

**ANNUAL FINANCIAL REPORT**  
**GIBSON COUNTY, TENNESSEE**

**FOR THE YEAR ENDED JUNE 30, 2018**



**DIVISION OF LOCAL GOVERNMENT AUDIT**



**ANNUAL FINANCIAL REPORT  
GIBSON COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2018**

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

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

***LEE ANN WEST, CPA, CGFM  
Audit Manager***

***LAUREN LEWIS  
MEGAN RANEY  
ELISHA CROWELL, CISA, CFE  
State Auditors***

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

---



---

## GIBSON COUNTY, TENNESSEE TABLE OF CONTENTS

---



---

	Exhibit	Page(s)
Summary of Audit Findings		5
<u>INTRODUCTORY SECTION</u>		6
Gibson County Officials		7
<u>FINANCIAL SECTION</u>		8
Independent Auditor's Report		9-12
BASIC FINANCIAL STATEMENTS:		13
Government-wide Financial Statements:		
Statement of Net Position	A	14-15
Statement of Activities	B	16-17
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	18-19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	20
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	21-22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	23
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
General Fund	C-5	24-25
Highway/Public Works Fund	C-6	26
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	D	27
Index and Notes to the Financial Statements		28-67
REQUIRED SUPPLEMENTARY INFORMATION:		68
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Employees	E-1	69
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Board of Education	E-2	70
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Employees	E-3	71
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Board of Education	E-4	72
Notes to the Required Supplementary Information		73-74

	Exhibit	Page(s)
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		75
Nonmajor Governmental Funds:		76
Combining Balance Sheet	F-1	77-78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	79-82
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
Solid Waste/Sanitation Fund	F-3	83
Drug Control Fund	F-4	84
Major Governmental Fund:		85
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	G	86
Fiduciary Funds:		87
Combining Statement of Fiduciary Assets and Liabilities	H-1	88
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	H-2	89-90
Miscellaneous Schedules:		91
Schedule of Changes in Long-term Note and Bonds	I-1	92
Schedule of Long-term Debt Requirements by Year	I-2	93
Schedule of Transfers	I-3	94
Schedule of Salaries and Official Bonds of Principal Officials	I-4	95
Schedule of Detailed Revenues – All Governmental Fund Types	I-5	96-109
Schedule of Detailed Expenditures – All Governmental Fund Types	I-6	110-132
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balances – City Agency Funds	I-7	133
 <u>SINGLE AUDIT SECTION</u>		 134
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		135-136
Auditor's 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 Uniform Guidance		137-139
Schedule of Expenditures of Federal Awards and State Grants		140
Summary Schedule of Prior-year Findings		141
Schedule of Findings and Questioned Costs		142-144
Management's Corrective Action Plan		145
Best Practice		146

## ***Summary of Audit Findings***

Annual Financial Report  
Gibson County, Tennessee  
For the Year Ended June 30, 2018

### ***Scope***

We have audited the basic financial statements of Gibson County as of and for the year ended June 30, 2018.

### ***Results***

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

Our audit resulted in no findings.

---

---

# INTRODUCTORY SECTION

---

---

Gibson County Officials  
June 30, 2018

---

**Officials**

Tom Witherspoon, County Mayor  
Carl Stoppenhagen, Road Supervisor  
Dana Davidson, Trustee  
Gary Paschall, Assessor of Property  
Joyce Brown, County Clerk  
Cynthia Flowers, Circuit and General Sessions Courts Clerk  
Shonna Smith, Clerk and Master - Trenton  
Amanda Brown, Clerk and Master - Humboldt  
Barbara Davidson, Register of Deeds  
Paul Thomas, Sheriff

**Board of County Commissioners**

Tom Witherspoon, County Mayor, Chairman	Rickey Locke
Lenford Carr	Michael Longmire
Cody Childress	Don McEwen
Bobby Cotham	Kevin Morgan
Nelson Cunningham	Sandra Moss
Eric Egbert	Lynn Nance
Mark Flake	Tony Pillow
Stephen Hughes	Marvin Sikes
Larry Kimery	Keith Steele
Travis Landrum	Robin Summers
Todd Lawson	Jason Tubbs
Nathan Lewis	Dennis Wall
Todd Littleton	

**Highway Commission**

Tom Witherspoon, County Mayor, Chairman  
Lee Asbridge  
Gerald Davis  
Roger Hanks  
Faye Hudson  
Mark McGill

**Audit Committee**

Bill Joyner - Chairman  
Ashley Comstock  
Michael Longmire

---

---

# FINANCIAL SECTION

---

---





JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Chief of Staff*

## Independent Auditor's Report

Gibson County Mayor and  
Board of County Commissioners  
Gibson 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 Gibson County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Gibson County Emergency Communications District, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gibson County Emergency Communications District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gibson County, Tennessee, as of June 30, 2018, and the respective changes in financial position and the respective budgetary comparisons 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 schedules of changes in the county's net pension liability (asset) and related ratios and schedules of county contributions on pages 69-74 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 Gibson County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, miscellaneous schedules, and the other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

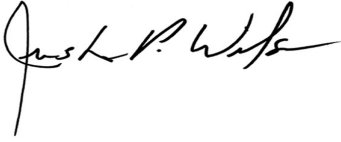
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, schedule of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, schedule 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 September 6, 2018, on our consideration of Gibson 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 Gibson 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 Gibson County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping underline.

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2018

JPW/kp

---

---

# BASIC FINANCIAL STATEMENTS

---

---

Exhibit A

Gibson County, Tennessee  
Statement of Net Position  
June 30, 2018

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Emergency Communications District</u>
<u>ASSETS</u>		
Cash	\$ 3,297	\$ 968,590
Equity in Pooled Cash and Investments	13,926,602	0
Accounts Receivable	3,344,449	11,564
Allowance for Uncollectibles	(1,907,153)	0
Due from Other Governments	1,823,015	0
Property Taxes Receivable	8,412,303	0
Allowance for Uncollectible Property Taxes	(179,523)	0
Prepaid Items	0	11,136
Accrued Interest Receivable	0	890
Cash Shortage	76,177	0
Net Pension Asset - Gibson County Employees Agent Plan	723,574	0
Net Pension Asset - Gibson County Board of Education Agent Plan	178,250	0
Net Pension Asset - Emergency Communications District Plan	0	215,199
Capital Assets:		
Assets Not Depreciated:		
Land	5,313,966	66,400
Construction in Progress	7,150	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	12,825,263	310,756
Infrastructure	15,059,418	0
Other Capital Assets	4,531,022	163,068
Total Assets	<u>\$ 64,137,810</u>	<u>\$ 1,747,603</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 227,033	\$ 0
Pension Changes in Experience	374,130	9,427
Pension Other Deferrals	572,510	27,731
Pension Contributions After Measurement Date	777,892	32,860
Total Deferred Outflows of Resources	<u>\$ 1,951,565</u>	<u>\$ 70,018</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 44,826	\$ 6,731
Payroll Deductions Payable	88,394	0
Contracts Payable	894,539	0
Accrued Leave	0	13,133
Accrued Interest Payable	26,900	0
Unearned Revenue	0	219,333
Noncurrent Liabilities:		
Due Within One Year	1,184,565	0
Due in More Than One Year	13,444,060	0
Total Liabilities	<u>\$ 15,683,284</u>	<u>\$ 239,197</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 7,961,561	\$ 0
Pension Changes in Experience	777,699	105,772
Pension Changes on Investment Earnings	9,311	1,058
Total Deferred Inflows of Resources	<u>\$ 8,748,571</u>	<u>\$ 106,830</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Emergency Communications District</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 23,141,731	\$ 540,224
Restricted for:		
General Government	76,661	0
Finance	51,279	0
Administration of Justice	22,881	0
Public Safety	63,242	0
Public Health and Welfare	19,271	0
Social, Cultural, and Recreational Services	10,000	0
Highways/Public Works	208,877	0
Debt Service	228,557	0
Pensions	901,824	215,199
Unrestricted	<u>16,933,197</u>	<u>716,171</u>
Total Net Position	<u>\$ 41,657,520</u>	<u>\$ 1,471,594</u>

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

Exhibit B

Gibson County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2018

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 Emergency Communications District
Primary Government:						
Governmental Activities:						
General Government	\$ 1,981,531	\$ 512,390	\$ 168,871	\$ 495,707	\$ (804,563)	\$ 0
Finance	1,432,380	1,159,730	0	0	(272,650)	0
Administration of Justice	1,884,788	856,282	39,640	57,528	(931,338)	0
Public Safety	6,888,962	2,209,999	31,499	211,722	(4,435,742)	0
Public Health and Welfare	4,092,711	3,218,806	346,143	4,896	(522,866)	0
Social, Cultural, and Recreational Services	501,542	72,821	155,277	1,128	(272,316)	0
Agriculture and Natural Resources	315,491	0	0	0	(315,491)	0
Highways	5,598,162	73,941	2,643,476	1,207,408	(1,673,337)	0
Interest on Long-term Debt	304,283	0	7,040	0	(297,243)	0
<b>Total Primary Government</b>	<b>\$ 22,999,850</b>	<b>\$ 8,103,969</b>	<b>\$ 3,391,946</b>	<b>\$ 1,978,389</b>	<b>\$ (9,525,546)</b>	<b>\$ 0</b>
Component Unit:						
Emergency Communications District	\$ 931,912	\$ 939,410	\$ 6,660	\$ 0	\$ 0	\$ 14,158
<b>Total Component Unit</b>	<b>\$ 931,912</b>	<b>\$ 939,410</b>	<b>\$ 6,660</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 14,158</b>

(Continued)



Exhibit B

Gibson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Emergency Communications District
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 6,940,063	\$ 0
Property Taxes Levied for Debt Service					830,726	0
Local Option Sales Taxes					468,451	0
Wheel Tax					2,129,574	0
Litigation Tax					153,280	0
Business Tax					430,672	0
Other Local Taxes					134,644	0
Grants and Contributions Not Restricted for Specific Programs					1,416,443	0
Unrestricted Investment Income					178,164	3,610
Miscellaneous					12,197	14,036
Total General Revenues					<u>\$ 12,694,214</u>	<u>\$ 17,646</u>
Change in Net Position					\$ 3,168,668	\$ 31,804
Net Position, July 1, 2017					<u>38,488,852</u>	<u>1,439,790</u>
Net Position, June 30, 2018					<u>\$ 41,657,520</u>	<u>\$ 1,471,594</u>

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

Exhibit C-1

Gibson County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2018

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Funds Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 3,297	\$ 3,297
Equity in Pooled Cash and Investments	9,140,624	2,307,790	1,712,085	766,103	13,926,602
Accounts Receivable	3,341,643	2,806	0	0	3,344,449
Allowance for Uncollectibles	(1,907,153)	0	0	0	(1,907,153)
Due from Other Governments	360,668	1,435,637	0	26,710	1,823,015
Due from Other Funds	3,297	0	0	1,000	4,297
Property Taxes Receivable	7,365,129	0	1,047,174	0	8,412,303
Allowance for Uncollectible Property Taxes	(158,514)	0	(21,009)	0	(179,523)
Cash Shortage	75,177	0	0	1,000	76,177
Total Assets	<u>\$ 18,220,871</u>	<u>\$ 3,746,233</u>	<u>\$ 2,738,250</u>	<u>\$ 798,110</u>	<u>\$ 25,503,464</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 44,826	\$ 0	\$ 0	\$ 0	\$ 44,826
Payroll Deductions Payable	88,394	0	0	0	88,394
Contracts Payable	0	894,539	0	0	894,539
Due to Other Funds	1,000	0	0	3,297	4,297
Total Liabilities	<u>\$ 134,220</u>	<u>\$ 894,539</u>	<u>\$ 0</u>	<u>\$ 3,297</u>	<u>\$ 1,032,056</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 6,964,803	\$ 0	\$ 996,758	\$ 0	\$ 7,961,561
Deferred Delinquent Property Taxes	223,374	0	28,424	0	251,798
Other Deferred/Unavailable Revenue	1,278,395	242,414	0	0	1,520,809
Total Deferred Inflows of Resources	<u>\$ 8,466,572</u>	<u>\$ 242,414</u>	<u>\$ 1,025,182</u>	<u>\$ 0</u>	<u>\$ 9,734,168</u>

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 76,661	\$ 0	\$ 0	\$ 0	\$ 76,661
Restricted for Finance	51,279	0	0	0	51,279
Restricted for Administration of Justice	22,881	0	0	0	22,881
Restricted for Public Safety	25,721	0	0	37,521	63,242
Restricted for Public Health and Welfare	13,476	0	0	5,795	19,271
Restricted for Social, Cultural, and Recreational Services	0	0	0	10,000	10,000
Committed:					
Committed for General Government	304,000	0	0	0	304,000
Committed for Public Health and Welfare	0	0	0	107,581	107,581
Committed for Other Operations	173	0	0	0	173
Committed for Highways/Public Works	0	2,609,280	0	0	2,609,280
Committed for Debt Service	0	0	1,713,068	0	1,713,068
Committed for Capital Projects	0	0	0	633,916	633,916
Unassigned	9,125,888	0	0	0	9,125,888
Total Fund Balances	<u>\$ 9,620,079</u>	<u>\$ 2,609,280</u>	<u>\$ 1,713,068</u>	<u>\$ 794,813</u>	<u>\$ 14,737,240</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,220,871</u>	<u>\$ 3,746,233</u>	<u>\$ 2,738,250</u>	<u>\$ 798,110</u>	<u>\$ 25,503,464</u>

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

Exhibit C-2

Gibson County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
June 30, 2018

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)		\$ 14,737,240	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 5,313,966		
Add: construction in progress	7,150		
Add: buildings and improvements net of accumulated depreciation	12,825,263		
Add: infrastructure net of accumulated depreciation	15,059,418		
Add: other capital assets net of accumulated depreciation	<u>4,531,022</u>	37,736,819	
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: note payable	\$ (47,887)		
Less: bonds payable	(14,470,000)		
Add: deferred amount on refunding	227,033		
Less: compensated absences payable	(33,537)		
Less: accrued interest on note and bonds	(26,900)		
Less: other deferred revenue - premium on debt	<u>(77,201)</u>	(14,428,492)	
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:			
Add: deferred outflows of resources related to pensions	\$ 1,724,532		
Less: deferred inflows of resources related to pensions	<u>(787,010)</u>	937,522	
(4) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - Gibson County Employees Agent Plan	\$ 723,574		
Add: net pension asset - Gibson County Board of Education Agent Plan	<u>178,250</u>	901,824	
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			
		<u>1,772,607</u>	
Net position of governmental activities (Exhibit A)		<u>\$ 41,657,520</u>	

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

Exhibit C-3

Gibson County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2018

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Funds Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 7,796,483	\$ 2,647,985	\$ 910,373	\$ 0	\$ 11,354,841
Licenses and Permits	124,435	0	0	0	124,435
Fines, Forfeitures, and Penalties	296,858	0	0	42,016	338,874
Charges for Current Services	2,898,013	2,243	0	65,480	2,965,736
Other Local Revenues	431,951	71,921	178,164	14,153	696,189
Fees Received From County Officials	1,907,685	0	0	0	1,907,685
State of Tennessee	3,443,908	3,852,904	48,981	70,575	7,416,368
Federal Government	230,617	0	0	450,590	681,207
Other Governments and Citizens Groups	207,387	0	0	52,051	259,438
<b>Total Revenues</b>	<b>\$ 17,337,337</b>	<b>\$ 6,575,053</b>	<b>\$ 1,137,518</b>	<b>\$ 694,865</b>	<b>\$ 25,744,773</b>
<u>Expenditures</u>					
Current:					
General Government	\$ 1,201,786	\$ 0	\$ 0	\$ 0	\$ 1,201,786
Finance	1,473,433	0	0	0	1,473,433
Administration of Justice	1,852,590	0	0	64,955	1,917,545
Public Safety	6,191,110	0	0	194,228	6,385,338
Public Health and Welfare	3,803,668	0	0	336,000	4,139,668
Social, Cultural, and Recreational Services	477,929	0	0	0	477,929
Agriculture and Natural Resources	293,170	0	0	0	293,170
Other Operations	821,020	0	0	530,831	1,351,851
Highways	0	5,987,162	0	0	5,987,162
Debt Service:					
Principal on Debt	0	0	1,192,095	0	1,192,095
Interest on Debt	0	0	299,809	0	299,809
Other Debt Service	0	0	135,024	0	135,024

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Funds Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 96,985	\$ 96,985
Total Expenditures	\$ 16,114,706	\$ 5,987,162	\$ 1,626,928	\$ 1,222,999	\$ 24,951,795
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,222,631	\$ 587,891	\$ (489,410)	\$ (528,134)	\$ 792,978
<u>Other Financing Sources (Uses)</u>					
Refunding Debt Issued	\$ 0	\$ 0	\$ 4,290,000	\$ 0	\$ 4,290,000
Premiums on Debt Sold	0	0	11,217	0	11,217
Proceeds from Sale of Capital Assets	0	0	0	500	500
Insurance Recovery	11,758	10,330	0	127,445	149,533
Transfers In	0	0	0	365,500	365,500
Transfers Out	(365,500)	0	0	0	(365,500)
Payments to Refunded Debt Escrow Agent	0	0	(4,188,279)	0	(4,188,279)
Total Other Financing Sources (Uses)	\$ (353,742)	\$ 10,330	\$ 112,938	\$ 493,445	\$ 262,971
Net Change in Fund Balances	\$ 868,889	\$ 598,221	\$ (376,472)	\$ (34,689)	\$ 1,055,949
Fund Balance, July 1, 2017	8,751,190	2,011,059	2,089,540	829,502	13,681,291
Fund Balance, June 30, 2018	\$ 9,620,079	\$ 2,609,280	\$ 1,713,068	\$ 794,813	\$ 14,737,240

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

Exhibit C-4

Gibson 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, 2018

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 1,055,949
(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	\$ 2,735,206	
Less: current-year depreciation expense	<u>(2,760,571)</u>	(25,365)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 109,944	
Less: book value of capital assets disposed	<u>(33,201)</u>	76,743
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2018	\$ 1,772,607	
Less: deferred delinquent property taxes and other deferred June 30, 2017	<u>(1,432,645)</u>	339,962
(4) The issuance of long-term debt (e.g., notes and 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 net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on note	\$ 47,095	
Add: principal payments on bonds	1,145,000	
Less: refunding bond proceeds	(4,290,000)	
Less: change in premium on debt issuances	(4,177)	
Add: change in deferred amount on refunding debt	227,033	
Add: refunded bond principal	<u>3,950,000</u>	1,074,951
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension asset - Gibson County Employees Agent Plan	\$ 1,092,176	
Change in net pension asset - Gibson County Board of Education Agent Plan	73,521	
Change in deferred outflows related to pensions	(401,346)	
Change in deferred inflows related to pensions	(120,857)	
Change in accrued interest payable	6,772	
Change in compensated absences payable	<u>(3,838)</u>	646,428
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,168,668</u>

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

Exhibit C-5

Gibson County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Fund  
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 7,796,483	\$ 7,565,763	\$ 7,565,763	\$ 230,720
Licenses and Permits	124,435	113,300	113,300	11,135
Fines, Forfeitures, and Penalties	296,858	359,300	360,153	(63,295)
Charges for Current Services	2,898,013	2,939,150	3,032,083	(134,070)
Other Local Revenues	431,951	404,650	416,655	15,296
Fees Received From County Officials	1,907,685	1,772,000	1,772,000	135,685
State of Tennessee	3,443,908	3,965,322	4,012,464	(568,556)
Federal Government	230,617	248,999	332,448	(101,831)
Other Governments and Citizens Groups	207,387	185,000	214,369	(6,982)
Total Revenues	\$ 17,337,337	\$ 17,553,484	\$ 17,819,235	\$ (481,898)
<b>Expenditures</b>				
<u>General Government</u>				
County Commission	\$ 47,886	\$ 60,292	\$ 60,292	\$ 12,406
Board of Equalization	2,500	2,691	2,691	191
County Mayor/Executive	218,795	232,101	232,101	13,306
County Attorney	22,160	35,100	35,100	12,940
Election Commission	198,967	220,529	221,977	23,010
Register of Deeds	235,128	251,206	251,206	16,078
Development	81,364	82,392	82,392	1,028
County Buildings	388,456	493,367	446,167	57,711
Preservation of Records	6,530	7,811	7,811	1,281
<u>Finance</u>				
Accounting and Budgeting	95,372	98,873	98,873	3,501
Property Assessor's Office	353,554	384,827	384,827	31,273
Reappraisal Program	52,340	61,032	61,032	8,692
County Trustee's Office	302,098	313,247	314,324	12,226
County Clerk's Office	670,069	740,815	740,815	70,746
<u>Administration of Justice</u>				
Circuit Court	457,095	471,369	488,369	31,274
General Sessions Court	245,815	244,076	246,319	504
Drug Court	45,889	59,538	59,538	13,649
Chancery Court	328,402	330,033	341,033	12,631
Juvenile Court	337,158	363,282	384,672	47,514
Other Administration of Justice	402,828	430,511	430,511	27,683
Victim Assistance Programs	35,403	50,000	50,000	14,597
<u>Public Safety</u>				
Sheriff's Department	2,587,941	2,694,608	2,696,314	108,373
Jail	2,967,409	2,977,812	3,066,095	98,686
Fire Prevention and Control	253,416	275,736	283,778	30,362
Rural Fire Protection	0	34,060	34,060	34,060
Civil Defense	173,799	202,829	202,829	29,030
Other Emergency Management	10,770	0	10,770	0
County Coroner/Medical Examiner	46,035	46,000	46,000	(35)
Public Safety Grants Program	151,740	129,676	187,126	35,386
<u>Public Health and Welfare</u>				
Local Health Center	117,408	119,788	119,788	2,380
Rabies and Animal Control	69,993	75,567	81,167	11,174

(Continued)



Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Health and Welfare (Cont.)</u>				
Ambulance/Emergency Medical Services	\$ 3,067,174	\$ 3,354,280	\$ 3,425,029	\$ 357,855
Alcohol and Drug Programs	39,640	50,000	50,000	10,360
Other Local Health Services	15,714	0	24,208	8,494
Sanitation Education/Information	58,543	67,620	67,620	9,077
Other Public Health and Welfare	435,196	510,499	535,700	100,504
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	265,804	321,173	321,173	55,369
Libraries	185,947	197,932	199,059	13,112
Parks and Fair Boards	22,452	22,461	22,461	9
Other Social, Cultural, and Recreational	3,726	8,000	8,000	4,274
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	134,574	136,888	136,888	2,314
Soil Conservation	98,971	110,107	110,107	11,136
Flood Control	59,625	55,000	59,625	0
<u>Other Operations</u>				
Tourism	3,856	4,775	4,775	919
Industrial Development	110,039	125,000	154,369	44,330
Other Economic and Community Development	1,000	0	1,000	0
Airport	196,311	169,165	218,767	22,456
Veterans' Services	43,437	56,303	56,303	12,866
Other Charges	210,514	256,106	242,082	31,568
Contributions to Other Agencies	130,857	137,500	137,500	6,643
Employee Benefits	125,006	110,235	238,110	113,104
Total Expenditures	\$ 16,114,706	\$ 17,182,212	\$ 17,680,753	\$ 1,566,047
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,222,631	\$ 371,272	\$ 138,482	\$ 1,084,149
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 11,758	\$ 0	\$ 11,354	\$ 404
Transfers Out	(365,500)	(365,500)	(365,500)	0
Total Other Financing Sources	\$ (353,742)	\$ (365,500)	\$ (354,146)	\$ 404
Net Change in Fund Balance	\$ 868,889	\$ 5,772	\$ (215,664)	\$ 1,084,553
Fund Balance, July 1, 2017	8,751,190	7,621,019	7,621,019	1,130,171
Fund Balance, June 30, 2018	\$ 9,620,079	\$ 7,626,791	\$ 7,405,355	\$ 2,214,724

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

Exhibit C-6

Gibson County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,647,985	\$ 2,226,000	\$ 2,226,000	\$ 421,985
Charges for Current Services	2,243	3,000	3,000	(757)
Other Local Revenues	71,921	25,500	25,500	46,421
State of Tennessee	3,852,904	3,336,000	3,716,000	136,904
Total Revenues	<u>\$ 6,575,053</u>	<u>\$ 5,590,500</u>	<u>\$ 5,970,500</u>	<u>\$ 604,553</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 198,958	\$ 206,289	\$ 206,289	\$ 7,331
Highway and Bridge Maintenance	2,302,289	2,551,500	2,651,500	349,211
Operation and Maintenance of Equipment	592,994	773,000	773,000	180,006
Other Charges	131,193	210,500	210,500	79,307
Employee Benefits	379,539	447,000	447,000	67,461
Capital Outlay	2,382,189	1,901,000	2,506,000	123,811
Total Expenditures	<u>\$ 5,987,162</u>	<u>\$ 6,089,289</u>	<u>\$ 6,794,289</u>	<u>\$ 807,127</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 587,891</u>	<u>\$ (498,789)</u>	<u>\$ (823,789)</u>	<u>\$ 1,411,680</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 10,330	\$ 0	\$ 0	\$ 10,330
Total Other Financing Sources	<u>\$ 10,330</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,330</u>
Net Change in Fund Balance	\$ 598,221	\$ (498,789)	\$ (823,789)	\$ 1,422,010
Fund Balance, July 1, 2017	<u>2,011,059</u>	<u>2,464,073</u>	<u>2,464,073</u>	<u>(453,014)</u>
Fund Balance, June 30, 2018	<u>\$ 2,609,280</u>	<u>\$ 1,965,284</u>	<u>\$ 1,640,284</u>	<u>\$ 968,996</u>

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

Exhibit D

Gibson County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2018

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,075,784
Equity in Pooled Cash and Investments	84,649
Due from Other Governments	2,045,432
Property Taxes Receivable	14,154,809
Allowance for Uncollectible Property Taxes	<u>(309,083)</u>
Total Assets	<u>\$ 18,051,591</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 15,903,730
Due to Litigants, Heirs, and Others	<u>2,147,861</u>
Total Liabilities	<u>\$ 18,051,591</u>

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

---



---

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

---



---

Note	Page(s)
<b>I. Summary of Significant Accounting Policies</b>	
A. Reporting Entity	29
B. Government-wide and Fund Financial Statements	30
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	30
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	32
2. Receivables and Payables	33
3. Capital Assets	34
4. Deferred Outflows/Inflows of Resources	34
5. Compensated Absences	35
6. Long-term Obligations	35
7. Net Position and Fund Balance	36
E. Pension Plan	37
<b>II. Reconciliation of Government-wide and Fund Financial Statements</b>	
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position	38
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	38
<b>III. Stewardship, Compliance, and Accountability</b>	
A. Budgetary Information	38
B. Cash Shortage - Prior Year	39
<b>IV. Detailed Notes on All Funds</b>	
A. Deposits and Investments	39
B. Capital Assets	40
C. Interfund Receivables, Payables, and Transfers	41
D. Long-term Obligations	42
<b>V. Other Information</b>	
A. Risk Management	45
B. Accounting Changes	46
C. Contingent Liabilities	47
D. Joint Venture	47
E. Jointly Governed Organizations	48
F. Retirement Commitments	48
G. Purchasing Laws	55
H. Subsequent Event	56
<b>VI. Other Notes – Discretely Presented Gibson County Emergency Communications District</b>	56

**GIBSON COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2018**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Gibson 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 Gibson County:

**A. Reporting Entity**

Gibson County is a public municipal corporation governed by an elected 25-member board. As required by GAAP, these financial statements present Gibson County (the primary government) and its component unit. The component unit discussed below is included in the county's reporting entity because of the significance of its operational or financial relationship with the county.

**Discretely Presented Component Unit** – The following entity meets the criteria for a discretely presented component unit of the county. It is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the county.

The Gibson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Gibson County, and the Gibson 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 Gibson County Emergency Communications District issues separate financial statements from those of the county and is published as a separate report. Complete financial statements of the Gibson County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Gibson County Emergency  
Communications District  
P.O. Box 146  
Dyer, TN 38330

**Related Organization** – The Industrial Development Board of Gibson County is a related organization of Gibson County. The mayors of Gibson

County and the cities of Bradford, Dyer, Gibson, Humboldt, Kenton, Medina, Milan, Rutherford, Trenton, and Yorkville designate one person to serve on the 11-member board. The Gibson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. 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 Gibson County does not have any business-type activities to report. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary 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 Gibson 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. Funds are organized into three major categories: governmental, proprietary, and fiduciary. However, Gibson County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. Fiduciary funds in total are reported in a single column.

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

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

Fiduciary 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.

Gibson County reports the following major governmental funds:

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

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

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

Additionally, Gibson County reports the following fund types:

**Capital Projects Funds** – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**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 Gibson County, special school districts’ share of educational revenues, and restricted revenues held for the benefit of the Office of District Attorney General. 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.

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

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

**1. Deposits and Investments**

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer’s Investment Pool; 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 Gibson 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. Most income from these pooled investments is assigned to the General Debt Service Fund. Gibson County has 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. 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. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.14 percent of total taxes levied.

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

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

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the

following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

**3. 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 \$15,000 or more and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of Gibson County are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and Improvements	50
Other Capital Assets	5 - 10
Infrastructure:	
Roads	20
Bridges	15 - 30

**4. 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 the deferred charge on refunding, pension changes in experience, pension changes in proportionate share of contributions, as

well as employer contributions made to the pension plan after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) 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 and investment earnings, and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**5. Compensated Absences**

It is the general policy of Gibson County, with the exception of the Highway Department, not to allow an employee's unused vacation benefits to be carried over from year to year without the written permission of the employee's supervisor or department head.

It is the county Highway Department's policy to permit full-time employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from service. Vacation benefits for the Highway Department are accrued when incurred in the government-wide financial statements for the county.

A liability for vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**6. Long-term Obligations**

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

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

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

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

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

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

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 shall remain binding unless removed in the same manner.

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

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

**E. Pension Plan**

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 Gibson County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Gibson 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.

## 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**

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.

### 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**

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.

## 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, and the capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

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

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

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

**B. Cash Shortage – Prior Year**

On December 1, 2015, an investigative report by the Comptroller’s Division of Investigations, Financial and Compliance Investigations Unit revealed that for the period July 1, 2013, through October 16, 2014, the Sheriff’s Department had a cash shortage of at least \$109,429 as a result of numerous irregularities. On November 30, 2015, the Gibson County Grand Jury returned indictments on former Sheriff Chuck Arnold and several of his former employees on numerous charges including official misconduct, theft, and forgery. Three employees subsequently pled guilty to various charges and have been ordered to pay restitution totaling \$6,589. On October 21, 2016, the former sheriff and several former employees were ordered to pay restitution totaling \$62,395. County officials continue to pursue collection of the remaining shortage. As of June 30, 2018, the cash shortage outstanding totaled \$76,177, which included the General (\$75,177) and Drug Control (\$1,000) funds.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

**Deposits**

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

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount

of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

### **Investments**

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

The county had no pooled and nonpooled investments as of June 30, 2018.

### **B. Capital Assets**

Capital assets activity for the year ended June 30, 2018, was as follows:



**Governmental Activities:**

	Balance 7-1-17	Increases	Decreases	Balance 6-30-18
Capital Assets Not Depreciated:				
Land	\$ 5,313,966	\$ 0	\$ 0	\$ 5,313,966
Construction in Progress	159,307	7,150	(159,307)	7,150
Total Capital Assets Not Depreciated	<u>\$ 5,473,273</u>	<u>\$ 7,150</u>	<u>\$ (159,307)</u>	<u>\$ 5,321,116</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 17,102,176	\$ 89,000	\$ 0	\$ 17,191,176
Roads and Bridges	36,104,676	1,997,146	0	38,101,822
Other Capital Assets	13,305,865	911,161	(241,830)	13,975,196
Total Capital Assets Depreciated	<u>\$ 66,512,717</u>	<u>\$ 2,997,307</u>	<u>\$ (241,830)</u>	<u>\$ 69,268,194</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 4,021,789	\$ 344,124	\$ 0	\$ 4,365,913
Roads and Bridges	21,798,160	1,244,244	0	23,042,404
Other Capital Assets	8,480,600	1,172,203	(208,629)	9,444,174
Total Accumulated Depreciation	<u>\$ 34,300,549</u>	<u>\$ 2,760,571</u>	<u>\$ (208,629)</u>	<u>\$ 36,852,491</u>
Total Capital Assets Depreciated, Net	<u>\$ 32,212,168</u>	<u>\$ 236,736</u>	<u>\$ (33,201)</u>	<u>\$ 32,415,703</u>
Governmental Activities Capital Assets, Net	<u>\$ 37,685,441</u>	<u>\$ 243,886</u>	<u>\$ (192,508)</u>	<u>\$ 37,736,819</u>

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

**Governmental Activities:**

General Government	\$ 248,144
Finance	1,448
Administration of Justice	51,658
Public Safety	721,793
Public Health and Welfare	295,115
Social, Cultural, and Recreational Services	8,049
Agriculture and Natural Resources	3,484
Highway/Public Works	<u>1,430,880</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,760,571</u>

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

The composition of interfund balances as of June 30, 2018, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental	\$ 3,297
Nonmajor governmental	General	1,000

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.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2018, consisted of the following amounts:

Transfers Out	<u>Transfers In</u> Nonmajor Governmental Fund	Purpose
General Fund	\$ 365,500	Capital Expenditures
Total	<u>\$ 365,500</u>	

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

**D. Long-term Obligations**

General Obligation Bonds and Notes

Gibson County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation bonds. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds and capital outlay notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and the capital outlay note were issued for original terms of up to 17 years for bonds and up to three years for the note. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and the note

included in long-term debt as of June 30, 2018, will be retired from the General Debt Service Fund.

General obligation bonds and the capital outlay note outstanding as of June 30, 2018, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-18
General Obligation Bonds	1 to 2.5 %	6-1-30	\$ 5,275,000	\$ 2,885,000
General Obligation Bonds - Refunding	.5 to 2.65	6-1-33	14,150,000	11,585,000
Capital Outlay Note	1.68	4-1-19	189,459	47,887

The annual requirements to amortize all general obligation bonds and the note outstanding as of June 30, 2018, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2019	\$ 1,135,000	\$ 320,390	\$ 1,455,390
2020	1,015,000	301,590	1,316,590
2021	1,030,000	283,153	1,313,153
2022	1,015,000	262,402	1,277,402
2023	1,000,000	242,078	1,242,078
2024-2028	4,885,000	890,467	5,775,467
2029-2033	4,390,000	328,250	4,718,250
Total	\$ 14,470,000	\$ 2,628,330	\$ 17,098,330

Year Ending June 30	Note		
	Principal	Interest	Total
2019	\$ 47,887	\$ 805	\$ 48,692
Total	\$ 47,887	\$ 805	\$ 48,692

There is \$1,713,068 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$291, based on the 2010 federal census. Total debt per capita, including bonds, the note, and unamortized debt premiums, totaled \$294, based on the 2010 federal census.

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2018, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Note</u>
Balance, July 1, 2017	\$ 15,275,000	\$ 94,982
Additions	4,290,000	0
Reductions	<u>(5,095,000)</u>	<u>(47,095)</u>
Balance, June 30, 2018	<u>\$ 14,470,000</u>	<u>\$ 47,887</u>
Balance Due Within One Year	<u>\$ 1,135,000</u>	<u>\$ 47,887</u>

Governmental Activities:

	<u>Compensated Absences</u>
Balance, July 1, 2017	\$ 29,699
Additions	44,621
Reductions	<u>(40,783)</u>
Balance, June 30, 2018	<u>\$ 33,537</u>
Balance Due Within One Year	<u>\$ 1,678</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2018	\$ 14,551,424
Less: Balance Due Within One Year	(1,184,565)
Add: Unamortized Premium on Debt	<u>77,201</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 13,444,060</u>

Compensated absences will be paid from the Highway/Public Works Fund.

Advance Refunding

On October 18, 2017, Gibson County advance refunded General Obligation Refunding Bonds, Series 2009 with a separate general obligation bond issue. The county issued \$4,290,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an

irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the advance refunding, total debt service payments over the next 15 years will be reduced by \$662,538, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$518,176 was obtained.

**II. OTHER INFORMATION**

**A. Risk Management**

Employee Health Insurance

Gibson County has chosen to become self-insured for risks associated with the employees' health insurance plan. This activity is currently being accounted for in the General, Solid Waste/Sanitation, and Highway/Public Works funds. The county retains the risk of loss to a limit of \$70,000 per specific loss and approximately \$1,300,000 overall. The county obtained an excess risk insurance policy to cover claims beyond any amounts exceeding these limits. The premiums for the excess risk insurance and administration fees are paid directly to the administrator of the county's employee insurance plan by the General, Solid Waste/Sanitation, and Highway/Public Works funds.

All full-time employees of Gibson County are eligible to participate. In November 2011, the county adopted a resolution providing that retirees are not allowed to remain in the employee health insurance program. The premium charges are based on the rates paid for coverage under the previous health insurance plan. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims liabilities are established 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 three fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-End
2015-16	\$ 0	\$ 1,215,623	\$ 1,215,623	\$ 0
2016-17	0	1,230,651	1,230,651	0
2017-18	0	979,561	979,561	0

### Workers' Compensation Insurance

Gibson County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under provisions of Section 29-20-401, *Tennessee Code Annotated*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$300,000.

### Liability, Property, and Casualty

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

## **B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*; Statement No. 81, *Irrevocable Split-Interest Agreements*; Statement No. 85, *Omnibus 2017*; and Statement No. 86, *Certain Debt Extinguishment Issues* became effective for the year ended June 30, 2018.

GASB Statement No. 75, establishes accounting and reporting requirements for postemployment benefits other than pensions (other postemployment benefits or OPEB), which are included in the general purpose financial reports of state and local governmental OPEB plans. This statement replaces GASB Statements No. 45 and No. 57. The scope of this statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

GASB Statement No. 81, establishes accounting and financial reporting guidance for irrevocable split-interest agreements in which a government is a beneficiary.

GASB Statement No. 85, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

GASB Statement No. 86, establishes guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement also provides guidance for accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

**C. Contingent Liabilities**

The county attorney and management were not aware of any potential claims that were pending, which would materially affect the county's financial statements.

**D. Joint Venture**

The Twenty-eighth Judicial District Drug Task Force (DTF) is participating in a joint venture formed by an interlocal agreement between the district attorney generals of the Twenty-eighth Judicial District, the Twenty-ninth Judicial District, the Thirtieth Judicial District, the Gibson County Sheriff's Department, and the West Tennessee Judicial Violent Crime and Drug Task Force (WTJDTF). The purpose of the entity is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities and highway criminal interdiction. Funds for the operations of the entity come primarily from federal grants, fines, and the forfeiture of assets to the entity. Gibson County made no contributions to the WTJDTF for the year ended June 30, 2018.

Gibson County does not have an equity interest in the above-noted joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following addresses:

Administrative Office:

Office of District Attorney General  
Twenty-eighth Judicial District  
P.O. Box 145  
Trenton, TN 38382

**E. Jointly Governed Organizations**

The Gibson County Railroad Authority (GCRA) was created by the county, in conjunction with Madison County and the cities of Trenton, Humboldt, Dyer, Rutherford, and Kenton. The GCRA's board includes the mayors of Gibson and Madison counties; the city mayors of Trenton, Humboldt, Dyer, Rutherford, and Kenton; and one at-large member from each of these areas. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity.

The West Tennessee Railroad Authority (WTRA) was created by Gibson County in conjunction with the counties of Chester, Madison, McNairy, Obion, and Weakley. The WTRA's board includes the mayors of Chester, Gibson, Madison, McNairy, Obion, and Weakley counties, and one at-large member from each of these areas. However, the counties do not have any ongoing financial interest or responsibility for the entity.

**F. Retirement Commitments**

**Tennessee Consolidated Retirement System (TCRS)**

**General Information About the Pension Plan**

*Plan Description.* Employees of Gibson County are provided a defined benefit pension plan (Gibson County Employees Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. In addition, certain former county employees are provided a defined benefit pension plan (Gibson County Board of Education Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The Gibson County Board of Education Plan is closed to new membership. 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/tcrs](http://www.treasury.tn.gov/tcrs).

*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, 2017, the following employees were covered by the benefit terms:

Gibson County Employees:

Inactive Employees or Beneficiaries Currently Receiving Benefits	127
Inactive Employees Entitled to But Not Yet Receiving Benefits	184
Active Employees	249
Total	<u>560</u>

Gibson County Board of Education:

Inactive Employees or Beneficiaries Currently Receiving Benefits	35
Inactive Employees Entitled to But Not Yet Receiving Benefits	6
Active Employees	0
Total	<u>41</u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Gibson 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, 2018, the employer contribution for the Gibson County Employees Plan was \$777,892 based on a rate of 8.24 percent of covered payroll. At the measurement date of June 30, 2017, the Gibson County Board of Education Plan was fully funded; therefore, no additional employer contributions will be required. By law, employer contributions are required to be paid. The TCRS may intercept Gibson

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)**

Gibson County's net pension liability (asset) was measured as of June 30, 2017, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2017, 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 3.46% 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, 2017, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

*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 Gibson 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)**

Gibson County Employees:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2016	\$ 25,087,876	\$ 24,719,274	\$ 368,602
Changes for the Year:			
Service Cost	\$ 718,592	\$ 0	\$ 718,592
Interest	1,877,560	0	1,877,560
Differences Between Expected and Actual Experience	(381,954)	0	(381,954)
Changes in Assumptions	687,012	0	687,012
Contributions-Employer	0	766,654	(766,654)
Contributions-Employees	0	465,208	(465,208)
Net Investment Income	0	2,782,339	(2,782,339)
Benefit Payments, Including Refunds of Employee Contributions	(1,544,678)	(1,544,678)	0
Administrative Expense	0	(20,815)	20,815
Net Changes	\$ 1,356,532	\$ 2,448,708	\$ (1,092,176)
Balance, June 30, 2017	\$ 26,444,408	\$ 27,167,982	\$ (723,574)

Gibson County Board of Education:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2016	\$ 435,395	\$ 540,124	\$ (104,729)
Changes for the Year:			
Service Cost	\$ 659	\$ 0	\$ 659
Interest	30,581	0	30,581
Differences Between Expected and Actual Experience	7,546	0	7,546
Changes in Assumptions	22,464	0	22,464
Contributions-Employer	0	72,662	(72,662)
Net Investment Income	0	62,109	(62,109)
Benefit Payments, Including Refunds of Employee Contributions	(56,609)	(56,609)	0
Net Changes	\$ 4,641	\$ 78,162	\$ (73,521)
Balance, June 30, 2017	\$ 440,036	\$ 618,286	\$ (178,250)

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

	1% Decrease	Current Discount Rate	1% Increase
<u>Gibson County Employees:</u>	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Net Pension Liability (Asset)	\$ 2,646,781	\$ (723,574)	\$ (3,525,995)

	1% Decrease	Current Discount Rate	1% Increase
<u>Gibson County Board of Education:</u>	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Net Pension Liability (Asset)	\$ (151,074)	\$ (178,250)	\$ (202,606)

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

*Pension Expense.* For the year ended June 30, 2018, the Gibson County Employees Plan and the Gibson County Board of Education Plan recognized pension expense of \$125,750 and \$17,851, respectively.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2018, Gibson County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Gibson County Employees:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 374,130	\$ 777,699
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	9,091
Changes in Assumptions	572,510	0
Contributions Subsequent to the Measurement Date of June 30, 2017 (1)	777,892	N/A
Total	<u>\$ 1,724,532</u>	<u>\$ 786,790</u>

Gibson County Board of Education:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 0	\$ 220
Total	<u>\$ 0</u>	<u>\$ 220</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2017,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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:

Gibson County Employees:

Year Ending June 30	Amount
2019	\$ (184,575)
2020	193,084
2021	144,308
2022	(43,805)
2023	50,838
Thereafter	0

Gibson County Board of Education:

Year Ending June 30	Amount
2019	\$ (2,288)
2020	5,375
2021	894
2022	(4,201)
2023	0
Thereafter	0

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

**G. Purchasing Laws**

Office of County Mayor

The County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, govern purchasing for the general county government. This act provides for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of Road Supervisor

Chapter 111, Private Acts of 1929, as amended, and Section 54-7-113, *TCA*, (Uniform Road Law), govern purchasing procedures for the Highway Department. These statutes require all purchases exceeding \$10,000 to be made on the basis of publicly advertised competitive bids.

**H. Subsequent Event**

On August 31, 2018, Dana Davidson left the Office of Trustee and was succeeded by Melissa Workman on September 1, 2018.

**VI. OTHER NOTES – DISCRETELY PRESENTED GIBSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**A. Significant Accounting Policies**

**1. Organization and Reporting Entity**

The Gibson County Emergency Communications District (a discretely presented component unit of Gibson County, Tennessee) was established by voter referendum in May 1987, and the assessment of service fees began October 1, 1987. The local emergency telephone service to residents of Gibson County began July 1, 1989.

The purpose of the district is to provide a simplified means of securing emergency services by telephone to those persons living in Gibson County, Tennessee.

The district is considered a component unit of the county because the Board of Directors of the district is appointed by the County Commission. The County Commission must approve any debt issued by the district.

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

The district is accounted for as a single enterprise fund as prescribed by the state. Enterprise funds are a type of proprietary fund, and as such, are reported in accordance with generally accepted accounting principles for proprietary funds as defined by the Governmental Audit Standards Board. Proprietary fund types are reported using the economic resources measurement focus and the accrual basis of accounting. The aim of this measurement focus is to report all inflows, outflows, and balances affecting or reflecting the entities net position. The accrual basis of accounting recognizes income as it is earned and expenses as they are incurred, whether or not cash is received or paid out at that time.

Operating revenues in proprietary funds are those revenues generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. The state has defined grants and reimbursements from the Tennessee Emergency Communications Board to be nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.



3. **Assets, Liabilities, and Net Position**

a. **Deposits and Investments**

Cash and cash equivalents are considered to be all demand deposits and other deposits with original maturities of three months or less and are included in the caption cash and cash equivalents.

State statutes allow investments in obligations of the U.S. Treasury, agencies, instrumentalities and obligations guaranteed as to principal and interest of the United States or any of its agencies, repurchase agreements, the Tennessee Local Government Investment Pool, and certificates of deposit.

b. **Accounts Receivable and Credit Risk**

Accounts receivable represent amounts due from local customers for dispatch services.

c. **Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

d. **Capital Assets and Depreciation**

Capital assets are stated at original cost. Maintenance repairs and minor renewals are expensed as incurred. The original cost is deducted when items are retired. Depreciation has been provided over the estimated useful lives of the property and equipment by the straight-line method. Capitalization thresholds and estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>	<u>Threshold</u>
Equipment	5 - 20	\$ 2,500
Office Equipment	3 - 10	1,000
Building	30	10,000

e. **Compensated Absences**

Employees who have completed one year of service shall receive one week of vacation time. Employees who have completed two years of service shall receive two weeks of vacation time. Employees who have completed ten years of service shall receive

three weeks of vacation time. Employees who have completed 20 years of service shall receive four weeks of vacation time.

The employee is limited to accumulating up to two weeks of leave per year to be taken in pay and cannot carry any unused vacation leave at December 31 over to the next calendar year. At June 30, 2018, the liability for accrued leave was \$13,133.

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of June 30, 2018, the district has three items that are reported as deferred outflows of resources: pension contributions subsequent to the measurement date, changes in assumption, and difference between expected and actual experience.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. As of June 30, 2018, the district has two items that are reported as deferred inflows of resources: pensions – difference between expected and actual experience and net difference between projected and actual earnings on pension plan investments.

**g. Net Position Flow Assumption**

Sometimes the district will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the district's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**h. Net Position**

Equity is reported as net position, which is classified into the following components as applicable:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any payables that are attributable to the acquisition, construction, or improvement of those assets. When no payables are associated, it is referred to as investment in capital assets.
- Restricted – net position when constraints are placed on their use by external third parties or imposed by law.
- Unrestricted – all other net position that does not meet the definition of the other categories.

**i. Revenues**

The district receives remittances from the State of Tennessee representing fees that have been collected on behalf of the district for 911 services. These fees are remitted to the district on a monthly or bi-monthly schedule. Fees collected for 911 services are considered operating revenues.

**j. Pensions**

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 Gibson County Emergency Communications District's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the district'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.

**B. Stewardship, Compliance, and Accountability**

**Budgetary Compliance**

The district adopts a budget in accordance with the requirements of the Tennessee Emergency Communications Board and *Tennessee Code Annotated*, Section 7-86-120. This budget is adopted on an accrual basis of accounting, which is in accordance with generally accepted accounting principles.

Expenditures are required to be within budgetary limits at the line-item level of control. For the year ended 2018, there were two line-items that exceeded the budgeted amounts.

**C. Detailed Notes on Accounts**

**1. Deposits and Investments**

The district's policies limit deposits and investments to those instruments allowed by applicable state laws and are described below. State statute requires that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the district's agent in the district's name, or by the Federal Reserve Banks acting as third-party agents. State statutes also authorize the district to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, and the state pooled investment fund. Statutes also require that securities underlying repurchase agreements must have a market value of at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2018, all bank deposits were fully collateralized or insured.

**2. Unearned Revenue**

The district received \$700,000 from Gibson County in May 2001, which represented advance payments of dispatch fees for the period May 2001 through April 2026. Revenue of \$2,333 will be recognized each month during the life of the contract.

**3. Capital Assets**

A summary of capital assets activity for the year is as follows:

	Balance 7-1-17	Increases	Decreases	Balance 6-30-18
Capital Assets Not Depreciated:				
Land	\$ 66,400	\$ 0	\$ 0	\$ 66,400
Capital Assets Depreciated:				
Buildings and Improvements	\$ 728,516	\$ 15,968	\$ 0	\$ 744,484
Office Equipment	195,844	0	0	195,844
Communications Equipment	1,239,346	4,000	0	1,243,346
Vehicles	20,941	0	0	20,941
Total Capital Assets Depreciated:	\$ 2,184,647	\$ 19,968	\$ 0	\$ 2,204,615
Less: Accumulated Depreciation For:				
Buildings and Improvements	\$ 412,162	\$ 21,566	\$ 0	\$ 433,728
Office Equipment	172,105	21,614	0	193,719
Communications Equipment	977,499	104,904	0	1,082,403
Vehicles	20,941	0	0	20,941
Total Accumulated Depreciation	\$ 1,582,707	\$ 148,084	\$ 0	\$ 1,730,791
Capital Assets, Net	\$ 668,340	\$ (128,116)	\$ 0	\$ 540,224

**D. Other Information**

**1. Funding Sources**

Funding for the district's operations is provided by monthly fees from service users in Gibson County, which are collected by the Tennessee Emergency Communications Board and remitted to the district at a set percentage.

**2. Retirement Plan**

**Plan Description**

Employees of the Gibson County Emergency Communications District are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan

administered by the Tennessee Consolidated Retirement System (TCRS). 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/tcrs](http://www.treasury.tn.gov/tcrs).

*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 2nd 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, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1
Inactive Employees Entitled to But Not Yet Receiving Benefits	7
Active Employees	<u>12</u>
 Total	 <u><u>20</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees of the district do not contribute any percentage of their salary. The district makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2018, employer contributions for Gibson County Emergency Communications District were \$32,860 based on a rate of 8.34 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Gibson County Emergency Communications District's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution 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)**

The Gibson County Emergency Communications District's net pension liability (asset) was measured as of June 30, 2017, 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, 2017, 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 8.75% to 3.45% 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, 2017, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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



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

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from the district 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, 2016	\$ 948,568	\$ 1,094,104	\$ (145,536)
Changes for the year:			
Service Cost	\$ 44,122	\$ 0	\$ 44,122
Interest	74,274	0	74,274
Differences Between Expected and Actual Experience	(60,895)	0	(60,895)
Changes in Assumptions	31,693	0	31,693
Contributions-Employer	0	34,054	(34,054)
Net Investment Income	0	125,754	(125,754)
Benefit Payments, Including Refunds of Employee Contributions	(4,749)	(4,749)	0
Administrative Expense	0	(951)	951
Net Changes	\$ 84,445	\$ 154,108	\$ (69,663)
Balance, June 30, 2017	\$ 1,033,013	\$ 1,248,212	\$ (215,199)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of the district 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 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount Rate 7.25%	1% Increase 8.25%
Gibson County Emergency Communications District	6.25%	7.25%	8.25%

Net Pension Liability (Asset)    \$    (60,708)    \$    (215,199)    \$    (344,265)

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

*Pension Expense.* For the year ended June 30, 2018, the district recognized pension expense of \$19,074.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2018, the district 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
Differences Between Expected and Actual Experience	\$ 9,427	\$ 105,772
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,058
Changes in Assumptions	27,731	0
Contributions Subsequent to the Measurement Date of June 30, 2017 (1)	32,860	N/A
Total	<u>\$ 70,018</u>	<u>\$ 106,830</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2017,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

Year Ending June 30	Amount
2019	\$ (17,152)
2020	(2,099)
2021	(10,875)
2022	(21,057)
2023	(7,425)
Thereafter	(11,075)

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

### 3. **Risk Management**

The district is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, auto liability, errors and omissions, workers compensation and automobile physical damage coverage. The district joined the Tennessee Municipal League Risk Pool, which is a public entity risk pool established in 1979 by the Tennessee Municipal League.

The district pays annual premiums to the pool for its general liability, auto liability, real and personal property damage, workman's compensation, and errors and omissions policies. The pool provides the specified coverage and pays all claims from its member premiums charged or through its reinsurance policies. The district premiums are calculated based on its prior claims history.

It is the policy of the district to purchase commercial insurance for the risks of employee dishonesty and excess liability. Settled claims have not exceeded this commercial coverage in any of the past four years and there has been no significant reduction in coverage.

---

---

**REQUIRED SUPPLEMENTARY  
INFORMATION**

---

---

Exhibit E-1

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

	2014	2015	2016	2017
<b>Total Pension Liability</b>				
Service Cost	\$ 639,578	\$ 619,501	\$ 636,715	\$ 718,592
Interest	1,687,432	1,695,891	1,752,633	1,877,560
Differences Between Actual and Expected Experience	(965,043)	(275,449)	561,196	(381,954)
Changes in Assumptions	0	0	0	687,012
Benefit Payments, Including Refunds of Employee Contributions	(1,045,803)	(1,412,416)	(1,188,777)	(1,544,678)
Net Change in Total Pension Liability	\$ 316,164	\$ 627,527	\$ 1,761,767	\$ 1,356,532
Total Pension Liability, Beginning	22,382,418	22,698,582	23,326,109	25,087,876
Total Pension Liability, Ending (a)	\$ 22,698,582	\$ 23,326,109	\$ 25,087,876	\$ 26,444,408
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 481,899	\$ 503,674	\$ 546,710	\$ 766,654
Contributions - Employee	408,490	403,585	438,069	465,208
Net Investment Income	3,437,699	733,633	641,505	2,782,339
Benefit Payments, Including Refunds of Employee Contributions	(1,045,803)	(1,412,416)	(1,188,777)	(1,544,678)
Administrative Expense	(8,836)	(10,992)	(17,966)	(20,815)
Other	0	0	67,964	0
Net Change in Plan Fiduciary Net Position	\$ 3,273,449	\$ 217,484	\$ 487,505	\$ 2,448,708
Plan Fiduciary Net Position, Beginning	20,740,836	24,014,285	24,231,769	24,719,274
Plan Fiduciary Net Position, Ending (b)	\$ 24,014,285	\$ 24,231,769	\$ 24,719,274	\$ 27,167,982
Net Pension Liability (Asset), Ending (a - b)	\$ (1,315,703)	\$ (905,660)	\$ 368,602	\$ (723,574)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.80%	103.88%	98.53%	102.74%
Covered Payroll	\$ 7,624,991	\$ 8,071,700	\$ 8,761,372	\$ 9,304,054
Net Pension Liability (Asset) as a Percentage of Covered Payroll	17.26%	11.22%	4.21%	(7.78)%

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

Exhibit E-2

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

	2014	2015	2016	2017
<b>Total Pension Liability</b>				
Service Cost	\$ 1,488	\$ 666	\$ 652	\$ 659
Interest	46,796	41,117	33,691	30,581
Differences Between Actual and Expected Experience	(50,633)	(73,404)	(13,231)	7,546
Changes in Assumptions	0	0	0	22,464
Benefit Payments, Including Refunds of Employee Contributions	(78,924)	(66,177)	(68,563)	(56,609)
Net Change in Total Pension Liability	\$ (81,273)	\$ (97,798)	\$ (47,451)	\$ 4,641
Total Pension Liability, Beginning	661,917	580,644	482,846	435,395
Total Pension Liability, Ending (a)	\$ 580,644	\$ 482,846	\$ 435,395	\$ 440,036
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 98,988	\$ 70,246	\$ 70,246	\$ 72,662
Contributions - Employee	0	0	0	0
Net Investment Income	70,164	15,611	13,933	62,109
Benefit Payments, Including Refunds of Employee Contributions	(78,924)	(66,177)	(68,563)	(56,609)
Administrative Expense	(32)	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 90,196	\$ 19,680	\$ 15,616	\$ 78,162
Plan Fiduciary Net Position, Beginning	414,632	504,828	524,508	540,124
Plan Fiduciary Net Position, Ending (b)	\$ 504,828	\$ 524,508	\$ 540,124	\$ 618,286
Net Pension Liability (Asset), Ending (a - b)	\$ 75,816	\$ (41,662)	\$ (104,729)	\$ (178,250)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.94%	108.63%	124.05%	140.51%
Covered Payroll	\$ 0	\$ 0	\$ 0	\$ 0
Net Pension Liability (Asset) as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

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

Exhibit E-3

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

	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 481,899	\$ 503,674	\$ 546,710	\$ 580,573	\$ 777,892
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(481,899)</u>	<u>(503,674)</u>	<u>(546,710)</u>	<u>(766,654)</u>	<u>(777,892)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (186,081)</u>	<u>\$ 0</u>
Covered Payroll	\$ 7,624,991	\$ 8,071,700	\$ 8,761,372	\$ 9,304,054	\$ 9,440,415
Contributions as a Percentage of Covered Payroll	6.32%	6.24%	6.24%	8.24%	8.24%

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

Exhibit E-4

Gibson County, Tennessee  
Schedule of Contributions Based on Participation in the Public  
Employee Pension Plan of TCRS  
Gibson County Board of Education  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 98,988	\$ 70,246	\$ 70,246	\$ 72,662	\$ 0
Less Contributions in Relation to the Actuarially Determined Contribution	(98,988)	(70,246)	(70,246)	(72,662)	0
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

Note: ten years of data will be presented when available. At June 30, 2017, the Gibson County Board of Education Plan was fully funded; therefore, no additional employer contributions were required.



**GIBSON COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2018**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2017 were calculated based on the June 30, 2016, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Gibson County Employees:

Actuarial Cost Method	Frozen initial liability
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	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation,
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.5%

Gibson County Board of Education:

Actuarial Cost Method	Frozen initial liability
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	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation,
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.5%

---

---

**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 specific purposes other than debt service and capital projects.

---

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Gibson County’s waste tire operations.

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

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

## Capital Projects Funds

---

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

---

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for debt issued for various capital improvement projects of the county.

Exhibit F-1

Gibson County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2018

	Special Revenue Funds				Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 3,297	\$ 3,297	\$ 0
Equity in Pooled Cash and Investments	80,871	36,521	0	117,392	632,916
Due from Other Governments	26,710	0	0	26,710	0
Due from Other Funds	0	0	0	0	1,000
Cash Shortage	0	1,000	0	1,000	0
<b>Total Assets</b>	<b>\$ 107,581</b>	<b>\$ 37,521</b>	<b>\$ 3,297</b>	<b>\$ 148,399</b>	<b>\$ 633,916</b>
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 3,297	\$ 3,297	\$ 0
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,297</b>	<b>\$ 3,297</b>	<b>\$ 0</b>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 37,521	\$ 0	\$ 37,521	\$ 0
Restricted for Public Health and Welfare	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	0
Committed:					
Committed for Public Health and Welfare	107,581	0	0	107,581	0
Committed for Capital Projects	0	0	0	0	633,916
<b>Total Fund Balances</b>	<b>\$ 107,581</b>	<b>\$ 37,521</b>	<b>\$ 0</b>	<b>\$ 145,102</b>	<b>\$ 633,916</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 107,581</b>	<b>\$ 37,521</b>	<b>\$ 3,297</b>	<b>\$ 148,399</b>	<b>\$ 633,916</b>

(Continued)

Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 3,297
Equity in Pooled Cash and Investments	15,795	648,711	766,103
Due from Other Governments	0	0	26,710
Due from Other Funds	0	1,000	1,000
Cash Shortage	0	0	1,000
Total Assets	<u>\$ 15,795</u>	<u>\$ 649,711</u>	<u>\$ 798,110</u>
<u>LIABILITIES</u>			
Due to Other Funds	\$ 0	\$ 0	\$ 3,297
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,297</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Public Safety	\$ 0	\$ 0	\$ 37,521
Restricted for Public Health and Welfare	5,795	5,795	5,795
Restricted for Social, Cultural, and Recreational Services	10,000	10,000	10,000
Committed:			
Committed for Public Health and Welfare	0	0	107,581
Committed for Capital Projects	0	633,916	633,916
Total Fund Balances	<u>\$ 15,795</u>	<u>\$ 649,711</u>	<u>\$ 794,813</u>
Total Liabilities and Fund Balances	<u>\$ 15,795</u>	<u>\$ 649,711</u>	<u>\$ 798,110</u>

Exhibit F-2

Gibson County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2018

	Special Revenue Funds				Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects
<u>Revenues</u>					
Fines, Forfeitures, and Penalties	\$ 0	\$ 42,016	\$ 0	\$ 42,016	\$ 0
Charges for Current Services	64,445	0	1,035	65,480	0
Other Local Revenues	152	0	0	152	4,001
State of Tennessee	0	0	0	0	70,575
Federal Government	0	0	0	0	450,590
Other Governments and Citizens Groups	26,710	0	0	26,710	25,341
<b>Total Revenues</b>	<b>\$ 91,307</b>	<b>\$ 42,016</b>	<b>\$ 1,035</b>	<b>\$ 134,358</b>	<b>\$ 550,507</b>
<u>Expenditures</u>					
Current:					
Administration of Justice	\$ 0	\$ 0	\$ 1,035	\$ 1,035	\$ 63,920
Public Safety	0	42,180	0	42,180	152,048
Public Health and Welfare	84,570	0	0	84,570	251,430
Other Operations	0	0	0	0	530,831
Capital Projects	0	0	0	0	96,985
<b>Total Expenditures</b>	<b>\$ 84,570</b>	<b>\$ 42,180</b>	<b>\$ 1,035</b>	<b>\$ 127,785</b>	<b>\$ 1,095,214</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,737	\$ (164)	\$ 0	\$ 6,573	\$ (544,707)
<u>Other Financing Sources (Uses)</u>					
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500
Insurance Recovery	0	0	0	0	127,445
Transfers In	0	0	0	0	365,500
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 493,445</b>

(Continued)

Exhibit F-2

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

	Special Revenue Funds				Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects
Net Change in Fund Balances	\$ 6,737	\$ (164)	\$ 0	\$ 6,573	\$ (51,262)
Fund Balance, July 1, 2017	100,844	37,685	0	138,529	685,178
Fund Balance, June 30, 2018	\$ 107,581	\$ 37,521	\$ 0	\$ 145,102	\$ 633,916

(Continued)



Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>Revenues</u>			
Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 42,016
Charges for Current Services	0	0	65,480
Other Local Revenues	10,000	14,001	14,153
State of Tennessee	0	70,575	70,575
Federal Government	0	450,590	450,590
Other Governments and Citizens Groups	0	25,341	52,051
Total Revenues	\$ 10,000	\$ 560,507	\$ 694,865
<u>Expenditures</u>			
Current:			
Administration of Justice	\$ 0	\$ 63,920	\$ 64,955
Public Safety	0	152,048	194,228
Public Health and Welfare	0	251,430	336,000
Other Operations	0	530,831	530,831
Capital Projects	0	96,985	96,985
Total Expenditures	\$ 0	\$ 1,095,214	\$ 1,222,999
Excess (Deficiency) of Revenues Over Expenditures	\$ 10,000	\$ (534,707)	\$ (528,134)
<u>Other Financing Sources (Uses)</u>			
Proceeds from Sale of Capital Assets	\$ 0	\$ 500	\$ 500
Insurance Recovery	0	127,445	127,445
Transfers In	0	365,500	365,500
Total Other Financing Sources (Uses)	\$ 0	\$ 493,445	\$ 493,445

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
Net Change in Fund Balances	\$ 10,000	\$ (41,262)	\$ (34,689)
Fund Balance, July 1, 2017	<u>5,795</u>	<u>690,973</u>	<u>829,502</u>
Fund Balance, June 30, 2018	<u>\$ 15,795</u>	<u>\$ 649,711</u>	<u>\$ 794,813</u>

Exhibit F-3

Gibson County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual and Budget  
 Solid Waste/Sanitation Fund  
 For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 64,445	\$ 66,000	\$ 66,000	\$ (1,555)
Other Local Revenues	152	500	500	(348)
Other Governments and Citizens Groups	26,710	21,390	21,390	5,320
Total Revenues	<u>\$ 91,307</u>	<u>\$ 87,890</u>	<u>\$ 87,890</u>	<u>\$ 3,417</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 51,495	\$ 53,475	\$ 53,475	\$ 1,980
Other Waste Disposal	33,075	62,879	62,879	29,804
Total Expenditures	<u>\$ 84,570</u>	<u>\$ 116,354</u>	<u>\$ 116,354</u>	<u>\$ 31,784</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 6,737</u>	<u>\$ (28,464)</u>	<u>\$ (28,464)</u>	<u>\$ 35,201</u>
Net Change in Fund Balance	\$ 6,737	\$ (28,464)	\$ (28,464)	\$ 35,201
Fund Balance, July 1, 2017	<u>100,844</u>	<u>68,881</u>	<u>68,881</u>	<u>31,963</u>
Fund Balance, June 30, 2018	<u>\$ 107,581</u>	<u>\$ 40,417</u>	<u>\$ 40,417</u>	<u>\$ 67,164</u>

Exhibit F-4

Gibson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 42,016	\$ 37,835	\$ 49,039	\$ (7,023)
Total Revenues	\$ 42,016	\$ 37,835	\$ 49,039	\$ (7,023)
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 42,180	\$ 37,835	\$ 49,039	\$ 6,859
Total Expenditures	\$ 42,180	\$ 37,835	\$ 49,039	\$ 6,859
Excess (Deficiency) of Revenues Over Expenditures	\$ (164)	\$ 0	\$ 0	\$ (164)
Net Change in Fund Balance	\$ (164)	\$ 0	\$ 0	\$ (164)
Fund Balance, July 1, 2017	37,685	41,057	41,057	(3,372)
Fund Balance, June 30, 2018	\$ 37,521	\$ 41,057	\$ 41,057	\$ (3,536)

# Major Governmental Fund

## General Debt Service Fund

---

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

---

Exhibit G

Gibson County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual and Budget  
 General Debt Service Fund  
 For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 910,373	\$ 897,336	\$ 897,336	\$ 13,037
Other Local Revenues	178,164	150,000	150,000	28,164
State of Tennessee	48,981	40,000	40,000	8,981
Total Revenues	<u>\$ 1,137,518</u>	<u>\$ 1,087,336</u>	<u>\$ 1,087,336</u>	<u>\$ 50,182</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,192,095	\$ 1,137,095	\$ 1,192,095	\$ 0
<u>Interest on Debt</u>				
General Government	299,809	400,872	345,872	46,063
<u>Other Debt Service</u>				
General Government	135,024	25,747	138,685	3,661
Total Expenditures	<u>\$ 1,626,928</u>	<u>\$ 1,563,714</u>	<u>\$ 1,676,652</u>	<u>\$ 49,724</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (489,410)</u>	<u>\$ (476,378)</u>	<u>\$ (589,316)</u>	<u>\$ 99,906</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 4,290,000	\$ 0	\$ 4,290,000	\$ 0
Premiums on Debt Sold	11,217	0	11,217	0
Payments to Refunded Debt Escrow Agent	(4,188,279)	0	(4,188,279)	0
Total Other Financing Sources	<u>\$ 112,938</u>	<u>\$ 0</u>	<u>\$ 112,938</u>	<u>\$ 0</u>
Net Change in Fund Balance	<u>\$ (376,472)</u>	<u>\$ (476,378)</u>	<u>\$ (476,378)</u>	<u>\$ 99,906</u>
Fund Balance, July 1, 2017	<u>2,089,540</u>	<u>2,052,532</u>	<u>2,052,532</u>	<u>37,008</u>
Fund Balance, June 30, 2018	<u><u>\$ 1,713,068</u></u>	<u><u>\$ 1,576,154</u></u>	<u><u>\$ 1,576,154</u></u>	<u><u>\$ 136,914</u></u>

# Fiduciary Funds

---

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

---

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

Special School District Fund – The Special School District Fund is used to account for property taxes collected for the five school districts of Gibson County and the districts' shares of education revenues collected by the county, which must be apportioned among the various school systems on an average daily attendance basis. These collections are remitted to the districts on a monthly basis.

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

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

Exhibit H-1

Gibson County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2018

	Agency Funds				
	Cities - Sales Tax	Special School District	Constitu- tional Officers - Agency	District Attorney General	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 2,075,784	\$ 0	\$ 2,075,784
Equity in Pooled Cash and Investments	0	13,073	0	71,576	84,649
Due from Other Governments	987,731	1,057,200	0	501	2,045,432
Property Taxes Receivable	0	14,154,809	0	0	14,154,809
Allowance for Uncollectible Property Taxes	0	(309,083)	0	0	(309,083)
Total Assets	<u>\$ 987,731</u>	<u>\$ 14,915,999</u>	<u>\$ 2,075,784</u>	<u>\$ 72,077</u>	<u>\$ 18,051,591</u>
<u>LIABILITIES</u>					
Due to Other Taxing Units	\$ 987,731	\$ 14,915,999	\$ 0	\$ 0	\$ 15,903,730
Due to Litigants, Heirs, and Others	0	0	2,075,784	72,077	2,147,861
Total Liabilities	<u>\$ 987,731</u>	<u>\$ 14,915,999</u>	<u>\$ 2,075,784</u>	<u>\$ 72,077</u>	<u>\$ 18,051,591</u>



Exhibit H-2

Gibson County, Tennessee  
Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds  
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 5,763,275	\$ 5,763,275	\$ 0
Due from Other Governments	956,493	987,731	956,493	987,731
<b>Total Assets</b>	<b>\$ 956,493</b>	<b>\$ 6,751,006</b>	<b>\$ 6,719,768</b>	<b>\$ 987,731</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 956,493	\$ 6,751,006	\$ 6,719,768	\$ 987,731
<b>Total Liabilities</b>	<b>\$ 956,493</b>	<b>\$ 6,751,006</b>	<b>\$ 6,719,768</b>	<b>\$ 987,731</b>
 <u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 9,063	\$ 19,875,259	\$ 19,871,249	\$ 13,073
Due from Other Governments	1,022,953	1,057,200	1,022,953	1,057,200
Taxes Receivable	14,859,847	14,154,809	14,859,847	14,154,809
Allowance for Uncollectible Taxes	(441,601)	(309,083)	(441,601)	(309,083)
<b>Total Assets</b>	<b>\$ 15,450,262</b>	<b>\$ 34,778,185</b>	<b>\$ 35,312,448</b>	<b>\$ 14,915,999</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 15,450,262	\$ 34,778,185	\$ 35,312,448	\$ 14,915,999
<b>Total Liabilities</b>	<b>\$ 15,450,262</b>	<b>\$ 34,778,185</b>	<b>\$ 35,312,448</b>	<b>\$ 14,915,999</b>
 <u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,036,082	\$ 10,280,708	\$ 11,241,006	\$ 2,075,784
<b>Total Assets</b>	<b>\$ 3,036,082</b>	<b>\$ 10,280,708</b>	<b>\$ 11,241,006</b>	<b>\$ 2,075,784</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,036,082	\$ 10,280,708	\$ 11,241,006	\$ 2,075,784
<b>Total Liabilities</b>	<b>\$ 3,036,082</b>	<b>\$ 10,280,708</b>	<b>\$ 11,241,006</b>	<b>\$ 2,075,784</b>

(Continued)

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 76,090	\$ 27,919	\$ 32,433	\$ 71,576
Due from Other Governments	154	501	154	501
<b>Total Assets</b>	<b>\$ 76,244</b>	<b>\$ 28,420</b>	<b>\$ 32,587</b>	<b>\$ 72,077</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 76,244	\$ 28,420	\$ 32,587	\$ 72,077
<b>Total Liabilities</b>	<b>\$ 76,244</b>	<b>\$ 28,420</b>	<b>\$ 32,587</b>	<b>\$ 72,077</b>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 3,036,082	\$ 10,280,708	\$ 11,241,006	\$ 2,075,784
Equity in Pooled Cash and Investments	85,153	25,666,453	25,666,957	84,649
Due from Other Governments	1,979,600	2,045,432	1,979,600	2,045,432
Taxes Receivable	14,859,847	14,154,809	14,859,847	14,154,809
Allowance for Uncollectible Taxes	(441,601)	(309,083)	(441,601)	(309,083)
<b>Total Assets</b>	<b>\$ 19,519,081</b>	<b>\$ 51,838,319</b>	<b>\$ 53,305,809</b>	<b>\$ 18,051,591</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 16,406,755	\$ 41,529,191	\$ 42,032,216	\$ 15,903,730
Due to Litigants, Heirs, and Others	3,112,326	10,309,128	11,273,593	2,147,861
<b>Total Liabilities</b>	<b>\$ 19,519,081</b>	<b>\$ 51,838,319</b>	<b>\$ 53,305,809</b>	<b>\$ 18,051,591</b>

---

---

## MISCELLANEOUS SCHEDULES

---

---

Exhibit I-1

Gibson County, Tennessee  
Schedule of Changes in Long-term Note and Bonds  
For the Year Ended June 30, 2018

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-17	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-18
<u>NOTE PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Sheriff's Patrol Cars (7)	\$ 189,459	1.68	% 2-1-16	4-1-19	\$ 94,982	\$ 0	\$ 47,095	0	\$ 47,887
Total Note Payable					\$ 94,982	\$ 0	\$ 47,095	\$ 0	\$ 47,887
<u>BONDS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Refunding, Series 2009	4,450,000	3 to 4.3	10-1-09	10-18-17	\$ 3,950,000	\$ 0	\$ 0	\$ 3,950,000	\$ 0
General Obligation Refunding, Series 2012	9,860,000	.5 to 2.4	4-12-12	6-1-29	7,965,000	0	615,000	0	7,350,000
General Obligation, Series 2012B	2,250,000	1 to 2	9-10-12	6-1-26	955,000	0	150,000	0	805,000
General Obligation, Series 2015	3,025,000	2 to 2.5	6-30-15	6-1-30	2,405,000	0	325,000	0	2,080,000
General Obligation Refunding, Series 2017	4,290,000	1.45 to 2.65	10-18-17	6-1-33	0	4,290,000	55,000	0	4,235,000
Total Bonds Payable					\$ 15,275,000	\$ 4,290,000	\$ 1,145,000	\$ 3,950,000	\$ 14,470,000

Exhibit I-2

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

Year Ending June 30	Note		
	Principal	Interest	Total
2019	\$ 47,887	\$ 805	\$ 48,692
Total	\$ 47,887	\$ 805	\$ 48,692

Year Ending June 30	Bonds		
	Principal	Interest	Total
2019	\$ 1,135,000	\$ 320,390	\$ 1,455,390
2020	1,015,000	301,590	1,316,590
2021	1,030,000	283,153	1,313,153
2022	1,015,000	262,402	1,277,402
2023	1,000,000	242,078	1,242,078
2024	970,000	221,315	1,191,315
2025	960,000	200,315	1,160,315
2026	970,000	179,020	1,149,020
2027	990,000	156,625	1,146,625
2028	995,000	133,192	1,128,192
2029	950,000	109,225	1,059,225
2030	890,000	87,275	977,275
2031	850,000	65,025	915,025
2032	850,000	44,200	894,200
2033	850,000	22,525	872,525
Total	\$ 14,470,000	\$ 2,628,330	\$ 17,098,330

Exhibit I-3

Gibson County, Tennessee  
Schedule of Transfers  
For the Year Ended June 30, 2018

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
General	General Capital Projects	Capital expenditures	<u>\$ 365,500</u>
Total Transfers			<u><u>\$ 365,500</u></u>

Exhibit I-4

Gibson County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
For the Year Ended June 30, 2018

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i> , and Chapter 111, Private Acts of 1929	\$ 95,636	\$ 100,000	RLI Insurance Company
Road Supervisor	Section 8-24-102, <i>TCA</i>	88,785	100,000	"
Trustee	Section 8-24-102, <i>TCA</i>	76,274 (1)	1,204,121	"
Assessor of Property	Section 8-24-102, <i>TCA</i>	76,274 (1)	50,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	76,274 (1)	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	76,274 (1)	100,000	"
Clerk and Master - Trenton	Section 8-24-102, <i>TCA</i>	76,274 (1),(2)	115,000	"
Clerk and Master - Humboldt	and Chancery Court Judge Section 8-24-102, <i>TCA</i>	76,274 (1)	400,000	Local Government Property and Casualty Fund
Register of Deeds:	Section 8-24-102, <i>TCA</i>	75,274	100,000	RLI Insurance Company
Sheriff	Section 8-24-102, <i>TCA</i> and County Commission	91,682 (3)	100,000	"
Employee Blanket Bonds: All Employees			400,000	Local Government Property and Casualty Fund

(1) Includes a certified public administrator supplement of \$1,000.

(2) Does not include special commissioner fees of \$1,035.

(3) Includes a law enforcement training supplement of \$600, and includes \$8,280 for supervising the county workhouse.

Exhibit I-5

Gibson County, Tennessee  
 Schedule of Detailed Revenues -  
All Governmental Fund Types  
 For the Year Ended June 30, 2018

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 6,524,237	\$ 0	\$ 0	\$ 0	\$ 0	792,055
Trustee's Collections - Prior Year	203,306	0	0	0	9,824	11,832
Trustee's Collections - Bankruptcy	6,911	0	0	0	909	235
Circuit Clerk/Clerk and Master Collections - Prior Years	147,764	0	0	0	8,622	7,718
Interest and Penalty	39,182	0	0	0	1,783	2,667
Payments in-Lieu-of Taxes - Local Utilities	83,208	0	0	0	0	10,326
Payments in-Lieu-of Taxes - Other	42,716	0	0	0	0	5,195
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	460,260	0
Hotel/Motel Tax	76,325	0	0	0	0	0
Wheel Tax	0	0	0	0	2,129,574	0
Litigation Tax - General	95,446	0	0	0	0	0
Litigation Tax - Special Purpose	14,502	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	43,332
Business Tax	430,672	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	74,025	0	0	0	37,013	37,013
Wholesale Beer Tax	58,189	0	0	0	0	0
Total Local Taxes	\$ 7,796,483	\$ 0	\$ 0	\$ 0	\$ 2,647,985	\$ 910,373
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Vaccination	\$ 5,930	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	77,315	0	0	0	0	0

(Continued)



Exhibit I-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 602	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	40,588	0	0	0	0	0
Total Licenses and Permits	\$ 124,435	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 1,817	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	13,705	0	0	0	0	0
Drug Control Fines	0	0	688	0	0	0
Drug Court Fees	780	0	0	0	0	0
Jail Fees	5,051	0	0	0	0	0
DUI Treatment Fines	535	0	0	0	0	0
Data Entry Fee - Circuit Court	561	0	0	0	0	0
Courtroom Security Fee	105	0	0	0	0	0
Victims Assistance Assessments	2,018	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	12,880	0	0	0	0	0
Officers Costs	37,154	0	0	0	0	0
Game and Fish Fines	56	0	0	0	0	0
Drug Control Fines	254	0	3,012	0	0	0
Drug Court Fees	3,816	0	0	0	0	0
Jail Fees	10,763	0	0	0	0	0
DUI Treatment Fines	4,551	0	0	0	0	0
Data Entry Fee - General Sessions Court	9,226	0	0	0	0	0
Courtroom Security Fee	2,023	0	0	0	0	0
Victims Assistance Assessments	10,704	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 5,599	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	24,974	0	0	0	0	0
Drug Control Fines	332	0	0	0	0	0
Data Entry Fee - Juvenile Court	3,873	0	0	0	0	0
Courtroom Security Fee	60	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	4,700	0	0	0	0	0
Data Entry Fee - Chancery Court	6,137	0	0	0	0	0
Courtroom Security Fee	537	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	3,424	0	0	0	0	0
Officers Costs	55,997	0	0	0	0	0
Drug Control Fines	3,111	0	6,170	0	0	0
Drug Court Fees	6,988	0	0	0	0	0
Jail Fees	17,883	0	0	0	0	0
DUI Treatment Fines	7,340	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Data Entry Fee - Other Courts	8,610	0	0	0	0	0
Courtroom Security Fee	1,621	0	0	0	0	0
Victims Assistance Assessments	26,305	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	32,146	0	0	0
Other Fines, Forfeitures, and Penalties	3,368	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 296,858</b>	<b>\$ 0</b>	<b>\$ 42,016</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit I-5

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

	Special Revenue Funds					Debt Service
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 21,975	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	42,470	0	0	0	0
Patient Charges	2,703,199	0	0	0	0	0
Other General Service Charges	2,070	0	0	0	0	0
Service Charges	50,959	0	0	0	0	0
<u>Fees</u>						
Airport Fees	78,599	0	0	0	0	0
Recreation Fees	320	0	0	0	0	0
Copy Fees	645	0	0	0	0	0
Library Fees	10,008	0	0	0	0	0
Telephone Commissions	21,553	0	0	0	0	0
Vending Machine Collections	253	0	0	0	2,243	0
Constitutional Officers' Fees and Commissions	0	0	0	1,035	0	0
Data Processing Fee - Register	14,670	0	0	0	0	0
Data Processing Fee - Sheriff	10,367	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,050	0	0	0	0	0
Data Processing Fee - County Clerk	215	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	105	0	0	0	0	0
Total Charges for Current Services	\$ 2,898,013	\$ 64,445	\$ 0	\$ 1,035	\$ 2,243	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	178,164
Lease/Rentals	112,835	0	0	0	0	0
Sale of Materials and Supplies	137,085	0	0	0	14,716	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Commissary Sales	\$ 146,107	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Recycled Materials	502	152	0	0	0	0
E-Rate Funding	1,615	0	0	0	0	0
Sale of Animals/Livestock	1,700	0	0	0	0	0
Miscellaneous Refunds	11,974	0	0	0	223	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	56,962	0
Sale of Property	4,200	0	0	0	0	0
Damages Recovered from Individuals	900	0	0	0	20	0
Contributions and Gifts	5,274	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	9,759	0	0	0	0	0
Total Other Local Revenues	\$ 431,951	\$ 152	\$ 0	\$ 0	\$ 71,921	\$ 178,164
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 490,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	45,069	0	0	0	0	0
General Sessions Court Clerk	143,688	0	0	0	0	0
Clerk and Master	160,161	0	0	0	0	0
Register	179,078	0	0	0	0	0
Sheriff	27,903	0	0	0	0	0
Trustee	659,713	0	0	0	0	0
Other Officials	202,069	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,907,685	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					Debt Service
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Airport Maintenance Program	\$ 18,524	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	122,277	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	18,600	0	0	0	0	0
Drug Control Grants	39,640	0	0	0	0	0
Other Public Safety Grants	2,214	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	293,389	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	381,169	0
State Aid Program	0	0	0	0	810,449	0
Litter Program	23,609	0	0	0	0	0
Other Public Works Grants	0	0	0	0	26,281	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	48,981
Beer Tax	17,839	0	0	0	0	0
Vehicle Certificate of Title Fees	9,693	0	0	0	0	0
Alcoholic Beverage Tax	105,829	0	0	0	0	0
State Revenue Sharing - T.V.A.	925,507	0	0	0	0	0
State Revenue Sharing - Telecommunications	28,791	0	0	0	0	0
Contracted Prisoner Boarding	1,801,293	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,602,144	0
Petroleum Special Tax	0	0	0	0	32,861	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	2,158	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Other State Revenues	\$ 19,381	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total State of Tennessee	\$ 3,443,908	\$ 0	\$ 0	\$ 0	\$ 3,852,904	\$ 48,981
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	87,000	0	0	0	0	0
Homeland Security Grants	124,488	0	0	0	0	0
Other Federal through State	6,729	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	12,400	0	0	0	0	0
Total Federal Government	\$ 230,617	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 37,896	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	168,469	26,710	0	0	0	0
<u>Citizens Groups</u>						
Donations	1,022	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 207,387	\$ 26,710	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 17,337,337	\$ 91,307	\$ 42,016	\$ 1,035	\$ 6,575,053	\$ 1,137,518

(Continued)

Exhibit I-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Other Capital Projects	Total
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 0	\$ 0	\$ 7,316,292
Trustee's Collections - Prior Year	0	0	224,962
Trustee's Collections - Bankruptcy	0	0	8,055
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	164,104
Interest and Penalty	0	0	43,632
Payments in-Lieu-of Taxes - Local Utilities	0	0	93,534
Payments in-Lieu-of Taxes - Other	0	0	47,911
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0	0	460,260
Hotel/Motel Tax	0	0	76,325
Wheel Tax	0	0	2,129,574
Litigation Tax - General	0	0	95,446
Litigation Tax - Special Purpose	0	0	14,502
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	43,332
Business Tax	0	0	430,672
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0	0	148,051
Wholesale Beer Tax	0	0	58,189
Total Local Taxes	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,354,841</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Animal Vaccination	\$ 0	\$ 0	\$ 5,930
Cable TV Franchise	0	0	77,315

(Continued)

Exhibit I-5

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

	General Capital Projects	Other Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>			
<u>Permits</u>			
Beer Permits	\$ 0	\$ 0	\$ 602
Building Permits	0	0	40,588
Total Licenses and Permits	\$ 0	\$ 0	\$ 124,435
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 0	\$ 1,817
Officers Costs	0	0	13,705
Drug Control Fines	0	0	688
Drug Court Fees	0	0	780
Jail Fees	0	0	5,051
DUI Treatment Fines	0	0	535
Data Entry Fee - Circuit Court	0	0	561
Courtroom Security Fee	0	0	105
Victims Assistance Assessments	0	0	2,018
<u>General Sessions Court</u>			
Fines	0	0	12,880
Officers Costs	0	0	37,154
Game and Fish Fines	0	0	56
Drug Control Fines	0	0	3,266
Drug Court Fees	0	0	3,816
Jail Fees	0	0	10,763
DUI Treatment Fines	0	0	4,551
Data Entry Fee - General Sessions Court	0	0	9,226
Courtroom Security Fee	0	0	2,023
Victims Assistance Assessments	0	0	10,704

(Continued)



Exhibit I-5

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

	Capital Projects Funds		Total
	General Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>Juvenile Court</u>			
Fines	\$ 0	\$ 0	\$ 5,599
Officers Costs	0	0	24,974
Drug Control Fines	0	0	332
Data Entry Fee - Juvenile Court	0	0	3,873
Courtroom Security Fee	0	0	60
<u>Chancery Court</u>			
Officers Costs	0	0	4,700
Data Entry Fee - Chancery Court	0	0	6,137
Courtroom Security Fee	0	0	537
<u>Other Courts - In-county</u>			
Fines	0	0	3,424
Officers Costs	0	0	55,997
Drug Control Fines	0	0	9,281
Drug Court Fees	0	0	6,988
Jail Fees	0	0	17,883
DUI Treatment Fines	0	0	7,340
<u>Judicial District Drug Program</u>			
Data Entry Fee - Other Courts	0	0	8,610
Courtroom Security Fee	0	0	1,621
Victims Assistance Assessments	0	0	26,305
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	0	32,146
Other Fines, Forfeitures, and Penalties	0	0	3,368
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 338,874

(Continued)

Exhibit I-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Other Capital Projects	Total
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Tipping Fees	\$ 0	\$ 0	\$ 21,975
Surcharge - Waste Tire Disposal	0	0	42,470
Patient Charges	0	0	2,703,199
Other General Service Charges	0	0	2,070
Service Charges	0	0	50,959
<u>Fees</u>			
Airport Fees	0	0	78,599
Recreation Fees	0	0	320
Copy Fees	0	0	645
Library Fees	0	0	10,008
Telephone Commissions	0	0	21,553
Vending Machine Collections	0	0	2,496
Constitutional Officers' Fees and Commissions	0	0	1,035
Data Processing Fee - Register	0	0	14,670
Data Processing Fee - Sheriff	0	0	10,367
Sexual Offender Registration Fee - Sheriff	0	0	5,050
Data Processing Fee - County Clerk	0	0	215
Vehicle Insurance Coverage and Reinstatement Fees	0	0	105
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,965,736</u>
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 0	\$ 0	\$ 178,164
Lease/Rentals	0	0	112,835
Sale of Materials and Supplies	0	0	151,801

(Continued)

Exhibit I-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Other Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>			
<u>Recurring Items (Cont.)</u>			
Commissary Sales	\$ 0	\$ 0	\$ 146,107
Sale of Recycled Materials	0	0	654
E-Rate Funding	0	0	1,615
Sale of Animals/Livestock	0	0	1,700
Miscellaneous Refunds	0	0	12,197
<u>Nonrecurring Items</u>			
Sale of Equipment	4,001	0	60,963
Sale of Property	0	0	4,200
Damages Recovered from Individuals	0	0	920
Contributions and Gifts	0	0	5,274
<u>Other Local Revenues</u>			
Other Local Revenues	0	10,000	19,759
Total Other Local Revenues	<u>\$ 4,001</u>	<u>\$ 10,000</u>	<u>\$ 696,189</u>
<u>Fees Received From County Officials</u>			
<u>Fees In-Lieu-of Salary</u>			
County Clerk	\$ 0	\$ 0	\$ 490,004
Circuit Court Clerk	0	0	45,069
General Sessions Court Clerk	0	0	143,688
Clerk and Master	0	0	160,161
Register	0	0	179,078
Sheriff	0	0	27,903
Trustee	0	0	659,713
Other Officials	0	0	202,069
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,907,685</u>

(Continued)

Exhibit I-5

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

	Capital Projects Funds		Total
	General Capital Projects	Other Capital Projects	
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Airport Maintenance Program	\$ 0	\$ 0	\$ 18,524
Aging Programs	0	0	122,277
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	0	18,600
Drug Control Grants	0	0	39,640
Other Public Safety Grants	0	0	2,214
<u>Health and Welfare Grants</u>			
Health Department Programs	0	0	293,389
<u>Public Works Grants</u>			
Bridge Program	0	0	381,169
State Aid Program	0	0	810,449
Litter Program	0	0	23,609
Other Public Works Grants	13,047	0	39,328
<u>Other State Revenues</u>			
Income Tax	0	0	48,981
Beer Tax	0	0	17,839
Vehicle Certificate of Title Fees	0	0	9,693
Alcoholic Beverage Tax	0	0	105,829
State Revenue Sharing - T.V.A.	0	0	925,507
State Revenue Sharing - Telecommunications	0	0	28,791
Contracted Prisoner Boarding	0	0	1,801,293
Gasoline and Motor Fuel Tax	0	0	2,602,144
Petroleum Special Tax	0	0	32,861
Registrar's Salary Supplement	0	0	15,164
Other State Grants	57,528	0	59,686

(Continued)

Exhibit I-5

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

	<u>Capital Projects Funds</u>		
	General Capital Projects	Other Capital Projects	Total
<u>State of Tennessee (Cont.)</u>			
<u>Other State Revenues (Cont.)</u>			
Other State Revenues	\$ 0	\$ 0	\$ 19,381
Total State of Tennessee	\$ 70,575	\$ 0	\$ 7,416,368
<u>Federal Government</u>			
<u>Federal Through State</u>			
Community Development	\$ 443,440	\$ 0	\$ 443,440
Civil Defense Reimbursement	0	0	87,000
Homeland Security Grants	0	0	124,488
Other Federal through State	7,150	0	13,879
<u>Direct Federal Revenue</u>			
Other Direct Federal Revenue	0	0	12,400
Total Federal Government	\$ 450,590	\$ 0	\$ 681,207
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Contributions	\$ 25,341	\$ 0	\$ 63,237
Contracted Services	0	0	195,179
<u>Citizens Groups</u>			
Donations	0	0	1,022
Total Other Governments and Citizens Groups	\$ 25,341	\$ 0	\$ 259,438
Total	\$ 550,507	\$ 10,000	\$ 25,744,773

Exhibit I-6

Gibson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2018

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	22,640	
Social Security		1,441	
Employer Medicare		337	
Audit Services		18,383	
Dues and Memberships		1,837	
Legal Notices, Recording, and Court Costs		3,119	
Office Supplies		129	
Total County Commission			\$ 47,886

Board of Equalization

Board and Committee Members Fees	\$	2,500	
Total Board of Equalization			2,500

County Mayor/Executive

County Official/Administrative Officer	\$	95,636	
Deputy(ies)		40,943	
Part-time Personnel		13,102	
Educational Incentive - Other County Employees		1,000	
Social Security		9,079	
Pensions		11,254	
Employee and Dependent Insurance		7,917	
Employer Medicare		2,123	
Communication		2,221	
Data Processing Services		16,807	
Dues and Memberships		1,800	
Legal Notices, Recording, and Court Costs		41	
Maintenance Agreements		3,310	
Maintenance and Repair Services - Equipment		238	
Postal Charges		215	
Printing, Stationery, and Forms		774	
Travel		6,572	
Office Supplies		2,533	
Liability Insurance		580	
Workers' Compensation Insurance		91	
In Service/Staff Development		2,240	
Data Processing Equipment		319	
Total County Mayor/Executive			218,795

County Attorney

Legal Services	\$	22,160	
Total County Attorney			22,160

Election Commission

County Official/Administrative Officer	\$	67,747	
Deputy(ies)		27,641	
Part-time Personnel		13,087	
Overtime Pay		143	

(Continued)

Exhibit I-6

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Board and Committee Members Fees	\$	2,040	
Election Workers		18,027	
Social Security		6,827	
Pensions		7,860	
Employee and Dependent Insurance		7,917	
Employer Medicare		1,597	
Contracts with Private Agencies		2,312	
Dues and Memberships		200	
Legal Notices, Recording, and Court Costs		7,103	
Maintenance Agreements		13,545	
Maintenance and Repair Services - Equipment		930	
Postal Charges		4,706	
Printing, Stationery, and Forms		2,912	
Travel		749	
Office Supplies		3,843	
Building and Contents Insurance		962	
Liability Insurance		2,335	
Workers' Compensation Insurance		213	
In Service/Staff Development		950	
Data Processing Equipment		2,204	
Furniture and Fixtures		2,722	
Office Equipment		395	
Total Election Commission			\$ 198,967

Register of Deeds

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		90,661	
Social Security		9,899	
Pensions		13,673	
Employee and Dependent Insurance		15,681	
Employer Medicare		2,315	
Dues and Memberships		735	
Maintenance Agreements		20,055	
Postal Charges		1,092	
Printing, Stationery, and Forms		451	
Travel		929	
Data Processing Supplies		211	
Office Supplies		519	
Liability Insurance		774	
Workers' Compensation Insurance		153	
In Service/Staff Development		600	
Data Processing Equipment		1,386	
Office Equipment		720	
Total Register of Deeds			235,128

Development

Communication	\$	1,127	
---------------	----	-------	--

(Continued)

Exhibit I-6

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Contracts with Government Agencies	\$	68,661	
Contracts with Private Agencies		8,652	
Legal Notices, Recording, and Court Costs		429	
Maintenance and Repair Services - Office Equipment		175	
Postal Charges		99	
Travel		1,713	
Office Supplies		508	
Total Development			\$ 81,364

County Buildings

Supervisor/Director	\$	38,281	
Custodial Personnel		56,588	
Overtime Pay		947	
Social Security		5,633	
Pensions		7,895	
Employee and Dependent Insurance		11,876	
Employer Medicare		1,317	
Communication		20,017	
Laundry Service		2,310	
Maintenance Agreements		9,862	
Maintenance and Repair Services - Buildings		79,312	
Maintenance and Repair Services - Equipment		24,139	
Maintenance and Repair Services - Vehicles		520	
Permits		115	
Custodial Supplies		7,417	
Food Supplies		347	
Gasoline		1,838	
Natural Gas		12,296	
Office Supplies		316	
Utilities		56,777	
Building and Contents Insurance		25,180	
Liability Insurance		580	
Vehicle and Equipment Insurance		216	
Workers' Compensation Insurance		2,625	
Heating and Air Conditioning Equipment		21,220	
Maintenance Equipment		275	
Other Equipment		557	
Total County Buildings			388,456

Preservation of Records

Communication	\$	1,238	
Natural Gas		1,467	
Utilities		2,918	
Building and Contents Insurance		907	
Total Preservation of Records			6,530

(Continued)



Exhibit I-6

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

General Fund (Cont.)

Finance

Accounting and Budgeting

Supervisor/Director	\$	78,030	
Social Security		4,724	
Pensions		6,430	
Employee and Dependent Insurance		3,959	
Employer Medicare		1,105	
Travel		400	
Liability Insurance		193	
Workers' Compensation Insurance		131	
In Service/Staff Development		400	
Total Accounting and Budgeting			\$ 95,372

Property Assessor's Office

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		143,040	
Part-time Personnel		4,990	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		2,000	
Social Security		12,820	
Pensions		17,782	
Employee and Dependent Insurance		29,414	
Employer Medicare		2,998	
Data Processing Services		18,170	
Dues and Memberships		2,180	
Legal Notices, Recording, and Court Costs		275	
Maintenance Agreements		6,871	
Maintenance and Repair Services - Office Equipment		114	
Postal Charges		2,989	
Printing, Stationery, and Forms		563	
Travel		5,149	
Other Contracted Services		21,277	
Office Supplies		2,834	
Liability Insurance		1,548	
Workers' Compensation Insurance		496	
In Service/Staff Development		1,350	
Data Processing Equipment		420	
Total Property Assessor's Office			353,554

Reappraisal Program

Deputy(ies)	\$	29,652	
Social Security		1,410	
Pensions		2,443	
Employee and Dependent Insurance		7,917	
Employer Medicare		330	
Data Processing Services		5,755	
Postal Charges		2,000	
Travel		2,736	
Workers' Compensation Insurance		97	
Total Reappraisal Program			52,340

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		123,832	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		4,000	
Social Security		12,103	
Pensions		16,406	
Employee and Dependent Insurance		18,090	
Employer Medicare		2,831	
Dues and Memberships		950	
Legal Notices, Recording, and Court Costs		384	
Maintenance Agreements		20,768	
Postal Charges		10,951	
Printing, Stationery, and Forms		5,971	
Travel		3,540	
Office Supplies		3,698	
Liability Insurance		967	
Workers' Compensation Insurance		208	
In Service/Staff Development		1,000	
Data Processing Equipment		125	
Total County Trustee's Office			\$ 302,098

County Clerk's Office

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		384,510	
Part-time Personnel		10,370	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		2,000	
Social Security		27,712	
Pensions		37,886	
Employee and Dependent Insurance		55,422	
Employer Medicare		6,481	
Dues and Memberships		1,405	
Maintenance Agreements		22,307	
Postal Charges		14,774	
Printing, Stationery, and Forms		3,387	
Rentals		7,367	
Travel		1,459	
Other Contracted Services		237	
Library Books/Media		788	
Office Supplies		9,608	
Liability Insurance		2,902	
Workers' Compensation Insurance		664	
Office Equipment		4,516	
Total County Clerk's Office			670,069

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		225,200	
Salary Supplements		1,800	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		4,000	
Jury and Witness Expense		13,108	
Social Security		18,346	
Pensions		24,895	
Employee and Dependent Insurance		31,670	
Employer Medicare		4,291	
Contracts with Private Agencies		1,256	
Dues and Memberships		895	
Legal Notices, Recording, and Court Costs		192	
Maintenance Agreements		12,190	
Maintenance and Repair Services - Office Equipment		3,240	
Postal Charges		5,327	
Printing, Stationery, and Forms		1,097	
Travel		1,584	
Data Processing Supplies		1,247	
Natural Gas		1,747	
Office Supplies		5,529	
Utilities		14,699	
Building and Contents Insurance		1,814	
Liability Insurance		1,548	
Workers' Compensation Insurance		382	
In Service/Staff Development		1,160	
Data Processing Equipment		2,097	
Office Equipment		1,000	
Other Equipment		507	
Total Circuit Court			\$ 457,095

General Sessions Court

Judge(s)	\$	163,433
Supervisor/Director		36,065
Educational Assistants		4,500
Part-time Personnel		1,900
Social Security		10,542
Pensions		16,537
Employer Medicare		2,971
Communication		507
Dues and Memberships		732
Postal Charges		123
Travel		938
Office Supplies		1,361
Building and Contents Insurance		1,814
Liability Insurance		967
Workers' Compensation Insurance		71

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Data Processing Equipment	\$	364	
Furniture and Fixtures		450	
Office Equipment		2,540	
Total General Sessions Court			\$ 245,815

Drug Court

Supervisor/Director	\$	30,337	
Social Security		1,588	
Pensions		2,500	
Employee and Dependent Insurance		7,917	
Employer Medicare		371	
Travel		71	
Drugs and Medical Supplies		2,728	
Workers' Compensation Insurance		51	
In Service/Staff Development		250	
Other Charges		76	
Total Drug Court			45,889

Chancery Court

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		153,271	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		3,000	
Social Security		13,938	
Pensions		18,832	
Employee and Dependent Insurance		16,566	
Employer Medicare		3,260	
Data Processing Services		10,856	
Dues and Memberships		920	
Maintenance Agreements		537	
Maintenance and Repair Services - Office Equipment		200	
Postal Charges		1,411	
Rentals		3,720	
Travel		142	
Natural Gas		2,028	
Office Supplies		6,124	
Utilities		10,129	
Building and Contents Insurance		2,355	
Liability Insurance		1,161	
Workers' Compensation Insurance		385	
In Service/Staff Development		1,000	
Data Processing Equipment		855	
Office Equipment		1,438	
Total Chancery Court			328,402

Juvenile Court

Judge(s)	\$	57,580	
----------	----	--------	--

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Youth Service Officer(s)	\$	49,649	
Part-time Personnel		18,125	
Other Salaries and Wages		90,159	
Social Security		12,088	
Pensions		16,265	
Employee and Dependent Insurance		33,222	
Employer Medicare		2,827	
Communication		610	
Dues and Memberships		125	
Maintenance Agreements		7,656	
Maintenance and Repair Services - Office Equipment		445	
Postal Charges		2,335	
Printing, Stationery, and Forms		145	
Travel		2,269	
Other Contracted Services		12,467	
Natural Gas		2,647	
Office Supplies		2,290	
Utilities		11,438	
Building and Contents Insurance		9,582	
Liability Insurance		1,161	
Workers' Compensation Insurance		266	
In Service/Staff Development		220	
Data Processing Equipment		3,035	
Office Equipment		322	
Other Equipment		230	
Total Juvenile Court			\$ 337,158

Other Administration of Justice

County Official/Administrative Officer	\$	75,274
Deputy(ies)		184,958
Salary Supplements		2,131
Educational Incentive - Official/Admin Officer		1,000
Educational Incentive - Other County Employees		4,000
Jury and Witness Expense		10,138
Social Security		15,442
Pensions		19,285
Employee and Dependent Insurance		28,351
Employer Medicare		3,611
Communication		1,717
Dues and Memberships		870
Maintenance Agreements		22,216
Maintenance and Repair Services - Office Equipment		758
Postal Charges		3,150
Printing, Stationery, and Forms		1,206
Rentals		14,819
Travel		246
Office Supplies		5,719

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Building and Contents Insurance	\$	157	
Liability Insurance		1,354	
Workers' Compensation Insurance		441	
In Service/Staff Development		500	
Furniture and Fixtures		5,485	
Total Other Administration of Justice			\$ 402,828

Victim Assistance Programs

Contributions	\$	35,403	
Total Victim Assistance Programs			35,403

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	91,082	
Assistant(s)		54,018	
Deputy(ies)		1,050,370	
Youth Service Officer(s)		71,531	
Salary Supplements		18,600	
Clerical Personnel		161,358	
Part-time Personnel		24,766	
Educational Incentive - Other County Employees		3,000	
Overtime Pay		101,238	
Other Salaries and Wages		172,723	
Social Security		105,141	
Pensions		138,641	
Employee and Dependent Insurance		117,924	
Employer Medicare		24,589	
Communication		2,533	
Contracts with Government Agencies		8,580	
Contracts with Private Agencies		30,000	
Maintenance and Repair Services - Buildings		9,686	
Maintenance and Repair Services - Vehicles		52,120	
Postal Charges		4,851	
Printing, Stationery, and Forms		8,220	
Travel		14,579	
Gasoline		128,316	
Law Enforcement Supplies		12,862	
Office Supplies		7,891	
Uniforms		18,501	
Building and Contents Insurance		42	
Liability Insurance		62,174	
Vehicle and Equipment Insurance		22,087	
Workers' Compensation Insurance		32,814	
In Service/Staff Development		14,380	
Data Processing Equipment		9,621	
Law Enforcement Equipment		13,703	
Total Sheriff's Department			2,587,941

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Public Safety (Cont.)

Jail

Guards	\$	1,315,145	
Part-time Personnel		22,009	
Overtime Pay		30,851	
Social Security		82,366	
Pensions		110,882	
Employee and Dependent Insurance		115,140	
Employer Medicare		19,263	
Maintenance Agreements		18,938	
Maintenance and Repair Services - Buildings		43,471	
Medical and Dental Services		487,177	
Custodial Supplies		26,434	
Food Supplies		248,590	
Natural Gas		35,574	
Office Supplies		5,639	
Uniforms		6,895	
Utilities		226,138	
Building and Contents Insurance		40,442	
Liability Insurance		63,587	
Workers' Compensation Insurance		33,411	
Other Charges		25,582	
Law Enforcement Equipment		9,875	
Total Jail			\$ 2,967,409

Fire Prevention and Control

Supervisor/Director	\$	43,221
Social Security		2,147
Pensions		3,561
Employee and Dependent Insurance		7,917
Employer Medicare		502
Communication		6,214
Contracts with Private Agencies		2,668
Dues and Memberships		1,061
Legal Notices, Recording, and Court Costs		1,206
Licenses		55
Maintenance and Repair Services - Buildings		2,732
Maintenance and Repair Services - Equipment		14,314
Maintenance and Repair Services - Vehicles		19,296
Diesel Fuel		12,489
Gasoline		3,298
Natural Gas		12,276
Office Supplies		2,176
Uniforms		820
Utilities		15,343
Other Supplies and Materials		12,630
Building and Contents Insurance		2,471
Liability Insurance		6,390
Vehicle and Equipment Insurance		41,426

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Workers' Compensation Insurance	\$	10,789	
In Service/Staff Development		23,436	
Communication Equipment		3,975	
Data Processing Equipment		620	
Office Equipment		383	
Total Fire Prevention and Control			\$ 253,416

Civil Defense

Supervisor/Director	\$	45,583	
Other Salaries and Wages		38,288	
Social Security		4,832	
Pensions		6,911	
Employee and Dependent Insurance		7,917	
Employer Medicare		1,130	
Communication		10,573	
Dues and Memberships		240	
Maintenance and Repair Services - Buildings		1,864	
Maintenance and Repair Services - Equipment		14,653	
Postal Charges		100	
Travel		1,505	
Food Supplies		465	
Gasoline		2,309	
Natural Gas		2,520	
Office Supplies		1,636	
Uniforms		160	
Utilities		23,739	
Building and Contents Insurance		4,489	
Liability Insurance		387	
Vehicle and Equipment Insurance		3,930	
Workers' Compensation Insurance		275	
Office Equipment		49	
Other Equipment		244	
Total Civil Defense			173,799

Other Emergency Management

Communication Equipment	\$	10,770	
Total Other Emergency Management			10,770

County Coroner/Medical Examiner

Contracts with Government Agencies	\$	29,640	
Contracts with Private Agencies		14,595	
Pauper Burials		1,800	
Total County Coroner/Medical Examiner			46,035

Public Safety Grants Program

Equipment Operators	\$	72,471	
Part-time Personnel		42,706	

(Continued)



Exhibit I-6

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

General Fund (Cont.)

Public Safety (Cont.)

Public Safety Grants Program (Cont.)

Social Security	\$	7,037	
Pensions		5,971	
Employee and Dependent Insurance		8,641	
Employer Medicare		1,646	
Liability Insurance		1,548	
Workers' Compensation Insurance		11,720	
Total Public Safety Grants Program			\$ 151,740

Public Health and Welfare

Local Health Center

Communication	\$	452	
Contracts with Government Agencies		46,790	
Dues and Memberships		354	
Janitorial Services		28,420	
Maintenance Agreements		228	
Maintenance and Repair Services - Buildings		3,103	
Maintenance and Repair Services - Equipment		1,972	
Postal Charges		372	
Custodial Supplies		1,633	
Drugs and Medical Supplies		3,482	
Natural Gas		1,643	
Office Supplies		4,752	
Utilities		20,685	
Building and Contents Insurance		3,522	
Total Local Health Center			117,408

Rabies and Animal Control

Supervisor/Director	\$	30,600	
Part-time Personnel		9,888	
Social Security		2,510	
Pensions		2,521	
Employer Medicare		587	
Advertising		500	
Communication		1,002	
Contracts with Private Agencies		2,092	
Maintenance and Repair Services - Equipment		1,253	
Travel		5,603	
Animal Food and Supplies		2,499	
Diesel Fuel		2,020	
Office Supplies		100	
Utilities		6,339	
Building and Contents Insurance		207	
Liability Insurance		387	
Refunds		200	
Workers' Compensation Insurance		459	
Building Improvements		150	
Other Equipment		1,076	
Total Rabies and Animal Control			69,993

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

Assistant(s)	\$	60,343	
Supervisor/Director		52,157	
Equipment Operators		1,347,524	
Part-time Personnel		106,122	
Overtime Pay		363,920	
Other Salaries and Wages		31,522	
Social Security		115,704	
Pensions		148,986	
Employee and Dependent Insurance		159,726	
Employer Medicare		27,060	
Communication		5,502	
Contracts with Government Agencies		62,258	
Contracts with Private Agencies		25,834	
Data Processing Services		9,750	
Dues and Memberships		525	
Laundry Service		7,128	
Licenses		3,615	
Maintenance and Repair Services - Buildings		2,763	
Maintenance and Repair Services - Equipment		25,205	
Maintenance and Repair Services - Vehicles		81,526	
Postal Charges		27	
Rentals		11,697	
Travel		1,933	
Diesel Fuel		95,723	
Drugs and Medical Supplies		112,385	
Food Supplies		408	
Gasoline		526	
Natural Gas		2,376	
Office Supplies		12,626	
Uniforms		6,823	
Utilities		6,916	
Other Supplies and Materials		811	
Building and Contents Insurance		399	
Liability Insurance		12,576	
Vehicle and Equipment Insurance		28,675	
Workers' Compensation Insurance		131,224	
In Service/Staff Development		1,475	
Data Processing Equipment		3,000	
Furniture and Fixtures		404	
Total Ambulance/Emergency Medical Services			\$ 3,067,174

Alcohol and Drug Programs

Guidance Personnel	\$	32,400
Part-time Personnel		2,829
Social Security		2,020
Pensions		1,568
Employer Medicare		472

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs (Cont.)

Medical and Dental Services	\$	227	
Workers' Compensation Insurance		124	
Total Alcohol and Drug Programs			\$ 39,640

Other Local Health Services

Other Supplies and Materials	\$	15,714	
Total Other Local Health Services			15,714

Sanitation Education/Information

Supervisor/Director	\$	30,374	
Social Security		1,825	
Pensions		2,503	
Employee and Dependent Insurance		3,959	
Employer Medicare		427	
Maintenance and Repair Services - Equipment		72	
Maintenance and Repair Services - Vehicles		1,354	
Other Supplies and Materials		648	
Liability Insurance		193	
Workers' Compensation Insurance		742	
Other Charges		16,446	
Total Sanitation Education/Information			58,543

Other Public Health and Welfare

Social Workers	\$	42,534	
Medical Personnel		157,707	
Part-time Personnel		24,031	
Other Salaries and Wages		82,464	
Social Security		18,655	
Pensions		23,295	
Employee and Dependent Insurance		32,185	
Employer Medicare		4,363	
Maintenance and Repair Services - Equipment		1,463	
Travel		10,523	
Other Supplies and Materials		13,164	
Liability Insurance		2,400	
Workers' Compensation Insurance		7,053	
Criminal Investigation of Applicants - TBI		58	
Other Charges		15,301	
Total Other Public Health and Welfare			435,196

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$	27,586	
Supervisor/Director		40,435	
Part-time Personnel		67,365	
Social Security		8,255	
Pensions		5,605	

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Employee and Dependent Insurance	\$	3,959	
Employer Medicare		1,931	
Communication		4,402	
Contracts with Government Agencies		6,681	
Contracts with Private Agencies		30,281	
Dues and Memberships		222	
Legal Notices, Recording, and Court Costs		95	
Licenses		1,785	
Maintenance Agreements		1,888	
Maintenance and Repair Services - Buildings		2,418	
Maintenance and Repair Services - Office Equipment		764	
Maintenance and Repair Services - Vehicles		1,256	
Postal Charges		835	
Rentals		2,000	
Travel		17,596	
Other Contracted Services		323	
Food Preparation Supplies		476	
Food Supplies		11,519	
Gasoline		1,902	
Natural Gas		1,498	
Office Supplies		1,937	
Utilities		10,046	
Other Supplies and Materials		3,559	
Building and Contents Insurance		98	
Liability Insurance		1,548	
Refunds		600	
Vehicle and Equipment Insurance		1,379	
Workers' Compensation Insurance		3,345	
In Service/Staff Development		490	
Criminal Investigation of Applicants - TBI		228	
Data Processing Equipment		210	
Other Equipment		1,287	
Total Senior Citizens Assistance			\$ 265,804

Libraries

Assistant(s)	\$	23,261
Supervisor/Director		35,597
Librarians		9,601
Part-time Personnel		28,192
Social Security		5,909
Pensions		5,430
Employee and Dependent Insurance		7,022
Employer Medicare		1,382
Communication		6,464
Contracts with Other Public Agencies		20,000
Contributions		2,500
Maintenance Agreements		845

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Postal Charges	\$	100	
Travel		713	
Instructional Supplies and Materials		2,565	
Library Books/Media		14,183	
Natural Gas		1,353	
Periodicals		292	
Utilities		9,156	
Other Supplies and Materials		1,660	
Building and Contents Insurance		1,783	
Liability Insurance		1,161	
Workers' Compensation Insurance		163	
Other Charges		2,597	
Other Equipment		4,018	
Total Libraries			\$ 185,947

Parks and Fair Boards

Maintenance and Repair Services - Buildings	\$	6,500	
Natural Gas		1,500	
Utilities		12,400	
Building and Contents Insurance		2,052	
Total Parks and Fair Boards			22,452

Other Social, Cultural, and Recreational

Other Supplies and Materials	\$	3,726	
Total Other Social, Cultural, and Recreational			3,726

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	1,430	
Contracts with Government Agencies		123,567	
Licenses		38	
Postal Charges		83	
Rentals		3,478	
Travel		371	
Office Supplies		3,048	
Building and Contents Insurance		1,235	
Vehicle and Equipment Insurance		54	
In Service/Staff Development		1,270	
Total Agricultural Extension Service			134,574

Soil Conservation

Secretary(ies)	\$	33,324	
Clerical Personnel		39,325	
Part-time Personnel		1,688	
Social Security		4,513	
Pensions		5,986	
Employee and Dependent Insurance		6,184	

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Employer Medicare	\$	1,055	
Communication		499	
Maintenance and Repair Services - Equipment		1,169	
Postal Charges		300	
Travel		890	
Office Supplies		461	
Other Supplies and Materials		425	
Building and Contents Insurance		1,235	
Liability Insurance		580	
Vehicle and Equipment Insurance		81	
Workers' Compensation Insurance		707	
Data Processing Equipment		36	
Furniture and Fixtures		319	
Office Equipment		194	
Total Soil Conservation			\$ 98,971

Flood Control

Contracts with Government Agencies	\$	59,625	
Total Flood Control			59,625

Other Operations

Tourism

Maintenance and Repair Services - Buildings	\$	536	
Rentals		570	
Travel		124	
Utilities		655	
Other Charges		1,971	
Total Tourism			3,856

Industrial Development

Supervisor/Director	\$	75,000	
Social Security		4,560	
Pensions		6,180	
Employee and Dependent Insurance		7,022	
Employer Medicare		1,066	
Dues and Memberships		350	
Travel		14,478	
Liability Insurance		193	
Workers' Compensation Insurance		1,190	
Total Industrial Development			110,039

Other Economic and Community Development

Contracts with Other Public Agencies	\$	1,000	
Total Other Economic and Community Development			1,000

Airport

Attendants	\$	31,378	
------------	----	--------	--

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Other Operations (Cont.)

Airport (Cont.)

Part-time Personnel	\$	7,630	
Social Security		2,332	
Pensions		2,586	
Employee and Dependent Insurance		3,959	
Employer Medicare		546	
Communication		3,348	
Contracts with Private Agencies		7,824	
Dues and Memberships		51	
Legal Notices, Recording, and Court Costs		200	
Maintenance and Repair Services - Buildings		21,255	
Maintenance and Repair Services - Equipment		2,103	
Postal Charges		150	
Travel		1,338	
Remittance of Revenue Collected		3,482	
Permits		350	
Diesel Fuel		34,497	
Gasoline		28,883	
Office Supplies		220	
Utilities		10,992	
Building and Contents Insurance		5,014	
Liability Insurance		2,917	
Vehicle and Equipment Insurance		16	
Workers' Compensation Insurance		1,267	
Airport Improvement		23,973	
Total Airport			\$ 196,311

Veterans' Services

Supervisor/Director	\$	30,222	
Part-time Personnel		6,078	
Social Security		2,251	
Employer Medicare		526	
Maintenance Agreements		679	
Rentals		780	
Travel		872	
Office Supplies		786	
Liability Insurance		387	
Workers' Compensation Insurance		490	
Office Equipment		366	
Total Veterans' Services			43,437

Other Charges

Evaluation and Testing	\$	3,578	
Liability Insurance		7,235	
Premiums on Corporate Surety Bonds		3,877	
Trustee's Commission		195,400	
Other Charges		424	
Total Other Charges			210,514

(Continued)

Exhibit I-6

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$ 130,857	
Total Contributions to Other Agencies		\$ 130,857

Employee Benefits

Bonus Payments	\$ 99,614	
Social Security	6,176	
Life Insurance	8,166	
Unemployment Compensation	5,173	
Employer Medicare	1,444	
Fines, Assessments, and Penalties	4,433	
Total Employee Benefits		<u>125,006</u>

Total General Fund \$ 16,114,706

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$ 33,486	
Social Security	1,842	
Pensions	2,759	
Employee and Dependent Insurance	7,022	
Employer Medicare	431	
Communication	804	
Data Processing Services	294	
Dues and Memberships	200	
Postal Charges	100	
Travel	3,720	
Office Supplies	20	
Building and Contents Insurance	93	
Liability Insurance	193	
Workers' Compensation Insurance	531	
Total Sanitation Management		\$ 51,495

Other Waste Disposal

Contracts with Private Agencies	\$ 29,984	
Trustee's Commission	645	
Other Charges	2,446	
Total Other Waste Disposal		<u>33,075</u>

Total Solid Waste/Sanitation Fund 84,570

Drug Control Fund

Public Safety

Drug Enforcement

Travel	\$ 3,821	
Animal Food and Supplies	1,764	
Other Supplies and Materials	6,126	

(Continued)



Exhibit I-6

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Trustee's Commission	\$	425	
Law Enforcement Equipment		30,044	
Total Drug Enforcement			\$ 42,180

Total Drug Control Fund \$ 42,180

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$	1,035	
Total Chancery Court			\$ 1,035

Total Constitutional Officers - Fees Fund 1,035

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	88,785	
Accountants/Bookkeepers		56,610	
Board and Committee Members Fees		6,000	
Communication		826	
Data Processing Services		8,924	
Dues and Memberships		6,232	
Evaluation and Testing		1,706	
Janitorial Services		2,075	
Legal Notices, Recording, and Court Costs		486	
Maintenance and Repair Services - Office Equipment		4,202	
Postal Charges		624	
Printing, Stationery, and Forms		163	
Travel		620	
Drugs and Medical Supplies		298	
Electricity		10,179	
Natural Gas		1,395	
Office Supplies		2,407	
Water and Sewer		3,155	
In Service/Staff Development		250	
Other Charges		4,021	
Total Administration			\$ 198,958

Highway and Bridge Maintenance

Foremen	\$	184,892	
Equipment Operators		352,167	
Laborers		251,743	
Contracts with Private Agencies		105,358	
Rentals		2,385	
Asphalt - Liquid		532,311	
Concrete		336	

(Continued)

Exhibit I-6

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Crushed Stone	\$	664,194	
Fertilizer, Lime, and Seed		838	
Pipe		169,749	
Road Signs		6,930	
Small Tools		2,479	
Wood Products		24,911	
Other Supplies and Materials		3,996	
Total Highway and Bridge Maintenance			\$ 2,302,289

Operation and Maintenance of Equipment

Mechanic(s)	\$	131,976	
Maintenance and Repair Services - Buildings		7,719	
Maintenance and Repair Services - Equipment		47,487	
Diesel Fuel		152,436	
Equipment and Machinery Parts		138,219	
Garage Supplies		10,149	
Gasoline		40,385	
Lubricants		14,879	
Small Tools		2,820	
Tires and Tubes		44,816	
Other Supplies and Materials		778	
Office Equipment		1,330	
Total Operation and Maintenance of Equipment			592,994

Other Charges

Liability Insurance	\$	38,870	
Premiums on Corporate Surety Bonds		1,063	
Trustee's Commission		51,982	
Workers' Compensation Insurance		39,278	
Total Other Charges			131,193

Employee Benefits

Social Security	\$	63,777	
Pensions		84,561	
Employee and Dependent Insurance		215,065	
Life Insurance		1,220	
Employer Medicare		14,916	
Total Employee Benefits			379,539

Capital Outlay

Engineering Services	\$	558	
Bridge Construction		483,218	
Highway Construction		656,591	
Highway Equipment		414,793	
State Aid Projects		827,029	
Total Capital Outlay			2,382,189

Total Highway/Public Works Fund \$ 5,987,162

(Continued)

Exhibit I-6

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

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 1,145,000	
Principal on Notes	47,095	
Total General Government		\$ 1,192,095

Interest on Debt

General Government

Interest on Bonds	\$ 298,213	
Interest on Notes	1,596	
Total General Government		299,809

Other Debt Service

General Government

Bank Charges	\$ 2,619	
Trustee's Commission	19,467	
Underwriter's Discount	42,336	
Other Debt Issuance Charges	70,602	
Total General Government		135,024

Total General Debt Service Fund \$ 1,626,928

General Capital Projects Fund

Administration of Justice

Courtroom Security

Law Enforcement Equipment	\$ 63,920	
Total Courtroom Security		\$ 63,920

Public Safety

Sheriff's Department

Motor Vehicles	\$ 26,606	
Total Sheriff's Department		26,606

Fire Prevention and Control

Motor Vehicles	\$ 16,900	
Other Equipment	108,542	
Total Fire Prevention and Control		125,442

Public Health and Welfare

Ambulance/Emergency Medical Services

Motor Vehicles	\$ 219,974	
Other Equipment	31,456	
Total Ambulance/Emergency Medical Services		251,430

Other Operations

Other Economic and Community Development

Site Development	\$ 523,681	
Total Other Economic and Community Development		523,681

(Continued)

Exhibit I-6

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

General Capital Projects Fund (Cont.)

Other Operations (Cont.)

Airport

Airport Improvement	\$ 7,150	
Total Airport		\$ 7,150

Capital Projects

Public Safety Projects

Building Purchases	\$ 89,000	
Other Equipment	7,985	
Total Public Safety Projects		96,985

Total General Capital Projects Fund		\$ 1,095,214
-------------------------------------	--	--------------

Total Governmental Funds - Primary Government		\$ 24,951,795
---	--	---------------

Exhibit I-7

Gibson County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Funds  
For the Year Ended June 30, 2018

	Cities Sales Tax Fund	Special School District Fund	Total
<u>Cash Receipts</u>			
Local Option Sales Tax	\$ 5,763,275	\$ 6,192,687	\$ 11,955,962
City/School District Property Taxes:			
Current Property Tax	0	13,006,318	13,006,318
Prior Year's Property Tax	0	542,031	542,031
Interest and Penalty	0	64,252	64,252
Payments in Lieu of Taxes - Other	0	13,000	13,000
Marriage Licenses	0	2,665	2,665
State Revenue Sharing -Telecommunications	0	54,306	54,306
Total Cash Receipts	<u>\$ 5,763,275</u>	<u>\$ 19,875,259</u>	<u>\$ 25,638,534</u>
<u>Cash Disbursements</u>			
Remittance of Revenues Collected	\$ 5,705,642	\$ 19,537,249	\$ 25,242,891
Trustee's Commission	57,633	334,000	391,633
Total Cash Disbursements	<u>\$ 5,763,275</u>	<u>\$ 19,871,249</u>	<u>\$ 25,634,524</u>
Excess of Cash Receipts Over (Under)			
Cash Disbursements	\$ 0	\$ 4,010	\$ 4,010
Cash Balance, July 1, 2017	0	9,063	9,063
Cash Balance, June 30, 2018	<u>\$ 0</u>	<u>\$ 13,073</u>	<u>\$ 13,073</u>

---

---

**SINGLE AUDIT SECTION**

---

---



JUSTIN P. WILSON  
Comptroller

JASON E. MUMPOWER  
Chief of Staff

**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

Gibson County Mayor and  
Board of County Commissioners  
Gibson 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 Gibson County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Gibson County's basic financial statements, and have issued our report thereon dated September 6, 2018. Our report includes a reference to other auditors who audited the financial statements of the Gibson County Emergency Communications District, as described in our report on Gibson County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

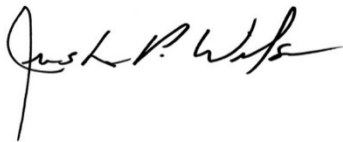
### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gibson County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2018

JPW/kp





JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Chief of Staff*

**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

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Gibson 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 Gibson County's major federal programs for the year ended June 30, 2018. Gibson 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 Gibson 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 Gibson 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 Gibson County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Gibson 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, 2018.

### **Report on Internal Control Over Compliance**

Management of Gibson 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 Gibson 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 Gibson 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.

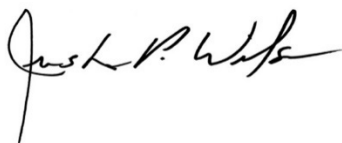
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Gibson County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Gibson County's basic financial statements. We issued our report thereon dated September 6, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on 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.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2018

JPW/kp

Gibson County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1) (2)  
For the Year Ended June 30, 2018

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Program:			
Long-term Standing Agreements for Storage, Transportation, and Lease	10.999	N/A	\$ 70,551
Total U.S. Department of Agriculture			<u>\$ 70,551</u>
U.S. Department of Military:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	\$ 125,663
Total U.S. Department of Military			<u>\$ 125,663</u>
U.S. Department of Housing and Urban Development:			
Passed through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	45442-10236	\$ 443,440
Total U.S. Department of Housing and Urban Development			<u>\$ 443,440</u>
U. S. Department of Transportation:			
Passed-through State Department of Transportation			
Airport Improvement Program	20.106	AERO041876	\$ 13,879
Total U.S. Department of Transportation			<u>\$ 13,879</u>
U.S. Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(3)	\$ 1,128
Total U.S. Institute of Museum and Library Services			<u>\$ 1,128</u>
U.S. Department of Health and Human Services:			
Passed-through Northwest Tennessee Development District:			
Aging Cluster: (4)			
Special Programs for the Aging - Title III, Part B - Grants for	93.044	(3)	\$ 38,122
Supportive Services and Senior Centers	93.778	(3)	\$ 27,096
Medical Assistance Program			<u>\$ 65,218</u>
Total U.S. Department of Health and Human Services			
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	34101-18716	\$ 87,000
Homeland Security Grant Program	97.067	(3)	\$ 124,488
Total U.S. Department of Homeland Security			<u>\$ 211,488</u>
Total Expenditures of Federal Awards			<u>\$ 931,367</u>
<u>State Grants</u>		<u>Contract Number</u>	
Airport Maintenance Program - State Department of Transportation	N/A	40100-45315	\$ 18,524
Homemaker and Personal Care Services - Northwest Tennessee Development District	N/A	(3)	\$ 57,059
Drug Court Grant - State Department of Mental Health and Substance Abuse Services	N/A	(3)	\$ 39,640
High Visibility Law Enforcement Grant - State Department of Transportation	N/A	Z18THS121	\$ 2,214
Tourism Enhancement Grant - State Department of Tourist Development	N/A	(3)	\$ 1,030
Preventive Health and Human Services - State Department of Health	N/A	(3)	\$ 293,389
Litter Program - State Department of Transportation	N/A	27-500-4016-04	\$ 23,609
INVESTPREP Grant- Tennessee Valley Authority	N/A	(3)	\$ 13,047
Courtroom Security Grant - Administrative Office of the Courts	N/A	(3)	\$ 57,528
Used Oil Grant - State Department of Environment and Conservation	N/A	(3)	<u>\$ 26,281</u>
Total State Grants			<u>\$ 532,321</u>
CFDA - Catalog of Federal Domestic Assistance			
N/A - Not Applicable			

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.  
(2) Gibson County elected not to use the 10% de minimus cost rate permitted by the Uniform Guidance.  
(3) Information not available.  
(4) Aging Cluster total \$38,122.

Gibson County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2018

*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 Gibson County, Tennessee, for the year ended June 30, 2018.

***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.

---

**GIBSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2018**

---

**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

- |   |           |
|---|-----------|
| 1. Our report on the financial statements of Gibson County is unmodified. |           |
| 2. Internal Control Over Financial Reporting:                             |           |
| * Material weakness identified?   | <b>NO</b> |
| * Significant deficiency identified?                                      | <b>NO</b> |
| 3. Noncompliance material to the financial statements noted?              | <b>NO</b> |

**Federal Awards:**

- |   |  |
|---|--|
| 4. Internal Control Over Major Federal Programs:  |  |
| * Material weakness identified?   | <b>NO</b>  |
| * Significant deficiency identified?  | <b>NONE REPORTED</b>                                   |
| 5. Type of report auditor issued on compliance for major programs.                                    | <b>UNMODIFIED</b>                                      |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <b>NO</b>  |
| 7. Identification of Major Federal Programs:  |  |
| * CFDA Number: 14.228   | Community Development Block Grants/<br>State's Program |
| 8. Dollar threshold used to distinguish between Type A and Type B Programs.                           | <b>\$750,000</b>                                       |
| 9. Auditee qualified as low-risk auditee?   | <b>NO</b>  |

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

There were no findings and recommendations, as a result of our audit of the financial statements of Gibson County, Tennessee.

### **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, 2018.



**Gibson County, Tennessee  
Management's Corrective Action Plan  
For the Year Ended June 30, 2018**

The audit of Gibson County did not report any findings and recommendations.

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Gibson County.

### **GIBSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Gibson County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.