudon County Solid Waste Disposal Commission are channeled through the Trustee’s Office, and the county accounts for those transactions in an agency capacity.

Exhibit H-1

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

	Agency Funds				Total
	Cities - Sales Tax	City School ADA - Lenoir City	Constitu - tional Officers - Agency	Other Agency	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 959,542	\$ 0	\$ 959,542
Equity in Pooled Cash and Investments	0	258,736	0	4,195,685	4,454,421
Accounts Receivable	0	0	0	29,668	29,668
Due from Other Governments	1,011,845	456,823	0	0	1,468,668
Property Taxes Receivable	0	5,318,278	0	0	5,318,278
Allowance for Uncollectible Property Taxes	0	(105,461)	0	0	(105,461)
Total Assets	<u>\$ 1,011,845</u>	<u>\$ 5,928,376</u>	<u>\$ 959,542</u>	<u>\$ 4,225,353</u>	<u>\$ 12,125,116</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 2,554	\$ 2,554
Due to Other Taxing Units	1,011,845	5,928,376	0	0	6,940,221
Due to Litigants, Heirs, and Others	0	0	959,542	0	959,542
Due to Joint Ventures	0	0	0	4,222,799	4,222,799
Total Liabilities	<u>\$ 1,011,845</u>	<u>\$ 5,928,376</u>	<u>\$ 959,542</u>	<u>\$ 4,225,353</u>	<u>\$ 12,125,116</u>

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 5,403,043	\$ 5,403,043	\$ 0
Due from Other Governments	922,091	1,011,845	922,091	1,011,845
Total Assets	\$ 922,091	\$ 6,414,888	\$ 6,325,134	\$ 1,011,845
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 922,091	\$ 6,414,888	\$ 6,325,134	\$ 1,011,845
Total Liabilities	\$ 922,091	\$ 6,414,888	\$ 6,325,134	\$ 1,011,845
<u>City School ADA - Lenoir City Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 204,939	\$ 7,962,549	\$ 7,908,752	\$ 258,736
Due from Other Governments	377,388	456,823	377,388	456,823
Taxes Receivable	5,002,526	5,318,278	5,002,526	5,318,278
Allowance for Uncollectible Taxes	(80,813)	(105,461)	(80,813)	(105,461)
Total Assets	\$ 5,504,040	\$ 13,632,189	\$ 13,207,853	\$ 5,928,376
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,504,040	\$ 13,632,189	\$ 13,207,853	\$ 5,928,376
Total Liabilities	\$ 5,504,040	\$ 13,632,189	\$ 13,207,853	\$ 5,928,376
<u>Center Board</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 159,287	\$ 159,287	\$ 0
Total Assets	\$ 0	\$ 159,287	\$ 159,287	\$ 0
<u>Liabilities</u>				
Due to Joint Ventures	\$ 0	\$ 159,287	\$ 159,287	\$ 0
Total Liabilities	\$ 0	\$ 159,287	\$ 159,287	\$ 0

(Continued)

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 576,727	\$ 11,770,359	\$ 11,387,544	\$ 959,542
Total Assets	\$ 576,727	\$ 11,770,359	\$ 11,387,544	\$ 959,542
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 576,727	\$ 11,770,359	\$ 11,387,544	\$ 959,542
Total Liabilities	\$ 576,727	\$ 11,770,359	\$ 11,387,544	\$ 959,542
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 3,832,074	\$ 424,275	\$ 60,664	\$ 4,195,685
Accounts Receivable	30,766	29,668	30,766	29,668
Total Assets	\$ 3,862,840	\$ 453,943	\$ 91,430	\$ 4,225,353
<u>Liabilities</u>				
Accounts Payable	\$ 2,554	\$ 2,554	\$ 2,554	\$ 2,554
Due to Joint Ventures	3,860,286	451,389	88,876	4,222,799
Total Liabilities	\$ 3,862,840	\$ 453,943	\$ 91,430	\$ 4,225,353
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 576,727	\$ 11,770,359	\$ 11,387,544	\$ 959,542
Equity in Pooled Cash and Investments	4,037,013	13,949,154	13,531,746	4,454,421
Accounts Receivable	30,766	29,668	30,766	29,668
Due from Other Governments	1,299,479	1,468,668	1,299,479	1,468,668
Taxes Receivable	5,002,526	5,318,278	5,002,526	5,318,278
Allowance for Uncollectible Taxes	(80,813)	(105,461)	(80,813)	(105,461)
Total Assets	\$ 10,865,698	\$ 32,430,666	\$ 31,171,248	\$ 12,125,116
<u>Liabilities</u>				
Accounts Payable	\$ 2,554	\$ 2,554	\$ 2,554	\$ 2,554
Due to Other Taxing Units	6,426,131	20,047,077	19,532,987	6,940,221
Due to Litigants, Heirs, and Others	576,727	11,770,359	11,387,544	959,542
Due to Joint Venture	3,860,286	610,676	248,163	4,222,799
Total Liabilities	\$ 10,865,698	\$ 32,430,666	\$ 31,171,248	\$ 12,125,116

Loudon County School Department

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

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

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

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

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

Employee Dental and Vision Insurance Fund – The Employee Dental and Vision Insurance Fund is used to account for transactions pertaining to the school department's self-insured group dental and vision plans.

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
Instruction	\$ 26,960,721	\$ 0	\$ 2,005,249	\$ 0	\$ (24,955,472)
Support Services	15,200,585	294	516,399	0	(14,683,892)
Operation of Non-instructional Services	3,490,944	386,765	3,092,731	0	(11,448)
Total Governmental Activities	\$ 45,652,250	\$ 387,059	\$ 5,614,379	\$ 0	\$ (39,650,812)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes				\$	10,150,463
Local Option Sales Taxes					4,557,787
Grants and Contributions Not Restricted for Specific Programs					24,005,228
Unrestricted Investment Income					159,427
Gain on Investments					6,338
Miscellaneous					76,380
Total General Revenues				\$	38,955,623
Change in Net Position				\$	(695,189)
Net Position, July 1, 2019					86,845,949
Net Position, June 30, 2020				\$	86,150,760

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 1,000	\$ 0	\$ 23,578	\$ 24,578
Equity in Pooled Cash and Investments	5,959,626	2,633,562	957,640	9,550,828
Accounts Receivable	11,914	0	0	11,914
Due from Other Governments	1,140,594	0	164,346	1,304,940
Due from Other Funds	2,834	0	4,693	7,527
Due from Primary Government	0	0	12,000	12,000
Property Taxes Receivable	10,083,628	0	0	10,083,628
Allowance for Uncollectible Property Taxes	(199,956)	0	0	(199,956)
Prepaid Items	84,520	0	10,800	95,320
Restricted Assets	204,305	0	0	204,305
Total Assets	\$ 17,288,465	\$ 2,633,562	\$ 1,173,057	\$ 21,095,084
<u>LIABILITIES</u>				
Accounts Payable	\$ 269,618	\$ 0	\$ 45,290	\$ 314,908
Accrued Payroll	35,969	0	0	35,969
Payroll Deductions Payable	1,151,431	0	119,809	1,271,240
Due to Other Funds	4,693	2,834	0	7,527
Total Liabilities	\$ 1,461,711	\$ 2,834	\$ 165,099	\$ 1,629,644
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 9,756,720	\$ 0	\$ 0	\$ 9,756,720
Deferred Delinquent Property Taxes	106,965	0	0	106,965
Other Deferred/Unavailable Revenue	442,606	0	0	442,606
Total Deferred Inflows of Resources	\$ 10,306,291	\$ 0	\$ 0	\$ 10,306,291

(Continued)

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Other Governmental Funds</u>	
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 84,520	\$ 0	\$ 10,800	\$ 95,320
Restricted:				
Restricted for Education	18,187	0	407,158	425,345
Restricted for Capital Projects	0	2,630,728	0	2,630,728
Restricted for Hybrid Retirement Stabilization Funds	204,305	0	0	204,305
Committed:				
Committed for Education	0	0	590,000	590,000
Assigned:				
Assigned for Education	2,199,243	0	0	2,199,243
Unassigned	3,014,208	0	0	3,014,208
Total Fund Balances	<u>\$ 5,520,463</u>	<u>\$ 2,630,728</u>	<u>\$ 1,007,958</u>	<u>\$ 9,159,149</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,288,465</u>	<u>\$ 2,633,562</u>	<u>\$ 1,173,057</u>	<u>\$ 21,095,084</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	9,159,149
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	3,946,406	
Add: buildings and improvements net of accumulated depreciation		72,429,348	
Add: infrastructure net of accumulated depreciation		87,438	
Add: other capital assets net of accumulated depreciation		<u>1,138,305</u>	77,601,497
(2) An internal service fund is used by management to charge the cost of employee dental and vision insurance to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.			132,646
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: net OPEB liability	\$	(4,334,306)	
Less: net director of schools mediation agreement liability		<u>(265,462)</u>	(4,599,768)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,184,105	
Less: deferred inflows of resources related to pensions		(5,172,369)	
Add: deferred outflows of resources related to OPEB		524,963	
Less: deferred inflows of resources related to OPEB		<u>(1,340,128)</u>	(2,803,429)
(5) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	727,844	
Add: net pension asset - teacher retirement plan		234,164	
Add: net pension asset - teacher legacy pension plan		<u>5,149,086</u>	6,111,094
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>549,571</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>86,150,760</u></u>

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 14,796,121	\$ 0	\$ 0	\$ 14,796,121
Licenses and Permits	1,354	0	0	1,354
Charges for Current Services	12,622	0	386,765	399,387
Other Local Revenues	569,830	0	9,913	579,743
State of Tennessee	24,612,860	0	32,170	24,645,030
Federal Government	499,197	0	3,965,313	4,464,510
Other Governments and Citizens Groups	35,072	0	15,000	50,072
Total Revenues	<u>\$ 40,527,056</u>	<u>\$ 0</u>	<u>\$ 4,409,161</u>	<u>\$ 44,936,217</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 26,011,697	\$ 0	\$ 1,354,763	\$ 27,366,460
Support Services	13,295,771	0	740,196	14,035,967
Operation of Non-Instructional Services	1,322,934	0	2,215,085	3,538,019
Capital Projects	0	3,269	0	3,269
Total Expenditures	<u>\$ 40,630,402</u>	<u>\$ 3,269</u>	<u>\$ 4,310,044</u>	<u>\$ 44,943,715</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (103,346)</u>	<u>\$ (3,269)</u>	<u>\$ 99,117</u>	<u>\$ (7,498)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 673,854	\$ 0	\$ 0	\$ 673,854
Total Other Financing Sources (Uses)	<u>\$ 673,854</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 673,854</u>

(Continued)

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
Net Change in Fund Balances	\$ 570,508	\$ (3,269)	\$ 99,117	\$ 666,356
Fund Balance, July 1, 2019	4,949,955	2,633,997	908,841	8,492,793
Fund Balance, June 30, 2020	\$ 5,520,463	\$ 2,630,728	\$ 1,007,958	\$ 9,159,149

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 666,356
(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	\$ 29,258	
Less: current-year depreciation expense	<u>(2,057,604)</u>	(2,028,346)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$ (528,729)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	<u>549,571</u>	20,842
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension liability/asset	\$ 4,089,625	
Change in deferred outflows related to pensions	(741,924)	
Change in deferred inflows related to pensions	(2,364,804)	
Change in net OPEB liability	(66,136)	
Change in deferred outflows related to OPEB	144,829	
Change in deferred inflows related to OPEB	(255,207)	
Change in director of schools mediation agreement liability	<u>(265,462)</u>	540,921
(4) The internal service fund is used by management to charge the cost of employee dental and vision benefits to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>105,038</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (695,189)</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>		
	School Federal Projects	Central Cafeteria	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Cash	\$ 2,000	\$ 21,578	\$ 23,578
Equity in Pooled Cash and Investments	358,689	598,951	957,640
Due from Other Governments	15,818	148,528	164,346
Due from Other Funds	4,693	0	4,693
Due from Primary Government	0	12,000	12,000
Prepaid Items	10,800	0	10,800
Total Assets	<u>\$ 392,000</u>	<u>\$ 781,057</u>	<u>\$ 1,173,057</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 403	\$ 44,887	\$ 45,290
Payroll Deductions Payable	75,913	43,896	119,809
Total Liabilities	<u>\$ 76,316</u>	<u>\$ 88,783</u>	<u>\$ 165,099</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Prepaid Items	\$ 10,800	\$ 0	\$ 10,800
Restricted:			
Restricted for Education	2,884	404,274	407,158
Committed:			
Committed for Education	302,000	288,000	590,000
Total Fund Balances	<u>\$ 315,684</u>	<u>\$ 692,274</u>	<u>\$ 1,007,958</u>
Total Liabilities and Fund Balances	<u>\$ 392,000</u>	<u>\$ 781,057</u>	<u>\$ 1,173,057</u>

Exhibit I-7

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 386,765	\$ 386,765
Other Local Revenues	0	9,913	9,913
State of Tennessee	0	32,170	32,170
Federal Government	2,112,118	1,853,195	3,965,313
Other Governments and Citizens Groups	0	15,000	15,000
Total Revenues	<u>\$ 2,112,118</u>	<u>\$ 2,297,043</u>	<u>\$ 4,409,161</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 1,354,763	\$ 0	\$ 1,354,763
Support Services	740,196	0	740,196
Operation of Non-Instructional Services	0	2,215,085	2,215,085
Total Expenditures	<u>\$ 2,094,959</u>	<u>\$ 2,215,085</u>	<u>\$ 4,310,044</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 17,159</u>	<u>\$ 81,958</u>	<u>\$ 99,117</u>
Net Change in Fund Balances	\$ 17,159	\$ 81,958	\$ 99,117
Fund Balance, July 1, 2019	<u>298,525</u>	<u>610,316</u>	<u>908,841</u>
Fund Balance, June 30, 2020	<u>\$ 315,684</u>	<u>\$ 692,274</u>	<u>\$ 1,007,958</u>

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 14,796,121	\$ 0	\$ 0	\$ 14,796,121	\$ 14,504,993	\$ 14,504,993	\$ 291,128
Licenses and Permits	1,354	0	0	1,354	1,200	1,200	154
Charges for Current Services	12,622	0	0	12,622	15,000	15,000	(2,378)
Other Local Revenues	569,830	0	0	569,830	94,400	431,247	138,583
State of Tennessee	24,612,860	0	0	24,612,860	23,983,018	24,609,078	3,782
Federal Government	499,197	0	0	499,197	66,000	593,051	(93,854)
Other Governments and Citizens Groups	35,072	0	0	35,072	0	32,821	2,251
Total Revenues	\$ 40,527,056	\$ 0	\$ 0	\$ 40,527,056	\$ 38,664,611	\$ 40,187,390	\$ 339,666
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 21,717,778	\$ (1,856)	\$ 34,741	\$ 21,750,663	\$ 22,011,737	\$ 22,572,102	\$ 821,439
Special Education Program	3,118,918	(45,204)	35,373	3,109,087	3,050,660	3,337,729	228,642
Career and Technical Education Program	1,175,001	0	17,250	1,192,251	1,221,888	1,255,647	63,396
<u>Support Services</u>							
Attendance	50,500	0	0	50,500	53,257	53,257	2,757
Health Services	540,461	0	6,136	546,597	587,267	591,267	44,670
Other Student Support	1,176,327	0	29,351	1,205,678	1,154,303	1,255,503	49,825
Regular Instruction Program	1,476,262	(22)	9,627	1,485,867	1,708,946	1,571,968	86,101
Special Education Program	460,852	0	0	460,852	730,027	705,277	244,425
Career and Technical Education Program	179,726	0	0	179,726	159,827	187,791	8,065
Technology	894,208	0	6,058	900,266	960,858	947,246	46,980
Other Programs	206,201	0	0	206,201	0	206,201	0
Board of Education	655,377	0	0	655,377	641,223	685,268	29,891
Director of Schools	468,604	0	0	468,604	370,624	507,121	38,517
Office of the Principal	1,180,160	0	0	1,180,160	1,207,823	1,213,441	33,281
Fiscal Services	84,137	0	0	84,137	88,076	88,076	3,939
Operation of Plant	3,087,140	0	49,919	3,137,059	3,265,906	3,304,418	167,359
Maintenance of Plant	996,914	(177,656)	17,438	836,696	250,000	922,972	86,276

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 1,838,902	\$ 0	\$ 17,093	\$ 1,855,995	\$ 1,927,901	\$ 1,898,901	\$ 42,906
<u>Operation of Non-Instructional Services</u>							
Community Services	528,576	(80)	6,925	535,421	361,850	653,615	118,194
Early Childhood Education	794,358	0	0	794,358	827,270	811,181	16,823
Total Expenditures	\$ 40,630,402	\$ (224,818)	\$ 229,911	\$ 40,635,495	\$ 40,579,443	\$ 42,768,981	\$ 2,133,486
Excess (Deficiency) of Revenues Over Expenditures							
	\$ (103,346)	\$ 224,818	\$ (229,911)	\$ (108,439)	\$ (1,914,832)	\$ (2,581,591)	\$ 2,473,152
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 673,854	\$ 0	\$ 0	\$ 673,854	\$ 0	\$ 672,972	\$ 882
Total Other Financing Sources	\$ 673,854	\$ 0	\$ 0	\$ 673,854	\$ 0	\$ 672,972	\$ 882
Net Change in Fund Balance							
Fund Balance, July 1, 2019	\$ 4,949,955	(224,818)	0	4,725,137	3,662,560	3,662,560	1,062,577
Fund Balance, June 30, 2020	\$ 5,520,463	\$ 0	\$ (229,911)	\$ 5,290,552	\$ 1,747,728	\$ 1,753,941	\$ 3,536,611

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 2,112,118	\$ 0	\$ 0	\$ 2,112,118	\$ 2,217,924	\$ 2,525,358	\$ (413,240)
Total Revenues	\$ 2,112,118	\$ 0	\$ 0	\$ 2,112,118	\$ 2,217,924	\$ 2,525,358	\$ (413,240)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 706,192	\$ 0	\$ 0	\$ 706,192	\$ 722,786	\$ 756,511	\$ 50,319
Special Education Program	596,599	(154)	5,033	601,478	673,090	704,025	102,547
Career and Technical Education Program	51,972	0	12,995	64,967	51,869	64,967	0
<u>Support Services</u>							
Other Student Support	43,382	0	0	43,382	64,160	54,215	10,833
Regular Instruction Program	370,728	0	0	370,728	342,191	469,958	99,230
Special Education Program	322,254	0	0	322,254	356,828	471,848	149,594
Career and Technical Education Program	3,832	0	0	3,832	7,000	3,832	0
Total Expenditures	\$ 2,094,959	\$ (154)	\$ 18,028	\$ 2,112,833	\$ 2,217,924	\$ 2,525,356	\$ 412,523
Excess (Deficiency) of Revenues Over Expenditures	\$ 17,159	\$ 154	\$ (18,028)	\$ (715)	\$ 0	\$ 2	\$ (717)
Net Change in Fund Balance	\$ 17,159	\$ 154	\$ (18,028)	\$ (715)	\$ 0	\$ 2	\$ (717)
Fund Balance, July 1, 2019	298,525	(154)	0	298,371	304,152	304,152	(5,781)
Fund Balance, June 30, 2020	\$ 315,684	\$ 0	\$ (18,028)	\$ 297,656	\$ 304,152	\$ 304,154	\$ (6,498)

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 386,765	\$ 475,600	\$ 475,600	\$ (88,835)
Other Local Revenues	9,913	1,000	1,000	8,913
State of Tennessee	32,170	37,000	47,000	(14,830)
Federal Government	1,853,195	1,866,500	1,866,500	(13,305)
Other Governments and Citizens Groups	15,000	0	0	15,000
Total Revenues	<u>\$ 2,297,043</u>	<u>\$ 2,380,100</u>	<u>\$ 2,390,100</u>	<u>\$ (93,057)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 2,215,085	\$ 2,380,100	\$ 2,390,100	\$ 175,015
Total Expenditures	<u>\$ 2,215,085</u>	<u>\$ 2,380,100</u>	<u>\$ 2,390,100</u>	<u>\$ 175,015</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 81,958</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 81,958</u>
Net Change in Fund Balance	\$ 81,958	\$ 0	\$ 0	\$ 81,958
Fund Balance, July 1, 2019	<u>610,316</u>	<u>489,743</u>	<u>489,743</u>	<u>120,573</u>
Fund Balance, June 30, 2020	<u>\$ 692,274</u>	<u>\$ 489,743</u>	<u>\$ 489,743</u>	<u>\$ 202,531</u>

Exhibit I-11

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>						
<u>Capital Projects</u>						
Education Capital Projects	\$ 3,269	\$ 652,595	\$ 655,864	\$ 0	\$ 800,000	\$ 144,136
Total Expenditures	\$ 3,269	\$ 652,595	\$ 655,864	\$ 0	\$ 800,000	\$ 144,136
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,269)	\$ (652,595)	\$ (655,864)	\$ 0	\$ (800,000)	\$ 144,136
Net Change in Fund Balance	\$ (3,269)	\$ (652,595)	\$ (655,864)	\$ 0	\$ (800,000)	\$ 144,136
Fund Balance, July 1, 2019	2,633,997	0	2,633,997	0	800,000	1,833,997
Fund Balance, June 30, 2020	\$ 2,630,728	\$ (652,595)	\$ 1,978,133	\$ 0	\$ 0	\$ 1,978,133

Exhibit I-12

Loudon County, Tennessee
Statement of Net Position - Proprietary Fund
Discretely Presented Loudon County School Department
June 30, 2020

	Governmental Activities - Internal Service Fund
	<u>Employee Dental and Vision Insurance Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 155,430
Total Assets	<u>\$ 155,430</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Other Current Liabilities	\$ 22,784
Total Liabilities	<u>\$ 22,784</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 132,646</u>
Total Net Position	<u><u>\$ 132,646</u></u>

Exhibit I-13

Loudon County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
Discretely Presented Loudon County School Department
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund
	Employee Dental and Vision Insurance Fund
<u>Operating Revenues</u>	
Charges for Services	\$ 471,890
Total Operating Revenues	<u>\$ 471,890</u>
<u>Operating Expenses</u>	
Medical and Dental Services	\$ 366,852
Total Operating Expenses	<u>\$ 366,852</u>
Operating Income (Loss)	<u>\$ 105,038</u>
Change in Net Position	\$ 105,038
Net Position, July 1, 2019	<u>27,608</u>
Net Position, June 30, 2020	<u>\$ 132,646</u>

Loudon County, Tennessee
Statement of Cash Flows - Proprietary Fund
Discretely Presented Loudon County School Department
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund
	Employee Dental and Vision Insurance Fund
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-Insurance Premiums	\$ 472,546
Payments for Claims	(358,940)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 113,606</u>
Increase (Decrease) in Cash	\$ 113,606
Cash, July 1, 2019	<u>41,824</u>
Cash, June 30, 2020	<u>\$ 155,430</u>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 105,038
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivables	656
Increase (Decrease) in Other Current Liabilities	<u>7,912</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 113,606</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Del Conca Waterline Extension	\$ 400,000	2.88 %	2-1-13	2-1-23	\$ 174,000	\$ 0	\$ 42,000	\$ 0	\$ 132,000
Total Notes Payable					\$ 174,000	\$ 0	\$ 42,000	\$ 0	\$ 132,000
<u>OTHER LOANS PAYABLE</u>									
<u>Payable through General Fund</u>									
City of Loudon - Highlands Business Center	475,000	0	5-1-00	(1)	\$ 75,977	\$ 0	\$ 0	\$ 0	\$ 75,977
Total Payable through General Fund					\$ 75,977	\$ 0	\$ 0	\$ 0	\$ 75,977
<u>Payable through General Debt Service Fund</u>									
Blount County PBA Loan, Series E-3-C - Refunding	2,570,000	Variable	10-21-04	6-1-20	\$ 275,000	\$ 0	\$ 275,000	\$ 0	\$ 0
Total Payable through General Debt Service Fund					\$ 275,000	\$ 0	\$ 275,000	\$ 0	\$ 0
<u>Payable through Education Debt Service Fund</u>									
Blount County PBA Loan, Series E-3-C - Refunding	12,265,000	(2)	7-31-08	6-1-25	\$ 6,010,000	\$ 0	\$ 860,000	\$ 0	\$ 5,150,000
Qualified Zone Academy Bonds - Energy Efficiency	4,129,500	0	12-28-05	12-1-20	550,600	0	275,300	0	275,300
Total Payable through Education Debt Service Fund					\$ 6,560,600	\$ 0	\$ 1,135,300	\$ 0	\$ 5,425,300
Total Other Loans Payable					\$ 6,911,577	\$ 0	\$ 1,410,300	\$ 0	\$ 5,501,277

(Continued)

Exhibit J-1

Loudon County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<u>BONDS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Refunding Series 2014A	\$ 2,600,000	2.8	% 12-30-14	4-1-20	\$ 565,000	\$ 0	\$ 565,000	\$ 0	\$ 0
General Obligation Series 2017	9,675,000	2 to 3	10-31-17	6-1-37	9,675,000	0	0	0	9,675,000
General Obligation Series 2018	8,010,000	3 to 4	11-30-18	6-1-38	8,010,000	0	0		8,010,000
Total Payable through General Debt Service Fund					<u>\$ 18,250,000</u>	<u>\$ 0</u>	<u>\$ 565,000</u>	<u>\$ 0</u>	<u>\$ 17,685,000</u>
<u>Payable through Education Debt Service Fund</u>									
Rural School Bonds, Series 2011	9,995,000	3.17	11-1-11	6-1-36	\$ 9,000,000	\$ 0	\$ 500,000	\$ 8,500,000	\$ 0
Rural School Bonds, Series 2012	23,500,000	2 to 4	7-25-12	6-1-36	18,225,000	0	800,000	17,425,000	0
Rural School Bonds, Series 2013A	8,850,000	1.4 to 5	5-10-13	6-1-23	3,500,000	0	750,000	0	2,750,000
Rural School Bonds, Series 2014B	9,845,000	2.59	12-30-14	4-1-35	8,240,000	0	430,000	0	7,810,000
Rural School Refunding Bonds, Series 2020A	24,220,000	2 to 5	5-29-20	6-1-36	0	24,220,000	0	0	24,220,000
Total Payable through Education Debt Service Fund					<u>\$ 38,965,000</u>	<u>\$ 24,220,000</u>	<u>\$ 2,480,000</u>	<u>\$ 25,925,000</u>	<u>\$ 34,780,000</u>
Total Bonds Payable					<u>\$ 57,215,000</u>	<u>\$ 24,220,000</u>	<u>\$ 3,045,000</u>	<u>\$ 25,925,000</u>	<u>\$ 52,465,000</u>

- (1) The county has pledged its incremental tax revenues (excess of current taxes over base year amounts) from properties within the development toward the retirement of this obligation. The agreement requires only the payment of the tax increment each year (with no interest accruing on the unpaid balance). Therefore, no maturity date can be established.
- (2) A previous issue, Series IV-H-1, was swapped from variable to synthetic fixed rate by execution of a swap agreement. That issue was refunded with proceeds of the E-3-C issue. The swap agreement was retained.

Exhibit J-2

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

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 43,000	\$ 3,802	\$ 46,802
2022	44,000	2,563	46,563
2023	45,000	1,296	46,296
Total	\$ 132,000	\$ 7,661	\$ 139,661

Year Ending June 30	Other Loans - Direct Placement			
	Principal (1)	Interest	Other Fees	Total
2021	\$ 1,190,300	\$ 172,525	\$ 6,695	\$ 1,369,520
2022	970,000	141,873	5,506	1,117,379
2023	1,025,000	109,378	4,245	1,138,623
2024	1,090,000	75,040	2,912	1,167,952
2025	1,150,000	38,524	1,494	1,190,018
Total	\$ 5,425,300	\$ 537,340	\$ 20,852	\$ 5,983,492

(1) Does not include the City of Loudon - Highland Business Center note (\$75,977) since the annual requirements for that note are dependent upon the amount of incremental tax revenues generated within the development each year.

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 3,310,000	\$ 1,666,419	\$ 4,976,419
2022	3,665,000	1,549,952	5,214,952
2023	3,745,000	1,429,153	5,174,153
2024	2,815,000	1,307,702	4,122,702
2025	2,910,000	1,203,603	4,113,603
2026	2,965,000	1,094,215	4,059,215
2027	2,995,000	983,090	3,978,090
2028	3,025,000	869,990	3,894,990
2029	3,060,000	754,674	3,814,674
2030	3,105,000	669,168	3,774,168
2031	3,145,000	576,524	3,721,524
2032	3,195,000	496,538	3,691,538
2033	3,255,000	413,837	3,668,837
2034	3,300,000	325,826	3,625,826
2035	3,365,000	234,412	3,599,412
2036	2,770,000	138,950	2,908,950
2037	1,260,000	60,900	1,320,900
2038	580,000	20,300	600,300
Total	\$ 52,465,000	\$ 13,795,253	\$ 66,260,253

Exhibit J-3

Loudon County, Tennessee
Schedule of Transfers
Primary Government
For the Year Ended June 30, 2020

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
General	General Capital Projects	Engineering Services	\$ 37,400
Highway/Public Works	General Capital Projects	Highway Equipment	14,082
General Capital Projects	General	Voting Grant Match Amount	55,546
Courthouse/Jail Maintenance	General Debt Service	Debt Retirement	125,000
Industrial/Economic Development	General	Proceeds from Sale of Land in Industrial Park	<u>290,406</u>
Total Transfers			<u>\$ 522,434</u>

Exhibit J-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, TCA	\$ 98,429	\$ 100,000 (4)	Western Surety Company
Highway Superintendent	Section 8-24-102, TCA	93,742	100,000 (4)	"
Director of Schools	State Board of Education and County Board of Education	136,100 (1)(2)	100,000 (4)	"
Trustee	Section 8-24-102, TCA	80,751	1,466,000 (4)	"
Assessor of Property	Section 8-24-102, TCA	80,751	50,000 (4)	"
Director of Accounts and Budgets	County Commission	87,353 (5)	100,000 (4)	"
Purchasing Agent	County Commission	56,700	100,000 (4)	"
County Clerk	Section 8-24-102, TCA	80,751	100,000 (4)	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, TCA	80,751	100,000 (4)	"
Clerk and Master	Section 8-24-102, TCA	80,751	100,000 (4)	"
Register of Deeds	Section 8-24-102, TCA	80,751	100,000 (4)	"
Sheriff	Section 8-24-102, TCA, and County Commission	94,542 (3)	100,000 (4)	"
Employee Blanket Bond - County and School Employees:				
Public Officials Liability Errors and Omissions			1,000,000	Tennessee Risk Management Trust
Employee Fidelity - County Departments			400,000	"
Employee Fidelity - School Department			400,000	"

(1) Includes a chief executive officer training supplement of \$1,000 and travel stipend of \$6,600.

(2) Does not include amounts paid to former director of schools Jason Vance. Vance was paid a total of \$132,694 during the year for:
a) salary for the period July 1, 2019 to July 17, 2019 (\$7,300); b) travel stipend (\$390); and c) payments under a mediation agreement of \$10,417 per month. See Note III.C. for further discussion.

(3) Includes a county workhouse supervisor payment of \$4,915 and a law enforcement training supplement of \$800.

(4) Officials were also covered by a \$400,000 officials' blanket bond by Tennessee Risk Management Trust.

(5) Includes salary supplement of \$5,249 and Certified County Financial Officer supplement of \$1,353.

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 10,719,279	\$ 0	\$ 0	\$ 314,000	\$ 0
Trustee's Collections - Prior Year	59,169	0	0	2,135	0
Trustee's Collections - Bankruptcy	8,051	0	0	234	2
Circuit Clerk/Clerk and Master Collections - Prior Years	153,014	0	0	4,714	0
Interest and Penalty	31,977	0	0	1,001	1
Payments in-Lieu-of Taxes - Other	542,058	0	0	10,325	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	366,681	0	0	0	907,727
Hotel/Motel Tax	458,578	0	0	0	0
Litigation Tax - General	109,587	0	0	0	0
Litigation Tax - Special Purpose	283,879	0	4,522	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	112,136	0	0	0
Business Tax	670,755	0	0	0	0
Mixed Drink Tax	30,632	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Adequate Facilities/Development Tax	0	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	81,929	0	0	2,401	0
Wholesale Beer Tax	110,186	0	0	0	0
Total Local Taxes	\$ 13,625,775	\$ 112,136	\$ 4,522	\$ 334,810	\$ 907,730
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Animal Registration	\$ 59,521	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	453,911	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 3,087	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	376,093	0	0	0	0
Other Permits	29,264	0	0	0	0
Total Licenses and Permits	<u>\$ 921,876</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
DUI Treatment Fines	\$ 1,188	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - Circuit Court	526	0	0	0	0
Courtroom Security Fee	4,604	0	0	0	0
<u>Criminal Court</u>					
Fines	14,494	0	0	0	0
Officers Costs	14,589	0	0	0	0
Drug Control Fines	3,431	0	0	0	0
Jail Fees	790	0	0	0	0
Data Entry Fee - Criminal Court	1,608	0	0	0	0
Victims Assistance Assessments	3,669	0	0	0	0
<u>General Sessions Court</u>					
Fines	37,004	0	0	0	0
Officers Costs	78,480	0	0	0	0
Game and Fish Fines	277	0	0	0	0
Drug Control Fines	3,750	0	0	0	0
Jail Fees	3,866	0	0	0	0
DUI Treatment Fines	12,447	0	0	0	0
Data Entry Fee - General Sessions Court	20,295	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Courtroom Security Fee	\$ 106,926	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	14,538	0	0	0	0
<u>Juvenile Court</u>					
Fines	770	0	0	0	0
Data Entry Fee - Juvenile Court	676	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	9,148	0	0	0	0
Data Entry Fee - Chancery Court	4,253	0	0	0	0
Courtroom Security Fee	1,447	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	8,925	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 347,701	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Other General Service Charges	\$ 57,807	\$ 0	\$ 0	\$ 0	0
<u>Fees</u>					
Copy Fees	0	0	0	4,068	0
Library Fees	0	0	0	2,960	0
Greenbelt Late Application Fee	50	0	0	0	0
Telephone Commissions	67,598	0	0	0	0
Vending Machine Collections	55	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0
Data Processing Fee - Register	25,082	0	0	0	0
Data Processing Fee - Sheriff	4,967	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Sexual Offender Registration Fee - Sheriff	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 0
Data Processing Fee - County Clerk	984	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	1,845	0	0	0	0
Total Charges for Current Services	\$ 161,388	\$ 0	\$ 0	\$ 7,028	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 241,838	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	2,600	0	0	0	0
Sale of Materials and Supplies	2,100	0	0	194	0
Commissary Sales	26,479	0	0	0	0
Sale of Recycled Materials	0	0	0	0	76,946
Retirees' Insurance Payments	62,977	0	0	7,226	448
Cobra Insurance Payments	2,872	0	0	0	0
Rebates	100,000	0	0	0	0
Miscellaneous Refunds	3,654	0	0	192	308
<u>Nonrecurring Items</u>					
Revenue from Joint Ventures	0	0	0	0	0
Sale of Equipment	4,253	0	0	0	0
Sale of Property	0	0	0	0	0
Damages Recovered from Individuals	58	0	0	0	0
Contributions and Gifts	51,863	0	0	60,219	0
Performance Bond Forfeitures	18,000	0	0	0	0
Total Other Local Revenues	\$ 516,694	\$ 0	\$ 0	\$ 67,831	\$ 77,702

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 570,240	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	113,254	0	0	0	0
General Sessions Court Clerk	396,629	0	0	0	0
Clerk and Master	97,654	0	0	0	0
Register	402,011	0	0	0	0
Sheriff	23,717	0	0	0	0
Trustee	916,121	0	0	0	0
Total Fees Received From County Officials	<u>\$ 2,519,626</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	13,528	0	0	0	0
Solid Waste Grants	0	0	0	0	31,049
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	36,800	0	0	0	0
<u>Health and Welfare Grants</u>					
Health Department Programs	178,694	0	0	0	0
Other Health and Welfare Grants	20,000	0	0	0	0
<u>Public Works Grants</u>					
Litter Program	0	0	0	0	56,492
Tennessee Industrial Infrastructure Program	0	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	380,113	0	0	0	0
Beer Tax	18,175	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
Vehicle Certificate of Title Fees	\$ 9,639	\$ 0	\$ 0	\$ 0	\$ 0
Alcoholic Beverage Tax	89,261	0	0	0	0
State Revenue Sharing - Telecommunications	56,810	0	0	0	0
Contracted Prisoner Boarding	237,042	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
State Shared Sales Tax - Cities	7,651	0	0	0	0
Other State Grants	8,652	0	0	0	0
Other State Revenues	81,189	0	0	0	6,720
Total State of Tennessee	<u>\$ 1,161,718</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 94,261</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
Civil Defense Reimbursement	\$ 16,000	\$ 0	\$ 0	\$ 0	\$ 0
COVID-19 Grant #2	28,000	0	0	0	0
COVID-19 Grant A	3,685	0	0	0	0
Other Federal through State	403,650	0	0	1,327	0
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	<u>\$ 451,335</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,327</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 10,782	\$ 0	\$ 0	\$ 23,238	\$ 0
Contracted Services	25,000	0	0	0	0

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>				
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Solid Waste / Sanitation
<u>Other Governments and Citizens Groups (Cont.)</u>					
<u>Citizens Groups</u>					
Donations	\$ 17,017	\$ 0	\$ 0	\$ 24,563	\$ 0
Total Other Governments and Citizens Groups	<u>\$ 52,799</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 47,801</u>	<u>\$ 0</u>
Total	<u>\$ 19,758,912</u>	<u>\$ 112,136</u>	<u>\$ 4,522</u>	<u>\$ 458,797</u>	<u>\$ 1,079,693</u>

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 558,029	\$ 1,682,925	\$ 3,390,821
Trustee's Collections - Prior Year	0	0	0	2,774	5,510	5,692
Trustee's Collections - Bankruptcy	0	0	0	430	1,240	2,881
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	8,387	20,859	67,987
Interest and Penalty	0	0	0	1,788	4,255	11,809
Payments in-Lieu-of Taxes - Other	0	0	0	18,197	84,898	162,060
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0
Mineral Severance Tax	0	0	0	56,994	0	0
Adequate Facilities/Development Tax	0	0	0	0	0	779,553
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	4,267	12,857	30,187
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 0	\$ 0	\$ 0	\$ 650,866	\$ 1,812,544	\$ 4,450,990
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Registration	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	0	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	0	0	0	0	0	0
Other Permits	0	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Criminal Court</u>						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	17,360	0	0	0	0
Jail Fees	0	0	0	0	0	0
Data Entry Fee - Criminal Court	0	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	3,750	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Courtroom Security Fee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	0	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 21,110	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fees</u>						
Copy Fees	0	0	0	0	0	0
Library Fees	0	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	628	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Sexual Offender Registration Fee - Sheriff	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Processing Fee - County Clerk	0	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 628	\$ 0	\$ 0	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,836	\$ 307,204
Lease/Rentals	15,900	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	17,418	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	335	0	0
Retirees' Insurance Payments	0	0	0	17,937	0	0
Cobra Insurance Payments	0	0	0	0	0	0
Rebates	0	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	0	0
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	0	0	0	0	21,761	0
Sale of Equipment	0	0	0	67,740	0	0
Sale of Property	579,350	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0	0
Contributions and Gifts	0	21,408	0	0	0	0
Performance Bond Forfeitures	0	0	0	0	0	0
Total Other Local Revenues	\$ 595,250	\$ 21,408	\$ 0	\$ 103,430	\$ 67,597	\$ 307,204

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	0	0	0	0	0	0
Solid Waste Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	0
Other Health and Welfare Grants	0	0	0	0	0	0
<u>Public Works Grants</u>						
Litter Program	0	0	0	0	0	0
Tennessee Industrial Infrastructure Program	0	0	0	598	0	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	0
Beer Tax	0	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Vehicle Certificate of Title Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,233,540	0	0
Petroleum Special Tax	0	0	0	35,035	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
State Shared Sales Tax - Cities	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 2,269,173	\$ 0	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COVID-19 Grant #2	0	0	0	0	0	0
COVID-19 Grant A	0	0	0	0	0	0
Other Federal through State	0	0	0	2,390	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	0	16,142	0	0	0	0
Total Federal Government	\$ 0	\$ 16,142	\$ 0	\$ 2,390	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	0	0	0	0	203,472	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Funds	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Education Debt Service
<u>Other Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 203,472	\$ 0
 Total	 \$ 595,250	 \$ 58,660	 \$ 628	 \$ 3,025,859	 \$ 2,083,613	 \$ 4,758,194

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Highway Capital Projects	Total
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 166,864	\$ 287,083	\$ 17,119,001
Trustee's Collections - Prior Year	759	1,365	77,404
Trustee's Collections - Bankruptcy	131	220	13,189
Circuit Clerk/Clerk and Master Collections - Prior Years	2,511	4,314	261,786
Interest and Penalty	539	919	52,289
Payments in-Lieu-of Taxes - Other	9,653	9,412	836,603
<u>County Local Option Taxes</u>			
Local Option Sales Tax	247,092	0	1,521,500
Hotel/Motel Tax	0	0	458,578
Litigation Tax - General	0	0	109,587
Litigation Tax - Special Purpose	0	0	288,401
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	112,136
Business Tax	0	0	670,755
Mixed Drink Tax	0	0	30,632
Mineral Severance Tax	0	0	56,994
Adequate Facilities/Development Tax	0	0	779,553
<u>Statutory Local Taxes</u>			
Bank Excise Tax	1,276	2,195	135,112
Wholesale Beer Tax	0	0	110,186
Total Local Taxes	<u>\$ 428,825</u>	<u>\$ 305,508</u>	<u>\$ 22,633,706</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Animal Registration	\$ 0	\$ 0	\$ 59,521
Cable TV Franchise	0	0	453,911

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	<u>General Capital Projects</u>	<u>Highway Capital Projects</u>	<u>Total</u>
<u>Licenses and Permits (Cont.)</u>			
<u>Permits</u>			
Beer Permits	\$ 0	\$ 0	\$ 3,087
Building Permits	0	0	376,093
Other Permits	0	0	29,264
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 921,876</u>
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
DUI Treatment Fines	\$ 0	\$ 0	\$ 1,188
Data Entry Fee - Circuit Court	0	0	526
Courtroom Security Fee	0	0	4,604
<u>Criminal Court</u>			
Fines	0	0	14,494
Officers Costs	0	0	14,589
Drug Control Fines	0	0	20,791
Jail Fees	0	0	790
Data Entry Fee - Criminal Court	0	0	1,608
Victims Assistance Assessments	0	0	3,669
<u>General Sessions Court</u>			
Fines	0	0	37,004
Officers Costs	0	0	78,480
Game and Fish Fines	0	0	277
Drug Control Fines	0	0	7,500
Jail Fees	0	0	3,866
DUI Treatment Fines	0	0	12,447
Data Entry Fee - General Sessions Court	0	0	20,295

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	<u>General Capital Projects</u>	<u>Highway Capital Projects</u>	<u>Total</u>
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
Courtroom Security Fee	\$ 0	\$ 0	\$ 106,926
Victims Assistance Assessments	0	0	14,538
<u>Juvenile Court</u>			
Fines	0	0	770
Data Entry Fee - Juvenile Court	0	0	676
<u>Chancery Court</u>			
Officers Costs	0	0	9,148
Data Entry Fee - Chancery Court	0	0	4,253
Courtroom Security Fee	0	0	1,447
<u>Other Courts - In-county</u>			
Fines	0	0	8,925
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 368,811</u>
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Other General Service Charges	\$ 0	\$ 0	\$ 57,807
<u>Fees</u>			
Copy Fees	0	0	4,068
Library Fees	0	0	2,960
Greenbelt Late Application Fee	0	0	50
Telephone Commissions	0	0	67,598
Vending Machine Collections	0	0	55
Constitutional Officers' Fees and Commissions	0	0	628
Data Processing Fee - Register	0	0	25,082
Data Processing Fee - Sheriff	0	0	4,967

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	<u>General Capital Projects</u>	<u>Highway Capital Projects</u>	<u>Total</u>
<u>Charges for Current Services (Cont.)</u>			
<u>Fees (Cont.)</u>			
Sexual Offender Registration Fee - Sheriff	\$ 0	\$ 0	\$ 3,000
Data Processing Fee - County Clerk	0	0	984
Vehicle Insurance Coverage and Reinstatement Fees	0	0	1,845
Total Charges for Current Services	\$ 0	\$ 0	\$ 169,044
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 107,187	\$ 0	\$ 702,065
Lease/Rentals	0	0	18,500
Sale of Materials and Supplies	0	0	19,712
Commissary Sales	0	0	26,479
Sale of Recycled Materials	0	0	77,281
Retirees' Insurance Payments	0	0	88,588
Cobra Insurance Payments	0	0	2,872
Rebates	0	0	100,000
Miscellaneous Refunds	0	0	4,154
<u>Nonrecurring Items</u>			
Revenue from Joint Ventures	0	0	21,761
Sale of Equipment	0	0	71,993
Sale of Property	0	0	579,350
Damages Recovered from Individuals	0	0	58
Contributions and Gifts	1,567	0	135,057
Performance Bond Forfeitures	0	0	18,000
Total Other Local Revenues	\$ 108,754	\$ 0	\$ 1,865,870

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Highway Capital Projects	Total
<u>Fees Received From County Officials</u>			
<u>Fees In-Lieu-of Salary</u>			
County Clerk	\$ 0	\$ 0	\$ 570,240
Circuit Court Clerk	0	0	113,254
General Sessions Court Clerk	0	0	396,629
Clerk and Master	0	0	97,654
Register	0	0	402,011
Sheriff	0	0	23,717
Trustee	0	0	916,121
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,519,626</u>
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$ 0	\$ 9,000
Aging Programs	0	0	13,528
Solid Waste Grants	0	0	31,049
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	0	36,800
<u>Health and Welfare Grants</u>			
Health Department Programs	0	0	178,694
Other Health and Welfare Grants	0	0	20,000
<u>Public Works Grants</u>			
Litter Program	0	0	56,492
Tennessee Industrial Infrastructure Program	0	0	598
<u>Other State Revenues</u>			
Income Tax	0	0	380,113
Beer Tax	0	0	18,175

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	<u>General Capital Projects</u>	<u>Highway Capital Projects</u>	<u>Total</u>
<u>State of Tennessee (Cont.)</u>			
<u>Other State Revenues (Cont.)</u>			
Vehicle Certificate of Title Fees	\$ 0	\$ 0	\$ 9,639
Alcoholic Beverage Tax	0	0	89,261
State Revenue Sharing - Telecommunications	0	0	56,810
Contracted Prisoner Boarding	0	0	237,042
Gasoline and Motor Fuel Tax	0	0	2,233,540
Petroleum Special Tax	0	0	35,035
Registrar's Salary Supplement	0	0	15,164
State Shared Sales Tax - Cities	0	0	7,651
Other State Grants	0	0	8,652
Other State Revenues	0	0	87,909
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,525,152</u>
<u>Federal Government</u>			
<u>Federal Through State</u>			
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 16,000
COVID-19 Grant #2	0	0	28,000
COVID-19 Grant A	0	0	3,685
Other Federal through State	90,441	0	497,808
<u>Direct Federal Revenue</u>			
Other Direct Federal Revenue	0	0	16,142
Total Federal Government	<u>\$ 90,441</u>	<u>\$ 0</u>	<u>\$ 561,635</u>
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Contributions	\$ 0	\$ 0	\$ 34,020
Contracted Services	0	0	228,472

(Continued)

Exhibit J-5

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

	<u>Capital Projects Funds</u>		
	<u>General Capital Projects</u>	<u>Highway Capital Projects</u>	<u>Total</u>
<u>Other Governments and Citizens Groups (Cont.)</u>			
<u>Citizens Groups</u>			
Donations	\$ 0	\$ 0	\$ 41,580
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 304,072
Total	\$ 628,020	\$ 305,508	\$ 32,869,792

Exhibit J-6

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 9,620,795	\$ 0	\$ 0	\$ 9,620,795
Trustee's Collections - Bankruptcy	7,428	0	0	7,428
Circuit Clerk/Clerk and Master Collections - Prior Years	144,812	0	0	144,812
Interest and Penalty	30,732	0	0	30,732
Payments in-Lieu-of Taxes - Other	325,397	0	0	325,397
<u>County Local Option Taxes</u>				
Local Option Sales Tax	4,557,787	0	0	4,557,787
Mixed Drink Tax	33,829	0	0	33,829
<u>Statutory Local Taxes</u>				
Bank Excise Tax	75,341	0	0	75,341
Total Local Taxes	<u>\$ 14,796,121</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,796,121</u>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 1,354	\$ 0	\$ 0	\$ 1,354
Total Licenses and Permits	<u>\$ 1,354</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,354</u>
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Lunch Payments - Children	\$ 0	\$ 0	\$ 354,435	\$ 354,435
Lunch Payments - Adults	0	0	24,159	24,159
Income from Breakfast	0	0	707	707
A la Carte Sales	0	0	7,243	7,243
Receipts from Individual Schools	12,622	0	221	12,843
Total Charges for Current Services	<u>\$ 12,622</u>	<u>\$ 0</u>	<u>\$ 386,765</u>	<u>\$ 399,387</u>

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 155,852	\$ 0	\$ 9,913	\$ 165,765
Sale of Materials and Supplies	294	0	0	294
Sale of Recycled Materials	10,161	0	0	10,161
E-Rate Funding	336,847	0	0	336,847
Retirees' Insurance Payments	66,042	0	0	66,042
Miscellaneous Refunds	634	0	0	634
Total Other Local Revenues	\$ 569,830	\$ 0	\$ 9,913	\$ 579,743
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 206,201	\$ 0	\$ 0	\$ 206,201
<u>State Education Funds</u>				
Basic Education Program	21,735,684	0	0	21,735,684
Early Childhood Education	729,250	0	0	729,250
School Food Service	0	0	22,170	22,170
Other State Education Funds	336,177	0	0	336,177
Coordinated School Health	157,820	0	0	157,820
Family Resource Centers	30,212	0	0	30,212
Career Ladder Program	54,973	0	0	54,973
<u>Other State Revenues</u>				
State Revenue Sharing - T.V.A.	1,232,684	0	0	1,232,684
Other State Grants	39,759	0	10,000	49,759
Safe Schools	82,832	0	0	82,832
Other State Revenues	7,268	0	0	7,268
Total State of Tennessee	\$ 24,612,860	\$ 0	\$ 32,170	\$ 24,645,030

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>			Total
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 971,872	\$ 971,872
Breakfast	0	0	329,322	329,322
USDA - Other	0	0	270,214	270,214
USDA Food Service Equipment Grant	0	0	12,000	12,000
Vocational Education - Basic Grants to States	5,000	83,051	0	88,051
Title I Grants to Local Education Agencies	0	926,336	0	926,336
Special Education - Grants to States	45,000	899,280	0	944,280
Special Education Preschool Grants	0	17,469	0	17,469
English Language Acquisition Grants	0	12,870	0	12,870
Safe and Drug-free Schools - State Grants	0	39,998	0	39,998
Eisenhower Professional Development State Grants	0	132,551	0	132,551
COVID-19 Grant A	20,201	0	0	20,201
Other Federal through State	341,484	563	95,116	437,163
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	87,512	0	0	87,512
Other Direct Federal Revenue	0	0	174,671	174,671
Total Federal Government	<u>\$ 499,197</u>	<u>\$ 2,112,118</u>	<u>\$ 1,853,195</u>	<u>\$ 4,464,510</u>
<u>Other Governments and Citizens Groups</u>				
<u>Citizens Groups</u>				
Donations	\$ 35,072	\$ 0	\$ 15,000	\$ 50,072
Total Other Governments and Citizens Groups	<u>\$ 35,072</u>	<u>\$ 0</u>	<u>\$ 15,000</u>	<u>\$ 50,072</u>
Total	<u>\$ 40,527,056</u>	<u>\$ 2,112,118</u>	<u>\$ 2,297,043</u>	<u>\$ 44,936,217</u>

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

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	80,210	
Social Security		4,471	
Pensions		2,579	
Life Insurance		1,315	
Medical Insurance		42,299	
Dental Insurance		3,819	
Employer Medicare		1,142	
Consultants		42,566	
Dues and Memberships		10,936	
Travel		1,136	
Other Supplies and Materials		2,616	
Workers' Compensation Insurance		6,445	
In Service/Staff Development		825	
Total County Commission			\$ 200,359

Board of Equalization

Board and Committee Members Fees	\$	1,190	
Travel		88	
Total Board of Equalization			1,278

Beer Board

Board and Committee Members Fees	\$	1,400	
Social Security		14	
Pensions		17	
Employer Medicare		3	
Total Beer Board			1,434

Other Boards and Committees

Board and Committee Members Fees	\$	5,100	
Total Other Boards and Committees			5,100

County Mayor/Executive

County Official/Administrative Officer	\$	98,429	
Supervisor/Director		4,578	
Secretary(ies)		40,495	
Temporary Personnel		2,313	
Part-time Personnel		14,010	
Social Security		9,594	
Pensions		9,629	
Life Insurance		724	
Medical Insurance		15,553	
Dental Insurance		1,330	
Employer Medicare		2,276	
Communication		1,922	
Dues and Memberships		1,835	
Maintenance and Repair Services - Vehicles		53	
Postal Charges		26	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Printing, Stationery, and Forms	\$	198	
Travel		893	
Other Contracted Services		178	
Duplicating Supplies		183	
Gasoline		1,859	
Office Supplies		711	
Other Supplies and Materials		68	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		1,933	
In Service/Staff Development		460	
Furniture and Fixtures		87	
Office Equipment		919	
Total County Mayor/Executive			\$ 210,606

Personnel Office

Part-time Personnel	\$	22,611	
Life Insurance		192	
Dental Insurance		324	
Employer Medicare		328	
Dues and Memberships		60	
Operating Lease Payments		142	
Medical and Dental Services		3,012	
Postal Charges		97	
Travel		221	
Other Contracted Services		5,082	
Duplicating Supplies		30	
Office Supplies		468	
Other Supplies and Materials		50	
In Service/Staff Development		369	
Total Personnel Office			32,986

County Attorney

Legal Services	\$	137,521	
Other Contracted Services		682	
Total County Attorney			138,203

Election Commission

County Official/Administrative Officer	\$	72,676	
Secretary(ies)		39,353	
Temporary Personnel		14,628	
Overtime Pay		1,193	
Election Commission		13,377	
Election Workers		38,852	
Social Security		9,435	
Pensions		7,582	
Life Insurance		618	
Medical Insurance		14,210	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Dental Insurance	\$	1,103	
Employer Medicare		2,358	
Advertising		200	
Communication		2,223	
Dues and Memberships		450	
Operating Lease Payments		1,270	
Legal Notices, Recording, and Court Costs		2,664	
Licenses		6,700	
Maintenance and Repair Services - Equipment		1,039	
Postal Charges		10,034	
Printing, Stationery, and Forms		4,658	
Rentals		225	
Travel		4,409	
Other Contracted Services		19,345	
Duplicating Supplies		315	
Office Supplies		12,441	
Uniforms		292	
Other Supplies and Materials		1,635	
Workers' Compensation Insurance		1,289	
In Service/Staff Development		100	
Furniture and Fixtures		253	
Office Equipment		14,794	
Voting Machines		355,353	
Other Equipment		64,375	
Total Election Commission			\$ 719,449

Register of Deeds

County Official/Administrative Officer	\$	80,751	
Clerical Personnel		111,151	
Social Security		11,446	
Pensions		12,877	
Life Insurance		762	
Medical Insurance		43,499	
Dental Insurance		2,603	
Employer Medicare		2,677	
Communication		1,100	
Dues and Memberships		815	
Operating Lease Payments		717	
Postal Charges		1,343	
Travel		736	
Other Contracted Services		18,099	
Duplicating Supplies		199	
Office Supplies		8,966	
Premiums on Corporate Surety Bonds		700	
Workers' Compensation Insurance		2,578	
Office Equipment		500	
Total Register of Deeds			301,519

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Planning

Supervisor/Director	\$	61,768	
Clerical Personnel		27,783	
Social Security		5,357	
Pensions		4,740	
Life Insurance		609	
Medical Insurance		13,044	
Dental Insurance		1,160	
Employer Medicare		1,253	
Communication		1,405	
Dues and Memberships		890	
Operating Lease Payments		1,088	
Maintenance Agreements		400	
Postal Charges		490	
Printing, Stationery, and Forms		117	
Other Contracted Services		4,425	
Duplicating Supplies		155	
Gasoline		265	
Office Supplies		1,790	
Workers' Compensation Insurance		1,289	
Office Equipment		879	
Total Planning			\$ 128,907

Codes Compliance

Assistant(s)	\$	73,957	
Supervisor/Director		59,976	
Secretary(ies)		36,869	
Social Security		9,958	
Pensions		11,461	
Life Insurance		622	
Medical Insurance		44,722	
Dental Insurance		2,702	
Employer Medicare		2,329	
Communication		2,972	
Dues and Memberships		230	
Operating Lease Payments		682	
Maintenance and Repair Services - Vehicles		613	
Postal Charges		110	
Printing, Stationery, and Forms		1,564	
Duplicating Supplies		152	
Gasoline		3,480	
Office Supplies		3,813	
Uniforms		196	
Other Supplies and Materials		132	
Workers' Compensation Insurance		2,578	
In Service/Staff Development		325	
Office Equipment		27	
Total Codes Compliance			259,470

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems

Supervisor/Director	\$	44,058	
Social Security		2,707	
Pensions		2,956	
Life Insurance		358	
Medical Insurance		9,228	
Dental Insurance		1,215	
Employer Medicare		633	
Other Contracted Services		3,000	
Office Supplies		180	
Workers' Compensation Insurance		644	
Office Equipment		91	
Total Geographical Information Systems			\$ 65,070

County Buildings

Supervisor/Director	\$	56,861	
Maintenance Personnel		345,488	
Overtime Pay		3,121	
Social Security		23,099	
Pensions		27,151	
Life Insurance		2,866	
Medical Insurance		130,480	
Dental Insurance		6,782	
Employer Medicare		5,402	
Communication		19,058	
Dues and Memberships		60	
Operating Lease Payments		2,298	
Maintenance and Repair Services - Buildings		55,657	
Maintenance and Repair Services - Equipment		809	
Maintenance and Repair Services - Vehicles		1,778	
Pest Control		4,297	
Printing, Stationery, and Forms		100	
Other Contracted Services		177,168	
Custodial Supplies		10,164	
Diesel Fuel		1,672	
Drugs and Medical Supplies		65	
Duplicating Supplies		152	
Gasoline		9,824	
Office Supplies		516	
Uniforms		4,615	
Utilities		321,913	
Other Supplies and Materials		69	
Workers' Compensation Insurance		6,445	
Furniture and Fixtures		127	
Maintenance Equipment		7,293	
Total County Buildings			1,225,330

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration

Advertising	\$	212	
Legal Notices, Recording, and Court Costs		4,701	
Disposal Fees		7,531	
Building and Contents Insurance		269,480	
Total Other General Administration			\$ 281,924

Finance

Accounting and Budgeting

Assistant(s)	\$	52,198	
Supervisor/Director		80,751	
Accountants/Bookkeepers		224,946	
Salary Supplements		5,249	
Temporary Personnel		7,904	
Educational Incentive - Other County Employees		1,353	
Overtime Pay		10,991	
Social Security		22,485	
Pensions		24,799	
Life Insurance		1,828	
Medical Insurance		100,693	
Dental Insurance		5,257	
Unemployment Compensation		3,004	
Employer Medicare		5,259	
Audit Services		18,451	
Communication		2,005	
Dues and Memberships		250	
Operating Lease Payments		1,430	
Postal Charges		4,466	
Printing, Stationery, and Forms		3,800	
Travel		1,747	
Other Contracted Services		17,778	
Duplicating Supplies		2,115	
Office Supplies		4,678	
Other Supplies and Materials		51	
Premiums on Corporate Surety Bonds		367	
Workers' Compensation Insurance		5,159	
In Service/Staff Development		836	
Other Charges		428	
Furniture and Fixtures		61	
Office Equipment		5,522	
Total Accounting and Budgeting			615,861

Purchasing

Supervisor/Director	\$	56,700	
Purchasing Personnel		110,841	
Part-time Personnel		9,179	
Overtime Pay		13	
Social Security		9,990	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

Pensions	\$	11,243	
Life Insurance		822	
Medical Insurance		24,519	
Dental Insurance		1,385	
Employer Medicare		2,470	
Communication		3,664	
Dues and Memberships		959	
Operating Lease Payments		613	
Maintenance and Repair Services - Vehicles		56	
Postal Charges		62	
Printing, Stationery, and Forms		21	
Travel		2,307	
Other Contracted Services		510	
Duplicating Supplies		305	
Gasoline		64	
Office Supplies		2,641	
Periodicals		153	
Other Supplies and Materials		410	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		2,578	
In Service/Staff Development		1,390	
Other Charges		173	
Office Equipment		6,416	
Total Purchasing			\$ 249,834

Property Assessor's Office

County Official/Administrative Officer	\$	80,751
Secretary(ies)		163,304
Social Security		14,379
Pensions		16,376
Life Insurance		1,276
Medical Insurance		39,527
Dental Insurance		3,164
Unemployment Compensation		198
Employer Medicare		3,363
Communication		1,442
Data Processing Services		8,204
Dues and Memberships		2,986
Operating Lease Payments		1,051
Legal Services		1,878
Legal Notices, Recording, and Court Costs		106
Maintenance Agreements		11,118
Maintenance and Repair Services - Vehicles		303
Postal Charges		3,020
Printing, Stationery, and Forms		248
Travel		2,888
Other Contracted Services		24,649

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Duplicating Supplies	\$	92	
Gasoline		1,019	
Office Supplies		1,352	
Other Supplies and Materials		35	
Premiums on Corporate Surety Bonds		225	
Workers' Compensation Insurance		4,511	
In Service/Staff Development		1,540	
Total Property Assessor's Office			\$ 389,005

County Trustee's Office

County Official/Administrative Officer	\$	80,751	
Clerical Personnel		131,171	
Social Security		12,636	
Pensions		14,220	
Life Insurance		1,086	
Medical Insurance		45,923	
Dental Insurance		2,927	
Employer Medicare		2,955	
Communication		2,502	
Dues and Memberships		690	
Operating Lease Payments		508	
Legal Notices, Recording, and Court Costs		395	
Maintenance Agreements		6,463	
Postal Charges		14,408	
Printing, Stationery, and Forms		4,018	
Travel		87	
Other Contracted Services		20,753	
Duplicating Supplies		470	
Office Supplies		3,325	
Premiums on Corporate Surety Bonds		7,580	
Workers' Compensation Insurance		3,222	
In Service/Staff Development		200	
Office Equipment		2,891	
Total County Trustee's Office			359,181

County Clerk's Office

County Official/Administrative Officer	\$	80,751	
Clerical Personnel		251,939	
Part-time Personnel		41,323	
Overtime Pay		1	
Social Security		21,937	
Pensions		22,298	
Life Insurance		2,144	
Medical Insurance		104,979	
Dental Insurance		6,090	
Unemployment Compensation		3,086	
Employer Medicare		5,130	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Communication	\$	2,634	
Dues and Memberships		830	
Operating Lease Payments		4,038	
Postal Charges		16,003	
Printing, Stationery, and Forms		2,691	
Travel		1,169	
Other Contracted Services		14,457	
Duplicating Supplies		1,658	
Office Supplies		5,827	
Workers' Compensation Insurance		6,445	
In Service/Staff Development		630	
Furniture and Fixtures		33	
Total County Clerk's Office			\$ 596,093

Data Processing

Computer Programmer(s)	\$	51,289	
Data Processing Personnel		44,435	
Overtime Pay		91	
Social Security		5,926	
Pensions		6,429	
Life Insurance		337	
Medical Insurance		16,425	
Dental Insurance		265	
Employer Medicare		1,386	
Communication		9,380	
Travel		267	
Other Contracted Services		28,907	
Office Supplies		72	
Workers' Compensation Insurance		1,289	
In Service/Staff Development		2,214	
Data Processing Equipment		9,650	
Office Equipment		480	
Total Data Processing			178,842

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	80,751	
Clerical Personnel		197,003	
Part-time Personnel		9,552	
Overtime Pay		10,411	
Social Security		17,498	
Pensions		19,331	
Life Insurance		1,268	
Medical Insurance		49,950	
Dental Insurance		2,970	
Employer Medicare		4,092	
Communication		2,958	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$	850	
Operating Lease Payments		4,015	
Postal Charges		2,037	
Printing, Stationery, and Forms		2,193	
Travel		695	
Other Contracted Services		21,080	
Duplicating Supplies		480	
Office Supplies		2,953	
Workers' Compensation Insurance		3,867	
In Service/Staff Development		398	
Data Processing Equipment		14,960	
Furniture and Fixtures		500	
Office Equipment		40	
Total Circuit Court			\$ 449,852

General Sessions Court

Clerical Personnel	\$	383,892	
Part-time Personnel		8,089	
Overtime Pay		4,906	
Social Security		23,687	
Pensions		26,024	
Life Insurance		2,523	
Medical Insurance		92,745	
Dental Insurance		7,088	
Employer Medicare		5,540	
Communication		3,249	
Dues and Memberships		280	
Operating Lease Payments		3,902	
Maintenance Agreements		1,875	
Postal Charges		6,700	
Printing, Stationery, and Forms		9,512	
Travel		1,077	
Other Contracted Services		11,916	
Duplicating Supplies		1,302	
Office Supplies		7,813	
Other Supplies and Materials		34	
Workers' Compensation Insurance		7,358	
In Service/Staff Development		448	
Data Processing Equipment		32,415	
Furniture and Fixtures		2,259	
Total General Sessions Court			644,634

General Sessions Judge

County Official/Administrative Officer	\$	324,614	
Clerical Personnel		55,712	
Social Security		19,941	
Pensions		25,520	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge (Cont.)

Life Insurance	\$	538	
Medical Insurance		26,556	
Dental Insurance		1,559	
Employer Medicare		5,423	
Communication		864	
Dues and Memberships		1,987	
Evaluation and Testing		900	
Travel		1,509	
Office Supplies		1,417	
Workers' Compensation Insurance		1,933	
In Service/Staff Development		184	
Furniture and Fixtures		286	
Total General Sessions Judge			\$ 468,943

Chancery Court

County Official/Administrative Officer	\$	80,751	
Clerical Personnel		71,075	
Part-time Personnel		16,627	
Social Security		10,135	
Pensions		10,188	
Life Insurance		845	
Medical Insurance		46,073	
Dental Insurance		4,561	
Employer Medicare		2,370	
Communication		2,407	
Dues and Memberships		830	
Operating Lease Payments		3,469	
Maintenance Agreements		3,016	
Postal Charges		210	
Printing, Stationery, and Forms		1,438	
Travel		2,657	
Other Contracted Services		11,099	
Duplicating Supplies		610	
Office Supplies		2,570	
Workers' Compensation Insurance		1,933	
In Service/Staff Development		1,340	
Data Processing Equipment		2,851	
Office Equipment		38,329	
Total Chancery Court			315,384

Juvenile Court

Supervisor/Director	\$	71,742	
Probation Officer(s)		80,976	
Secretary(ies)		39,090	
Part-time Personnel		14,844	
Overtime Pay		4,448	
Social Security		12,771	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Pensions	\$	13,162	
Life Insurance		800	
Medical Insurance		27,379	
Dental Insurance		1,576	
Employer Medicare		2,987	
Communication		6,860	
Contracts with Government Agencies		6,000	
Dues and Memberships		40	
Operating Lease Payments		124	
Maintenance and Repair Services - Vehicles		1,415	
Postal Charges		110	
Printing, Stationery, and Forms		80	
Travel		1,082	
Other Contracted Services		1,275	
Duplicating Supplies		92	
Gasoline		350	
Office Supplies		1,326	
Other Supplies and Materials		1,385	
Workers' Compensation Insurance		2,578	
In Service/Staff Development		40	
Furniture and Fixtures		1,041	
Office Equipment		305	
Total Juvenile Court			\$ 293,878

Judicial Commissioners

Part-time Personnel	\$	55,022	
Social Security		3,387	
Pensions		1,423	
Employer Medicare		792	
Communication		908	
Total Judicial Commissioners			61,532

Other Administration of Justice

Jury and Witness Expense	\$	11,945	
Communication		1,027	
Other Contracted Services		143	
Total Other Administration of Justice			13,115

Courtroom Security

Other Contracted Services	\$	1,059	
Total Courtroom Security			1,059

Victim Assistance Programs

Remittance of Revenue Collected	\$	18,207	
Total Victim Assistance Programs			18,207

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	93,742
Assistant(s)		127,068
Deputy(ies)		1,246,715
Investigator(s)		154,778
Captain(s)		56,544
Lieutenant(s)		159,826
Sergeant(s)		158,145
Computer Programmer(s)		46,237
Salary Supplements		36,800
Secretary(ies)		30,756
Clerical Personnel		108,673
Custodial Personnel		29,470
Part-time Personnel		14,604
School Resource Officer		465,955
Overtime Pay		231,156
Social Security		176,401
Pensions		286,474
Life Insurance		11,044
Medical Insurance		692,833
Dental Insurance		37,464
Unemployment Compensation		3,790
Employer Medicare		41,255
Communication		12,972
Dues and Memberships		2,600
Operating Lease Payments		1,325
Maintenance Agreements		15,659
Maintenance and Repair Services - Equipment		1,317
Maintenance and Repair Services - Vehicles		142,308
Medical and Dental Services		3,161
Postal Charges		3,530
Printing, Stationery, and Forms		4,475
Towing Services		2,395
Travel		7,377
Other Contracted Services		19,711
Diesel Fuel		476
Duplicating Supplies		1,982
Food Supplies		40
Gasoline		162,368
Law Enforcement Supplies		440
Office Supplies		7,713
Tires and Tubes		21,496
Uniforms		42,278
Other Supplies and Materials		10,413
Premiums on Corporate Surety Bonds		200
Workers' Compensation Insurance		34,352
In Service/Staff Development		14,109
Communication Equipment		49,265

(Continued)

Exhibit J-7

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

<u>General Fund (Cont.)</u>		
<u>Public Safety (Cont.)</u>		
<u>Sheriff's Department (Cont.)</u>		
Law Enforcement Equipment	\$ 25,598	
Motor Vehicles	43,828	
Office Equipment	6,400	
Total Sheriff's Department		\$ 4,847,518
 <u>Special Patrols</u>		
Communication	\$ 493	
Medical and Dental Services	727	
Law Enforcement Equipment	15,138	
Total Special Patrols		16,358
 <u>Traffic Control</u>		
Other Contracted Services	\$ 16,946	
Utilities	7,038	
Total Traffic Control		23,984
 <u>Administration of the Sexual Offender Registry</u>		
Other Supplies and Materials	\$ 89	
Office Equipment	349	
Total Administration of the Sexual Offender Registry		438
 <u>Jail</u>		
Captain(s)	\$ 56,544	
Sergeant(s)	49,767	
Guards	1,341,651	
Cafeteria Personnel	60,714	
Overtime Pay	212,523	
Social Security	104,156	
Pensions	117,228	
Life Insurance	6,969	
Medical Insurance	381,270	
Dental Insurance	21,235	
Employer Medicare	24,361	
Operating Lease Payments	1,510	
Legal Services	5,000	
Medical and Dental Services	260,409	
Travel	731	
Other Contracted Services	6,516	
Custodial Supplies	19,719	
Drugs and Medical Supplies	204,106	
Duplicating Supplies	488	
Food Supplies	216,077	
Office Supplies	2,631	
Uniforms	39,252	
Other Supplies and Materials	29,611	
Workers' Compensation Insurance	31,158	
In Service/Staff Development	100	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Other Charges	\$	100	
Communication Equipment		15,783	
Law Enforcement Equipment		8,219	
Office Equipment		786	
Total Jail			\$ 3,218,614

Rural Fire Protection

Contributions	\$	235,000	
Total Rural Fire Protection			235,000

Civil Defense

Supervisor/Director	\$	60,410	
Secretary(ies)		31,810	
Overtime Pay		21	
Social Security		5,452	
Pensions		6,070	
Life Insurance		340	
Medical Insurance		16,525	
Dental Insurance		1,050	
Employer Medicare		1,281	
Communication		4,231	
Dues and Memberships		110	
Operating Lease Payments		63	
Maintenance Agreements		1,790	
Maintenance and Repair Services - Equipment		4,647	
Maintenance and Repair Services - Vehicles		2,443	
Postal Charges		85	
Printing, Stationery, and Forms		185	
Travel		105	
Other Contracted Services		16,509	
Crushed Stone		338	
Diesel Fuel		248	
Duplicating Supplies		762	
Food Supplies		292	
Gasoline		4,510	
Office Supplies		2,669	
Tires and Tubes		1,209	
Uniforms		2,639	
Other Supplies and Materials		5,224	
Workers' Compensation Insurance		1,289	
In Service/Staff Development		3,350	
Other Charges		129	
Communication Equipment		4,645	
Furniture and Fixtures		877	
Office Equipment		839	
Other Equipment		12,276	
Total Civil Defense			194,423

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management

Communication Equipment	\$	16,980	
Other Equipment		13,279	
Total Other Emergency Management			\$ 30,259

County Coroner/Medical Examiner

Investigator(s)	\$	3,400	
Medical Personnel		9,000	
Other Contracted Services		104,798	
Total County Coroner/Medical Examiner			117,198

Other Public Safety

Contributions	\$	541,500	
Total Other Public Safety			541,500

Public Health and Welfare

Local Health Center

Life Insurance	\$	96	
Dental Insurance		324	
Communication		3,415	
Contributions		3,785	
Dues and Memberships		200	
Operating Lease Payments		2,289	
Licenses		60	
Postal Charges		1,054	
Printing, Stationery, and Forms		1,465	
Travel		265	
Other Contracted Services		9,843	
Custodial Supplies		230	
Duplicating Supplies		610	
Food Supplies		96	
Office Supplies		4,417	
Other Supplies and Materials		860	
Premiums on Corporate Surety Bonds		149	
In Service/Staff Development		330	
Office Equipment		100	
Total Local Health Center			29,588

Rabies and Animal Control

Supervisor/Director	\$	50,876	
Part-time Personnel		24,308	
Overtime Pay		9,072	
Other Salaries and Wages		131,590	
Social Security		13,030	
Pensions		12,776	
Life Insurance		966	
Medical Insurance		29,759	
Dental Insurance		1,465	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Employer Medicare	\$	3,047	
Communication		4,774	
Dues and Memberships		50	
Operating Lease Payments		98	
Licenses		930	
Maintenance and Repair Services - Vehicles		1,791	
Postal Charges		80	
Printing, Stationery, and Forms		152	
Travel		5,339	
Veterinary Services		16,198	
Disposal Fees		199	
Animal Food and Supplies		34,751	
Custodial Supplies		2,870	
Duplicating Supplies		305	
Gasoline		5,754	
Office Supplies		382	
Tires and Tubes		1,593	
Uniforms		909	
Utilities		8,803	
Other Supplies and Materials		77	
Workers' Compensation Insurance		4,511	
In Service/Staff Development		365	
Other Equipment		3,518	
Other Construction		7,847	
Total Rabies and Animal Control			\$ 378,185

Other Local Health Services

Other Salaries and Wages	\$	208,020	
Social Security		12,528	
Pensions		13,697	
Life Insurance		1,318	
Medical Insurance		56,539	
Dental Insurance		4,272	
Employer Medicare		2,930	
Travel		6,874	
Other Contracted Services		297	
Other Supplies and Materials		2,611	
Workers' Compensation Insurance		4,511	
Total Other Local Health Services			313,597

Other Public Health and Welfare

Contributions	\$	20,000	
Total Other Public Health and Welfare			20,000

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$	3,000	
Total Adult Activities			3,000

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance

Supervisor/Director	\$	42,823	
Secretary(ies)		25,435	
Other Salaries and Wages		62,084	
Social Security		7,672	
Pensions		8,746	
Life Insurance		1,365	
Medical Insurance		45,126	
Dental Insurance		2,985	
Employer Medicare		1,794	
Communication		2,254	
Contributions		1,656	
Operating Lease Payments		169	
Licenses		1,400	
Maintenance and Repair Services - Equipment		63	
Maintenance and Repair Services - Vehicles		130	
Postal Charges		895	
Printing, Stationery, and Forms		1,049	
Travel		694	
Other Contracted Services		3,662	
Custodial Supplies		734	
Duplicating Supplies		184	
Food Supplies		5,438	
Gasoline		1,589	
Office Supplies		352	
Tires and Tubes		807	
Utilities		14,474	
Other Supplies and Materials		254	
Workers' Compensation Insurance		2,578	
Other Charges		4,157	
Office Equipment		166	
Total Senior Citizens Assistance			\$ 240,735

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	3,298	
Contracts with Government Agencies		165,678	
Operating Lease Payments		130	
Office Supplies		717	
Office Equipment		2,635	
Total Agricultural Extension Service			172,458

Soil Conservation

Clerical Personnel	\$	13,929	
Social Security		864	
Employer Medicare		202	
Communication		515	
Contributions		2,000	
Travel		268	
Total Soil Conservation			17,778

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Flood Control

Contributions	\$ 2,000	
Total Flood Control		\$ 2,000

Storm Water Management

Permits	\$ 3,460	
Total Storm Water Management		3,460

Other Operations

Tourism

Contributions	\$ 132,953	
Total Tourism		132,953

Industrial Development

Contributions	\$ 162,545	
Dues and Memberships	3,884	
Total Industrial Development		166,429

Housing and Urban Development

Contributions	\$ 3,000	
Pauper Burials	3,000	
Total Housing and Urban Development		6,000

Veterans' Services

Part-time Personnel	\$ 13,257	
Other Salaries and Wages	27,382	
Social Security	2,520	
Pensions	1,029	
Life Insurance	60	
Employer Medicare	589	
Communication	1,675	
Operating Lease Payments	64	
Maintenance Agreements	898	
Printing, Stationery, and Forms	412	
Travel	1,356	
Duplicating Supplies	122	
Office Supplies	1,418	
Software	35	
Office Equipment	80	
Total Veterans' Services		50,897

Contributions to Other Agencies

Contributions	\$ 83,100	
Total Contributions to Other Agencies		83,100

Employee Benefits

Employee and Dependent Insurance	\$ 1,340	
Total Employee Benefits		1,340

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

COVID-19 Grant #1

Maintenance and Repair Services - Buildings	\$	3,575	
Other Contracted Services		488	
Custodial Supplies		636	
Other Supplies and Materials		9,702	
Office Equipment		3,105	
Total COVID-19 Grant #1			\$ 17,506

COVID-19 Grant #2

Other Equipment	\$	28,000	
Total COVID-19 Grant #2			28,000

Miscellaneous

Trustee's Commission	\$	268,710	
Tax Relief Program		110,140	
Total Miscellaneous			378,850

Total General Fund \$ 19,498,223

Courthouse and Jail Maintenance Fund

Other Operations

Miscellaneous

Trustee's Commission	\$	1,148	
Total Miscellaneous			\$ 1,148

Total Courthouse and Jail Maintenance Fund 1,148

Law Library Fund

Social, Cultural, and Recreational Services

Libraries

Communication	\$	1,402	
Library Books/Media		877	
Total Libraries			\$ 2,279

Other Operations

Miscellaneous

Trustee's Commission	\$	46	
Total Miscellaneous			46

Total Law Library Fund 2,325

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

Clerical Personnel	\$	146,761	
Temporary Personnel		8,545	
Part-time Personnel		32,696	
Overtime Pay		1,420	

(Continued)

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Social Security	\$	11,300	
Pensions		9,670	
Life Insurance		1,190	
Medical Insurance		56,958	
Dental Insurance		3,280	
Unemployment Compensation		60	
Employer Medicare		2,650	
Communication		2,888	
Contributions		10,000	
Operating Lease Payments		1,100	
Licenses		2,202	
Maintenance Agreements		1,200	
Maintenance and Repair Services - Office Equipment		336	
Postal Charges		157	
Printing, Stationery, and Forms		511	
Travel		2,082	
Other Contracted Services		175	
Custodial Supplies		481	
Duplicating Supplies		274	
Library Books/Media		25,669	
Office Supplies		3,364	
Periodicals		3,336	
Road Signs		119	
Other Supplies and Materials		1,456	
Trustee's Commission		6,402	
Workers' Compensation Insurance		3,222	
In Service/Staff Development		30	
Other Charges		50	
Furniture and Fixtures		1,089	
Office Equipment		13,438	
Total Libraries		<u>13,438</u>	\$ <u>354,111</u>
Total Public Library Fund			\$ 354,111

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Education/Information

Guards	\$	8,165
Social Security		507
Pensions		560
Life Insurance		41
Medical Insurance		3,342
Dental Insurance		166
Employer Medicare		119
Maintenance and Repair Services - Vehicles		5,128
Travel		3,460
Other Contracted Services		13,871

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Education/Information (Cont.)

Diesel Fuel	\$	3,178	
Other Supplies and Materials		3,318	
Total Sanitation Education/Information			\$ 41,855

Convenience Centers

Supervisor/Director	\$	54,653	
Foremen		94,722	
Attendants		104,610	
Part-time Personnel		126,544	
Overtime Pay		2,748	
Social Security		22,956	
Pensions		17,224	
Life Insurance		1,613	
Medical Insurance		76,452	
Dental Insurance		5,016	
Employer Medicare		5,369	
Communication		2,877	
Dues and Memberships		248	
Maintenance and Repair Services - Equipment		4,565	
Maintenance and Repair Services - Vehicles		6,636	
Pest Control		1,382	
Travel		208	
Disposal Fees		144,359	
Permits		80	
Other Contracted Services		66,639	
Custodial Supplies		1,457	
Gasoline		4,750	
Office Supplies		193	
Propane Gas		5,169	
Tires and Tubes		855	
Uniforms		4,325	
Utilities		11,577	
Other Supplies and Materials		2,096	
Trustee's Commission		8,880	
Workers' Compensation Insurance		7,734	
In Service/Staff Development		1,201	
Building Improvements		8,803	
Office Equipment		45	
Solid Waste Equipment		63,951	
Other Equipment		7,077	
Total Convenience Centers			867,014

Other Waste Collection

Other Contracted Services	\$	27,071	
Total Other Waste Collection			27,071

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Other Operations

COVID-19 Grant #1

Other Supplies and Materials	\$ 74	
Total COVID-19 Grant #1		\$ 74

Total Solid Waste/Sanitation Fund \$ 936,014

Industrial/Economic Development Fund

Other Operations

Industrial Development

Contracts with Government Agencies	\$ 193,604	
Contracts with Other Public Agencies	4,605	
Engineering Services	14,860	
Evaluation and Testing	3,000	
Trustee's Commission	159	
Total Industrial Development		\$ 216,228

Total Industrial/Economic Development Fund 216,228

Drug Control Fund

Public Safety

Drug Enforcement

Salary Supplements	\$ 22,500	
Dues and Memberships	340	
Travel	2,164	
Remittance of Revenue Collected	6,281	
Other Contracted Services	20,735	
Law Enforcement Supplies	1,977	
Other Supplies and Materials	8,102	
Trustee's Commission	212	
In Service/Staff Development	1,225	
Law Enforcement Equipment	448	
Motor Vehicles	48,156	
Total Drug Enforcement		\$ 112,140

Total Drug Control Fund 112,140

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 628	
Total County Trustee's Office		\$ 628

Total Constitutional Officers - Fees Fund 628

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 93,742	
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(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Assistant(s)	\$	69,524	
Mechanic(s)		38,084	
Equipment Operators - Heavy		189,303	
Equipment Operators - Light		258,626	
Truck Drivers		104,192	
Secretary(ies)		41,165	
Part-time Personnel		15,264	
Overtime Pay		12,819	
Dues and Memberships		5,000	
Postal Charges		55	
Travel		1,285	
Duplicating Supplies		61	
Office Supplies		1,442	
Other Supplies and Materials		39	
In Service/Staff Development		231	
Furniture and Fixtures		108	
Office Equipment		10	
Total Administration			\$ 830,950

Highway and Bridge Maintenance

Rentals	\$	3,557	
Other Contracted Services		32,973	
Asphalt		664,307	
Asphalt - Cold Mix		5,977	
Asphalt - Hot Mix		30,027	
Concrete		3,035	
Crushed Stone		47,387	
Other Road Materials		2,859	
Pipe		89,445	
Road Signs		13,606	
Sand		220	
Chemicals		735	
Other Supplies and Materials		4,605	
Total Highway and Bridge Maintenance			898,733

Operation and Maintenance of Equipment

Maintenance and Repair Services - Equipment	\$	16,568	
Maintenance and Repair Services - Vehicles		887	
Towing Services		2,600	
Disposal Fees		4,788	
Diesel Fuel		42,575	
Equipment Parts - Heavy		13,180	
Equipment Parts - Light		80,040	
Gasoline		20,338	
Lubricants		336	
Tires and Tubes		13,781	
Other Supplies and Materials		5,829	
Other Charges		1,850	
Total Operation and Maintenance of Equipment			202,772

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges

Communication	\$	8,959	
Pest Control		461	
Other Contracted Services		489	
Custodial Supplies		478	
Drugs and Medical Supplies		1,226	
Electricity		9,635	
Garage Supplies		3,386	
Ice		490	
Uniforms		18,599	
Liability Insurance		87,459	
Premiums on Corporate Surety Bonds		350	
Refunds		2,352	
Trustee's Commission		34,948	
Other Charges		1,404	
Total Other Charges			\$ 170,236

Employee Benefits

Social Security	\$	49,299	
Pensions		53,780	
Employee and Dependent Insurance		5	
Life Insurance		4,852	
Medical Insurance		265,999	
Dental Insurance		16,760	
Unemployment Compensation		1,170	
Employer Medicare		11,511	
Workers' Compensation Insurance		46,848	
Total Employee Benefits			450,224

COVID-19 Grant #1

Other Supplies and Materials	\$	118	
Total COVID-19 Grant #1			118

Capital Outlay

Engineering Services	\$	20,200	
Evaluation and Testing		322	
Matching Share		101	
Highway Equipment		80,502	
Motor Vehicles		145,978	
State Aid Projects		4,949	
Total Capital Outlay			252,052

Total Highway/Public Works Fund \$ 2,805,085

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	565,000	
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(Continued)

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

General Government (Cont.)

Principal on Notes	\$ 42,000	
Principal on Other Loans	275,000	
Total General Government		\$ 882,000

Interest on Debt

General Government

Interest on Bonds	\$ 544,478	
Interest on Notes	5,011	
Interest on Other Loans	7,579	
Total General Government		557,068

Other Debt Service

General Government

Trustee's Commission	\$ 34,329	
Other Debt Service	204,972	
Total General Government		239,301

Total General Debt Service Fund \$ 1,678,369

Education Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 2,480,000	
Principal on Other Loans	1,135,300	
Total Education		\$ 3,615,300

Interest on Debt

Education

Interest on Bonds	\$ 1,208,525	
Interest on Other Loans	219,388	
Total Education		1,427,913

Other Debt Service

Education

Trustee's Commission	\$ 69,331	
Underwriter's Discount	219,396	
Other Debt Issuance Charges	180,058	
Other Debt Service	2,565	
Total Education		471,350

Total Education Debt Service Fund 5,514,563

General Capital Projects Fund

Other Operations

Miscellaneous

Trustee's Commission	\$ 3,398	
Total Miscellaneous		\$ 3,398

(Continued)

Exhibit J-7

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

General Capital Projects Fund (Cont.)

Capital Projects

General Administration Projects

Evaluation and Testing	\$	1,350	
Motor Vehicles		183,643	
Other Equipment		19,201	
Total General Administration Projects			\$ 204,194

Administration of Justice Projects

Overtime Pay	\$	270	
Social Security		16	
Pensions		23	
Employer Medicare		4	
Communication		1,312	
Contracts with Government Agencies		117,731	
Engineering Services		135,142	
Evaluation and Testing		2,400	
Operating Lease Payments		394	
Maintenance and Repair Services - Buildings		1,028	
Printing, Stationery, and Forms		571	
Other Contracted Services		1,397,580	
Duplicating Supplies		638	
Office Supplies		2,436	
Utilities		2,101	
Other Supplies and Materials		1,374	
Excess Risk Insurance		1,000	
Communication Equipment		6,990	
Data Processing Equipment		22,061	
Furniture and Fixtures		94,013	
Office Equipment		27,536	
Plant Operation Equipment		6,790	
Other Equipment		8,110	
Total Administration of Justice Projects			1,829,520

Public Safety Projects

Engineering Services	\$	74,565	
Evaluation and Testing		22,822	
Other Contracted Services		2,890	
Software		69,000	
Other Supplies and Materials		13,950	
Building Construction		5,636,628	
Communication Equipment		12,182	
Food Service Equipment		310,946	
Motor Vehicles		205,451	
Office Equipment		15,860	
Other Equipment		82,346	
Total Public Safety Projects			6,446,640

Public Health and Welfare Projects

Furniture and Fixtures	\$	5,952	
Total Public Health and Welfare Projects			5,952

(Continued)

Exhibit J-7

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Other General Government Projects

Contracts with Government Agencies	\$ 4,177	
Total Other General Government Projects		\$ 4,177

Highway and Street Capital Projects

Engineering Services	\$ 18,960	
Other Contracted Services	52	
Other Construction	71,752	
Total Highway and Street Capital Projects		<u>90,764</u>

Total General Capital Projects Fund		\$ 8,584,645
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Highway Capital Projects Fund

Capital Projects

Highway and Street Capital Projects

Asphalt	\$ 151,481	
Trustee's Commission	5,919	
Total Highway and Street Capital Projects		<u>\$ 157,400</u>

Total Highway Capital Projects Fund		<u>157,400</u>
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Total Governmental Funds - Primary Government		<u>\$ 39,860,879</u>
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Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 14,158,586	
Career Ladder Program	41,715	
Homebound Teachers	6,844	
Educational Assistants	1,116,992	
Certified Substitute Teachers	47,914	
Non-certified Substitute Teachers	85,960	
Social Security	910,404	
Pensions	1,425,012	
Employee and Dependent Insurance	4,706	
Life Insurance	64,085	
Medical Insurance	2,620,050	
Dental Insurance	168,804	
Unemployment Compensation	26,899	
Employer Medicare	214,061	
Travel	2,620	
Other Contracted Services	88,861	
Instructional Supplies and Materials	355,169	
Textbooks - Bound	29,673	
In Service/Staff Development	784	
Other Equipment	348,639	
Total Regular Instruction Program		\$ 21,717,778

Special Education Program

Teachers	\$ 1,456,616	
Career Ladder Program	3,500	
Homebound Teachers	4,600	
Educational Assistants	402,257	
Speech Pathologist	226,404	
Other Salaries and Wages	40,000	
Certified Substitute Teachers	2,310	
Non-certified Substitute Teachers	26,400	
Social Security	123,142	
Pensions	158,061	
Employee and Dependent Insurance	864	
Life Insurance	8,370	
Medical Insurance	357,197	
Dental Insurance	19,889	
Employer Medicare	29,930	
Instructional Supplies and Materials	31,222	
Other Supplies and Materials	65,956	
Special Education Equipment	162,200	
Total Special Education Program		3,118,918

Career and Technical Education Program

Teachers	\$ 727,117
Career Ladder Program	2,000

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Educational Assistants	\$	19,288	
Certified Substitute Teachers		1,610	
Non-certified Substitute Teachers		3,750	
Social Security		44,295	
Pensions		62,080	
Employee and Dependent Insurance		176	
Life Insurance		3,134	
Medical Insurance		147,894	
Dental Insurance		6,580	
Employer Medicare		10,363	
Travel		2,535	
Instructional Supplies and Materials		72,600	
Other Supplies and Materials		14,752	
Other Charges		1,819	
Other Equipment		55,008	
Total Career and Technical Education Program			\$ 1,175,001

Support Services

Attendance

Supervisor/Director	\$	43,492	
Social Security		2,697	
Pensions		2,918	
Life Insurance		160	
Employer Medicare		631	
In Service/Staff Development		602	
Total Attendance			50,500

Health Services

Supervisor/Director	\$	44,212	
Medical Personnel		268,172	
Other Salaries and Wages		35,360	
Non-certified Substitute Teachers		1,457	
Social Security		21,210	
Pensions		24,431	
Life Insurance		1,957	
Medical Insurance		69,561	
Dental Insurance		2,212	
Employer Medicare		4,960	
Travel		1,533	
Other Contracted Services		8,046	
Drugs and Medical Supplies		8,873	
Office Supplies		270	
Other Supplies and Materials		26,765	
In Service/Staff Development		8,763	
Health Equipment		12,679	
Total Health Services			540,461

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		655,418	
Clerical Personnel		150,799	
Other Salaries and Wages		5,150	
Social Security		47,207	
Pensions		74,052	
Employee and Dependent Insurance		259	
Life Insurance		2,767	
Medical Insurance		159,572	
Dental Insurance		6,821	
Employer Medicare		11,115	
Contracts with Government Agencies		5,000	
Evaluation and Testing		2,567	
Travel		107	
Other Contracted Services		9,115	
Other Supplies and Materials		4,679	
In Service/Staff Development		2,831	
Other Equipment		37,868	
Total Other Student Support			\$ 1,176,327

Regular Instruction Program

Supervisor/Director	\$	218,548	
Career Ladder Program		6,000	
Librarians		494,175	
Secretary(ies)		284,306	
Social Security		58,762	
Pensions		95,477	
Employee and Dependent Insurance		407	
Life Insurance		4,698	
Medical Insurance		187,716	
Dental Insurance		10,781	
Employer Medicare		13,743	
Travel		2,938	
Library Books/Media		45,987	
In Service/Staff Development		52,724	
Total Regular Instruction Program			1,476,262

Special Education Program

Supervisor/Director	\$	29,102	
Career Ladder Program		1,500	
Psychological Personnel		218,480	
Social Security		12,778	
Pensions		20,788	
Employee and Dependent Insurance		218	
Life Insurance		984	
Medical Insurance		40,815	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Dental Insurance	\$	2,422	
Employer Medicare		3,423	
Travel		4,412	
Other Contracted Services		125,930	
Total Special Education Program			\$ 460,852

Career and Technical Education Program

Supervisor/Director	\$	95,930	
Clerical Personnel		40,779	
Social Security		8,375	
Pensions		12,934	
Employee and Dependent Insurance		109	
Life Insurance		660	
Medical Insurance		16,929	
Dental Insurance		1,305	
Employer Medicare		1,959	
Travel		43	
Other Contracted Services		500	
In Service/Staff Development		203	
Total Career and Technical Education Program			179,726

Technology

Supervisor/Director	\$	97,008	
Career Ladder Program		1,000	
Computer Programmer(s)		246,536	
Social Security		19,921	
Pensions		26,961	
Life Insurance		958	
Medical Insurance		53,143	
Dental Insurance		2,249	
Employer Medicare		4,659	
Internet Connectivity		107,479	
Travel		5,993	
Other Contracted Services		5,357	
Software		155,684	
Other Supplies and Materials		2,878	
In Service/Staff Development		5,010	
Other Equipment		159,372	
Total Technology			894,208

Other Programs

On-behalf Payments to OPEB	\$	206,201	
Total Other Programs			206,201

Board of Education

Board and Committee Members Fees	\$	40,300	
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(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Social Security	\$	2,447	
Pensions		1,094	
Life Insurance		1,470	
Dental Insurance		2,249	
Employer Medicare		572	
Audit Services		12,000	
Legal Services		59,941	
Travel		661	
Liability Insurance		25,243	
Refunds		14,493	
Trustee's Commission		298,381	
Workers' Compensation Insurance		181,195	
In Service/Staff Development		15,331	
Total Board of Education			\$ 655,377

Director of Schools

County Official/Administrative Officer	\$	260,804	
Career Ladder Program		1,000	
Secretary(ies)		45,232	
Other Salaries and Wages		6,990	
Social Security		17,738	
Pensions		18,320	
Life Insurance		319	
Medical Insurance		25,636	
Dental Insurance		1,238	
Employer Medicare		4,148	
Advertising		579	
Communication		47,707	
Dues and Memberships		7,131	
Postal Charges		2,023	
Travel		285	
Other Contracted Services		19,491	
Office Supplies		3,131	
In Service/Staff Development		3,865	
Other Charges		2,967	
Total Director of Schools			468,604

Office of the Principal

Principals	\$	806,403	
Career Ladder Program		2,000	
Social Security		48,759	
Pensions		85,933	
Life Insurance		2,193	
Medical Insurance		116,528	
Dental Insurance		6,928	
Employer Medicare		11,403	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Communication	\$	88,784	
Postal Charges		3,663	
Travel		7,179	
Other Equipment		387	
Total Office of the Principal			\$ 1,180,160

Fiscal Services

Accountants/Bookkeepers	\$	66,774	
Social Security		3,881	
Pensions		4,481	
Life Insurance		203	
Medical Insurance		7,038	
Dental Insurance		375	
Employer Medicare		908	
In Service/Staff Development		477	
Total Fiscal Services			84,137

Operation of Plant

Custodial Personnel	\$	133,509	
Social Security		7,616	
Pensions		8,959	
Employee and Dependent Insurance		293	
Life Insurance		1,147	
Medical Insurance		45,527	
Dental Insurance		3,628	
Employer Medicare		1,781	
Other Contracted Services		1,214,052	
Electricity		1,074,643	
Gasoline		438	
Natural Gas		90,065	
Water and Sewer		149,718	
Building and Contents Insurance		348,064	
Other Charges		7,700	
Total Operation of Plant			3,087,140

Maintenance of Plant

Maintenance and Repair Services - Buildings	\$	996,914	
Total Maintenance of Plant			996,914

Transportation

Supervisor/Director	\$	55,785	
Social Security		3,075	
Pensions		3,743	
Life Insurance		160	
Medical Insurance		10,378	
Dental Insurance		375	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Employer Medicare	\$	719	
Contracts with Parents		1,459	
Contracts with Vehicle Owners		1,748,846	
Maintenance and Repair Services - Equipment		4,270	
Medical and Dental Services		525	
Travel		82	
Other Contracted Services		1,669	
Office Supplies		2,000	
In Service/Staff Development		881	
Other Charges		2,239	
Other Equipment		2,696	
Total Transportation			\$ 1,838,902

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	29,872	
Teachers		307,431	
Educational Assistants		37,629	
Other Salaries and Wages		27,482	
Social Security		24,931	
Pensions		34,455	
Life Insurance		275	
Medical Insurance		7,524	
Dental Insurance		1,242	
Employer Medicare		5,831	
Travel		897	
Other Contracted Services		1,811	
Food Supplies		13,170	
Instructional Supplies and Materials		2,753	
Other Supplies and Materials		30,050	
In Service/Staff Development		1,730	
Other Equipment		1,493	
Total Community Services			528,576

Early Childhood Education

Teachers	\$	375,415	
Educational Assistants		148,763	
Certified Substitute Teachers		1,540	
Non-certified Substitute Teachers		5,280	
Social Security		30,436	
Pensions		42,067	
Employee and Dependent Insurance		5	
Life Insurance		2,631	
Medical Insurance		92,714	
Dental Insurance		5,133	
Employer Medicare		7,124	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Contracts with Other School Systems	\$	80,999	
Instructional Supplies and Materials		1,565	
In Service/Staff Development		611	
Other Charges		75	
Total Early Childhood Education			\$ 794,358

Total General Purpose School Fund \$ 40,630,402

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	443,783	
Educational Assistants		49,066	
Certified Substitute Teachers		4,760	
Non-certified Substitute Teachers		11,250	
Social Security		30,815	
Pensions		48,102	
Life Insurance		1,423	
Medical Insurance		53,620	
Dental Insurance		2,218	
Employer Medicare		7,235	
Instructional Supplies and Materials		18,917	
Regular Instruction Equipment		35,003	
Total Regular Instruction Program			\$ 706,192

Special Education Program

Educational Assistants	\$	399,122	
Social Security		22,136	
Pensions		21,839	
Life Insurance		2,620	
Medical Insurance		129,084	
Dental Insurance		5,779	
Employer Medicare		5,177	
Instructional Supplies and Materials		10,842	
Total Special Education Program			596,599

Career and Technical Education Program

Clerical Personnel	\$	5,000	
Social Security		310	
Pensions		532	
Employer Medicare		72	
Vocational Instruction Equipment		46,058	
Total Career and Technical Education Program			51,972

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Other Salaries and Wages	\$	19,630	
Social Security		1,208	
Pensions		1,317	
Employer Medicare		283	
Travel		2,663	
Other Contracted Services		1,950	
In Service/Staff Development		9,647	
Other Charges		6,684	
Total Other Student Support			\$ 43,382

Regular Instruction Program

Supervisor/Director	\$	70,193	
Secretary(ies)		20,390	
Other Salaries and Wages		144,320	
Social Security		14,098	
Pensions		24,082	
Life Insurance		319	
Medical Insurance		19,793	
Dental Insurance		750	
Employer Medicare		3,297	
Travel		3,709	
Other Contracted Services		20,000	
Other Supplies and Materials		94	
In Service/Staff Development		45,303	
Other Equipment		4,380	
Total Regular Instruction Program			370,728

Special Education Program

Supervisor/Director	\$	67,906	
Secretary(ies)		81,558	
Social Security		9,157	
Pensions		12,691	
Life Insurance		319	
Medical Insurance		15,048	
Dental Insurance		750	
Employer Medicare		2,142	
Contracts with Private Agencies		81,103	
Other Contracted Services		10,000	
Other Supplies and Materials		3,140	
In Service/Staff Development		38,440	
Total Special Education Program			322,254

Career and Technical Education Program

Travel	\$	982	
In Service/Staff Development		2,850	
Total Career and Technical Education Program			3,832

Total School Federal Projects Fund \$ 2,094,959

(Continued)

Exhibit J-8

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

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	719,881	
Social Security		43,036	
Pensions		29,247	
Employee and Dependent Insurance		50	
Life Insurance		4,809	
Medical Insurance		162,008	
Dental Insurance		9,719	
Employer Medicare		10,098	
Dues and Memberships		4,597	
Maintenance Agreements		13,031	
Travel		1,914	
Other Contracted Services		2,557	
Food Supplies		1,119,518	
Office Supplies		1,634	
Other Supplies and Materials		73,178	
Other Charges		1,073	
Food Service Equipment		18,735	
Total Food Service			<u>\$ 2,215,085</u>

Total Central Cafeteria Fund \$ 2,215,085

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Legal Services	\$	435	
Maintenance and Repair Services - Buildings		2,834	
Total Education Capital Projects			<u>\$ 3,269</u>

Total Education Capital Projects Fund 3,269

Total Governmental Funds - Loudon County School Department \$ 44,943,715

Exhibit J-9

Loudon County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes
in Cash Balances - City Agency Funds
For the Year Ended June 30, 2020

	Cities - Sales Tax Fund	City School ADA - Lenoir City Fund	Total
<u>Cash Receipts</u>			
Current Property Taxes	\$ 0	\$ 5,082,608	\$ 5,082,608
Trustee's Collections - Prior Years	0	68,819	68,819
Trustee's Collections - Bankruptcy	0	3,896	3,896
Circuit/Clerk and Master Collections - Prior Years	0	70,797	70,797
Interest and Penalty	0	16,211	16,211
Payments in-Lieu-of-Taxes-Other	0	166,315	166,315
Local Option Sales Tax	5,403,043	2,379,602	7,782,645
Adequate Facilities/Development Tax	0	137,293	137,293
Bank Excise Tax	0	37,008	37,008
Total Cash Receipts	<u>\$ 5,403,043</u>	<u>\$ 7,962,549</u>	<u>\$ 13,365,592</u>
<u>Cash Disbursements</u>			
Remittance of Revenues Collected	\$ 5,349,013	\$ 7,781,097	\$ 13,130,110
Trustee's Commission	54,030	127,655	181,685
Total Cash Disbursements	<u>\$ 5,403,043</u>	<u>\$ 7,908,752</u>	<u>\$ 13,311,795</u>
<u>Excess of Cash Receipts Over (Under)</u>			
Cash Disbursements	\$ 0	\$ 53,797	\$ 53,797
Cash Balance, July 1, 2019	0	204,939	204,939
Cash Balance, June 30, 2020	<u>\$ 0</u>	<u>\$ 258,736</u>	<u>\$ 258,736</u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
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

Loudon County Mayor and
Board of County Commissioners
Loudon 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 Loudon County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Loudon County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 11, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Loudon County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Loudon County's internal control. Accordingly, we do not express an opinion on the effectiveness of Loudon County's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Loudon County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 Loudon County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 11, 2021

JEM/tg



JASON E. MUMPOWER
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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

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

Opinion on Each Major Federal Program

In our opinion, Loudon County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Loudon 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 Loudon 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 Loudon 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 Loudon County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Loudon County's basic financial statements. We issued our report thereon dated February 11, 2021, 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,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 11, 2021

JEM/tg

Loudon County, Tennessee, and the Loudon County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (7)
For the Year-Ended June 30, 2020

Federal/Pass-Through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Program:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities Letter of Credit)	10.555	N/A	\$ 174,671 (5)
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	266,481 (5)
COVID 19 - School Breakfast Program	10.553	N/A	165,174 (5)
National School Lunch Program	10.555	N/A	867,495 (5)
COVID 19 - National School Lunch Program	10.555	N/A	267,249 (5)
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	12,000
Passed-through East Tennessee Human Resource Agency, Inc.:			
Child and Adult Care Food Program	10.558	N/A	95,116
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	5,009
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-20-63654	87,472
Total U.S. Department of Agriculture			<u>\$ 1,940,667</u>
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	DGA 62024	\$ 1,500
Total U.S. Department of Justice			<u>\$ 1,500</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
COVID 19 - Unemployment Insurance	17.225	N/A	\$ 23,886
Total U.S. Department of Labor			<u>\$ 23,886</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)	\$ 109,031
Passed-through Governor's Highway Safety Office:			
Alcohol Open Container Requirements	20.607	Z-19-THS168	1,424
Total U.S. Department of Transportation			<u>\$ 110,455</u>
U.S. Institute of Museum and Library Services:			
Passed-through State Library and Archives:			
Grants to States	45.310	(3)	\$ 1,327
Total U.S. Institute of Museum and Library Services			<u>\$ 1,327</u>
U.S. Department of Energy:			
Passed-through State Department of Military:			
Environmental Monitoring/Cleanup, Cultural and Resource Management, Emergency Response Research, Outreach, Technical Analysis			
	81.214	(3)	\$ 16,000
Total U.S. Department of Energy			<u>\$ 16,000</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 925,893
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	946,385
Special Education - Preschool Grants	84.173	N/A	17,469
Career and Technical Education - Basic Grants to States	84.048	N/A	75,064
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	156,074
Twenty-first Century Community Learning Centers	84.287	N/A	185,410
English Language Acquisition Grants	84.365	N/A	13,124
Improving Teacher Quality State Grants	84.367	N/A	166,461
Student Support and Academic Enrichment Program	84.424	N/A	563
Total U.S. Department of Education			<u>\$ 2,486,443</u>

(Continued)

Loudon County, Tennessee, and the Loudon County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
COVID 19 - 2020 Supplemental Election Security Grants (Noncash Assistance)	90.404	(3)	\$ 28,000 (5)
2020 HAVA Election Security Grants	90.404	(3)	173,112 (5)
Total U.S. Election Assistance Commission			\$ 201,112
U.S. Department of Health and Human Services:			
Passed-through East Tennessee Human Resource Agency, Inc.:			
Aging Cluster: (4)			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	(3)	\$ 45,234
Passed-through State Department of Health:			
Family Planning - Services	93.217	GG-20-63654	15,328
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-20-63654	21,491
Maternal and Child Health Services Block Grant to the States	93.994	GG-20-63654	18,589
Total U.S. Department of Health and Human Services			\$ 100,642
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(3)	\$ 39,500
Total U.S. Department of Homeland Security			\$ 39,500
Total Expenditures of Federal Grants			\$ 4,921,532
		Contract Number	
<u>State Grants</u>			
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Aging Program - State Office on Aging	N/A	(3)	13,528
Litter Program - State Department of Transportation	N/A	(3)	56,492
Health Department Program - State Department of Health	N/A	GG-20-63654	178,694
Law Enforcement Training - State Department of Safety	N/A	(3)	36,800
Used Oil Grant - State Department of Environment and Conservation	N/A	(3)	6,720
Waste Tire Grant - State Department of Environment and Conservation	N/A	(3)	31,049
Tennessee Industrial Infrastructure Program - State Department of Transportation	N/A	(3)	4,567
Healthy Built Environment - State Secretary of State	N/A	(3)	20,000
Help America Vote Act Grant - State Secretary of State	N/A	(3)	8,652
Early Childhood Education - State Department of Education	N/A	(3)	729,250
Coordinated School Health Program - State Department of Education	N/A	(3)	157,820
Family Resource Centers - State Department of Education	N/A	(3)	30,212
Safe Schools Act - State Department of Education	N/A	(3)	82,832
Middle School CTE Start-Up Grant - State Department of Education	N/A	(3)	6,581
Middle School STEM Start-Up Grant - State Department of Education	N/A	(3)	4,991
Lottery for Education and Afterschool Program - State Department of Education	N/A	(3)	277,706
Family Engagement - State Department of Education	N/A	(3)	10,000
Total State Grants			\$ 1,664,894

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) Loudon 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 \$1,746,079; Highway Planning and Construction Cluster total \$109,031;
Special Education Cluster total \$963,854; Aging Cluster total \$45,234; Medicaid Cluster total \$21,491.

(5) CFDA Totals: CFDA No. 10.555, \$1,309,415; CFDA No. 10.553, \$431,655; CFDA No. 90.404, \$201,112.

(6) For the year ended June 30, 2020, Loudon County received donated PPE valued at \$15,071 (\$11,303 federal and \$3,768 state)
from the Tennessee Department of Military. These donations were unaudited.

(7) No amounts (\$0) were passed-through to subrecipients.

Loudon County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2020

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Loudon County, Tennessee, for the year ended June 30, 2020.

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

LOUDON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2020

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Loudon County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Number: 84.010 Title 1 Grants to Local Educational Agencies
 - * CFDA Numbers: 84.027 and 84.173 Special Education Cluster:
Special Education - Grants to States and
Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings relating to the financial statements of Loudon County, Tennessee, as a result of our examination for the year ended June 30, 2020.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2020.

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

The audit of Loudon County did not report any findings and recommendations. Therefore, no management responses are 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).