

TOWN OF COLLIERVILLE, TENNESSEE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2020

Prepared by the Town of Collierville Department of Finance

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INTRODUCTORY SECTION (UNAUDITED)

Stan Joyner
Mayor

Maureen Fraser, Alderman
John Worley, Alderman
Tom Allen, Alderman
John E. Stamps, Alderman
Billy Patton, Alderman



James H. Lewellen
Town Administrator

Lynn Carmack
Town Clerk

Town of Collierville

December 11, 2020

To the Board of Mayor and Aldermen
and Citizens of the Town of Collierville:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Collierville (or the Town) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the Town of Collierville. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Collierville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Collierville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Collierville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Collierville's financial statements have been audited by Watkins Uiberall, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Collierville for the fiscal year ended June 30, 2020, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Collierville's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Collierville's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The Town of Collierville was first settled in 1835, incorporated in 1870, and is located in Shelby County, southeast of Memphis, Tennessee in the southwestern part of the state. Collierville is part of the most rapidly developing area of Shelby County. The Town of Collierville currently occupies a land area of 36.04 square miles and serves an estimated population of 52,264. The Town of Collierville is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Board of Mayor and Aldermen.

The Town of Collierville operates under a Private Acts Charter. The present charter was adopted in 2001. Collierville is a Mayor-Aldermanic/Town Administrator form of government. Policy-making and legislative authority are vested in a board consisting of the Mayor and five Aldermen. The board is responsible, among other things, for passing ordinances, adopting the budget, adopting the tax rate and setting fees, appointing boards and commissions, and appointing the Town Administrator and department heads. The Town Administrator is responsible for carrying out the policies and ordinances of the board and for overseeing the day-to-day operations of the Town. The board is elected on a non-partisan basis by popular vote and members serve four-year staggered terms. Elections occur every two years in November. The most recent election was in November 2018.

The Town of Collierville provides a full range of services, including police, fire, and paramedic services; the construction and maintenance of highways, streets, and other infrastructure; planning and zoning services; sanitation; recreational activities; library and cultural events. In addition, the Town operates a water and sewer utility system. It is reported as a proprietary fund in the Town's financial statements.

The Town of Collierville began operation of its own municipal school system in August 2014. In anticipation of funding a separate municipal school system for the Town, the citizens voted to increase the local option sales tax by one-half percent in August 2012. The municipal school system operates under the Town Charter and is considered a part of the Town's financial statements. The Collierville Board of Education provides educational services to students within the jurisdiction of the Town of Collierville and serves approximately 8,900 students. The Collierville Municipal School District achieved Reward status as designated by the Tennessee Department of Education in 2019.

The Memphis Light, Gas and Water Division of the City of Memphis provides electrical and natural gas distribution to the Collierville service area. These entities do not meet established criteria for inclusion in the reporting entity and are not included in the report.

The annual budget serves as the foundation for the Town of Collierville's financial planning and control. All departments of the Town of Collierville are required to submit requests for appropriations to the Town Administrator. The Town Administrator uses these requests as the starting point for developing a proposed budget. The Town Administrator then presents this proposed budget to the Board of Mayor and Aldermen at least 45 days before the beginning of the fiscal year. The board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30, the close of the Town of Collierville's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The Town Administrator may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the approval of the Board of Mayor and Aldermen. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and general purpose school fund, this comparison is presented on pages 30-43 as part of the basic financial statements. For governmental funds with appropriated budgets,

other than the general fund and the general purpose school fund, the comparison is presented in the supplemental information subsection of this report, which starts on page 116.

LOCAL ECONOMY

The Town of Collierville's economy has transcended from a predominantly agricultural base into a diverse economic structure including manufacturing, distribution, service, trade, construction, finance, government and high technology. Following the overall economic slowdown in 2007 – 2009, the rate of growth began to increase in 2014 and continued this trend into 2020. However, during fiscal year 2020 the coronavirus pandemic has made economic conditions uncertain for the near term.

Commercial development potential in the Town remains strong with 19 new commercial permits valued at \$162,142,800 and another 57 permits for additions to existing buildings valued at \$14,660,846. Collierville's strong residential base continues to drive a variety of projects in the community. The new \$93,485,000 Collierville High School completed construction and opened for the 2018/2019 school year. Collierville based corporate partners continue to exhibit positive results with respect to wages and financial strength. FedEx World Technology Center, with over 2,600 IT professionals, reports average wages of \$103,152, up from the previous year. MCR Safety and Helena Agri-Enterprises show wage gains of 6.5% and 15% respectively. Our newest partner, Mueller Industries, reported 3rd quarter 2020 operating income of \$69.2 million, an increase of \$22.9 million from the same period 2019.

The 2010 federal census put the Town's population at 43,965. In December 2011, the Town annexed a portion of its reserve area, which increased the population to 45,550. The Town's population is currently estimated to be approximately 52,264. The growth in population is reflected in the increase of building permits for single family homes. There were 173 residential permits in 2016 valued at \$61,356,693; 199 in 2017 valued at \$75,451,270; 161 in 2018 valued at \$60,794,891; 195 permits in 2019 valued at \$86,330,623 and 171 permits in 2020 valued at \$72,167,164. Additions to existing homes continues to show improvement with 228 in 2016 and 244 in 2017. In 2018 there were 265 additions valued at \$5,244,887; 235 additions in 2019 valued at \$5,820,486 and 229 addition in 2020 valued at \$5,629,341.

LONG-TERM FINANCIAL PLANNING

Previous to fiscal 2009, the Town had seven years of operating surpluses, increasing total general fund balance to \$26.14 million or 67.3% of annual revenues and unassigned fund balance to \$16.13 million or 41.5% of annual revenues. With the downturn in the national, state and local economy, the Town's financial position remained strong despite decreases in General Fund fund balance in fiscal 2009 and 2010. This was accomplished with prudent financial management, solid reserves, and a formalized fund balance policy which requires reserves equal to 25% of annual operating expenses. This fund balance policy has allowed the Town to maintain adequate levels of reserve funds for emergencies and cash flow management. In fiscal 2014 the fund balance increased \$5,823,934 and in fiscal 2015, fund balance decreased \$946,586 due to transfers to the Town's municipal school system for start-up costs. In fiscal 2016 the fund balance increased \$11,570,253 due to a debt issuance and also the Town's revenue increases in property tax and sales tax revenue while expenditures remained relatively stable. In fiscal year 2017 and 2018 the fund balance increased \$4,158,469 and \$5,232,813 respectively. In fiscal year 2019 the fund balance increased 9,326,556 and is attributed to revenues increasing across all categories from prior year by approximately 14% with expenditures increasing at a slower rate of approximately 9%. In fiscal year 2020 the trend continued with an increase in fund balance of \$11,912,052. This is attributed to revenue increasing 1.9% over prior year with property tax and sales tax experiencing modest increases while expenditures decreased by 1.9% due to economic concerns related to the coronavirus pandemic. The Town of Collierville holds the highest possible bond rating from Moody's Investors Service, Aaa.

Part of the Town's long-range financial plan is to provide retirement and post-employment benefits to employees. The Town provides three retirement plans to full-time employees. During FY 2007, the Town created a defined benefit pension plan to be administered by the Town. The Town's actuarially determined rate for the current fiscal year was 10.0% of payroll. The other two plans include a defined contribution plan for employees employed prior to June 30, 1994, and a defined benefit plan for employees hired after June 30, 1994. The Town funds the defined contribution plan at 9% of total compensation of the employee. The Town is required to contribute at an actuarially determined rate to the defined benefit plan which is administered by the Tennessee Consolidated Retirement System (TCRS). The municipal school system's employees participate in plans administered by TCRS. There are currently four TCRS plans in which the school system's employees participate based on their original membership date.

The Town of Collierville also provides post-employment health benefits for certain retirees and their dependents. The Town began funding this liability in FY 2008 in a trust. Additional information on the Town of Collierville's pension arrangements and post-employment benefits can be found in Notes 12, 13 and 14 in the notes to the financial statements.

Planning and review of the FY 2021 budget began in December 2019. The budget was reflective of the recovery the Town has been experiencing since the end of the recession. Decisions Town leaders made during the recession, which included the elimination of positions, a moratorium on salary increases, and a property tax hike, were difficult. But, the decisions proved to be prudent in aiding the Town in replenishing fund balance reserves and returning to pre-recession staffing levels. The FY 2016 budget included a property tax rate increase of \$.25 per \$100 of assessed valuation to help fund the debt service for the general obligation bond issuance associated with the construction of the Town's new high school. There was no property tax increase in the FY 2017 budget and the property tax rate was adjusted down \$.15 per \$100 for FY 2018 due to the property reappraisal that occurs every four years. This adjustment is necessary for reappraisal years so property reappraisals are a revenue-neutral event. In preparing the FY 2019 budget the decision was made to increase the property tax rate by \$.20 per \$100 of assessed valuation for operational purposes and to help offset the reduction in some state revenue sources. In FY 2019 there were two new patrol officers added in the Police Department and in FY 2020 there were an additional six new police officers added. In FY 2021 the Town added two firefighter/paramedics, a staff engineer and an equipment operator in the Sanitation department.

MAJOR INITIATIVES

To keep pace with the transportation needs of the growing population of residents and businesses, over the past six years the Town allocated over \$23.7 million for design and construction of road projects, along with several other intersection and roadway improvements within the Town's interior. These projects have helped to improve traffic flow and the livability of the entire community.

In our Historic Downtown, the Town continues implementation of the Downtown Development Plan that was adopted in 2010. A major milestone included the substantial completion of streetscape improvements to Center Street in the spring of 2020. Construction began in late summer of 2018. Center Street is one of the Town's significant gateways to Downtown from Highway 72. The project was partially funded from two grants from the State of Tennessee.

In August of 2017 the Town received a \$2.2 million Disaster Recovery Community Development Block Grant for various drainage projects in the downtown area. The drainage improvements include new drainage pipes, a box culvert, new drainage inlets and ditch construction and landscaping. These projects were completed in 2019.

In October 2015 the Town issued \$93.4 million in general obligation bonds to fund the construction of a new high school. The new high school is designed to accommodate a 3,000 student population. Construction began in 2016 and was completed in time for the 2018/2019 school year.

In September 2020 the Town started construction on a new 12" water line on Poplar Avenue. This new water line will accommodate future growth and water demand along Poplar Ave. from Collierville-Arlington Road to Market Blvd. The new 12" water line is replacing the existing 6" and 4" water lines currently servicing the area along Poplar Ave. The scheduled completion date on this \$5 million project is 2022.

The Town secured \$1,164,696 of federal funds through the Memphis Metropolitan Planning Organization (MPO) to obtain a consultant to complete the environmental and design phases for the widening of SR 175 (Shelby Drive) between Jasper Park Lane and Shelby Post Road. This project began in 2018 with construction scheduled to begin in 2022. Construction funds will be applied for during the MPO's 2023-2026 Transportation Improvement Program (TIP) cycle.

The Town secured federal funds of \$2,809,410 through the Memphis Metropolitan Planning Organization for resurfacing projects to include Progress Road from Shelby Drive to Keough Road; Houston Levee from Winchester to south of Poplar Ave.; and Shelton Road from Squire Dudney to Collierville-Arlington Road. Construction is estimated to begin in the summer of 2021.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Collierville for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the twenty-ninth year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning July 1, 2019. This was the twenty-third year that the government has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the dedicated services of the entire staff of the finance and administration departments, various other departments who provided required information for the report, and the Town's independent public accountants, Watkins Uiberall, PLLC. We would like to express our appreciation to all who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Mayor and Aldermen for their unfailing support and for maintaining the highest standards of professionalism in the management of the Town of Collierville's finances.

Respectfully submitted,



Mark Krock
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Collierville
Tennessee**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

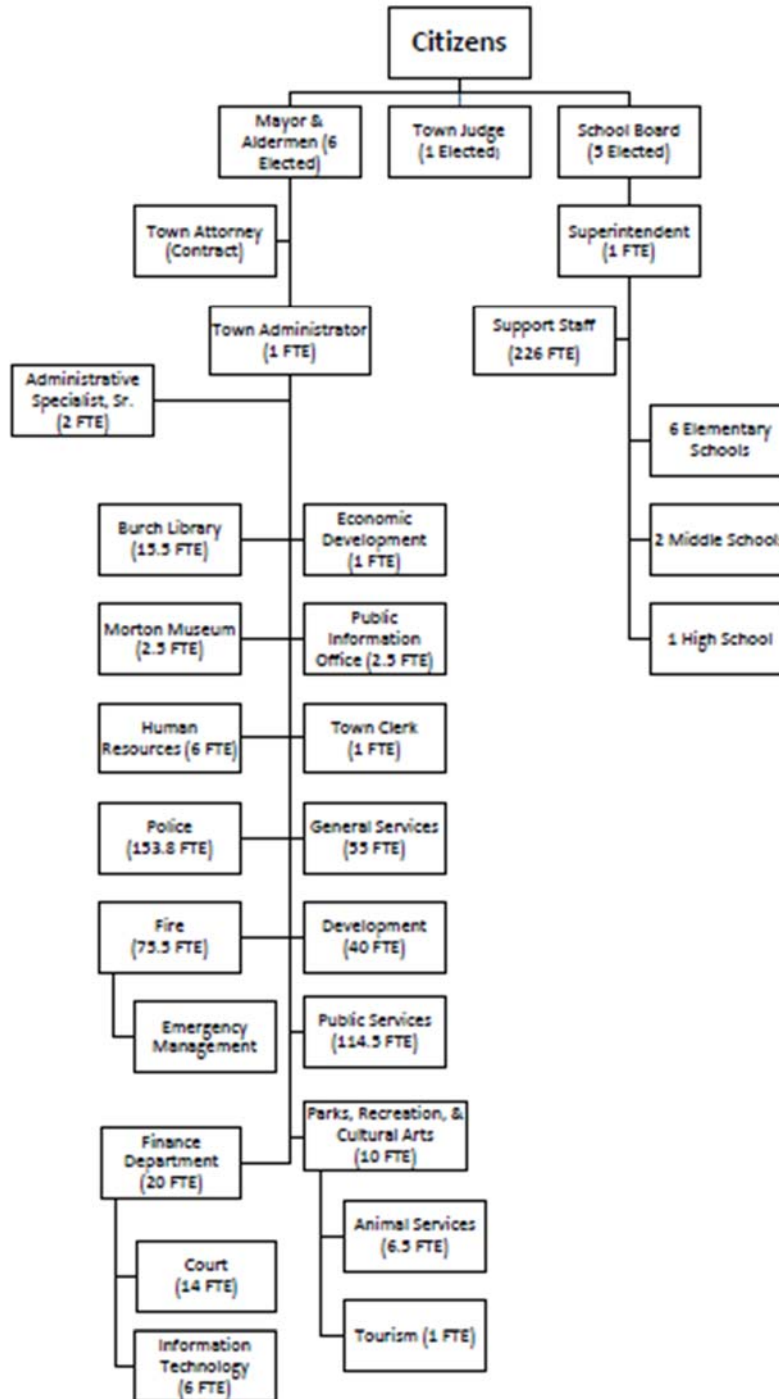
June 30, 2019

Christopher P. Morill

Executive Director/CEO

TOWN OF COLLIERVILLE, TENNESSEE ORGANIZATION CHART

June 30, 2020



TOWN OF COLLIERVILLE, TENNESSEE
TOWN AND BOARD OF EDUCATION OFFICIALS
June 30, 2020

TOWN OFFICIALS AND EXECUTIVE STAFF

MAYOR

Stan Joyner (2016 – 2020*)

ALDERMEN

Maureen Fraser, Vice Mayor (2018 – 2022*)

John E. Stamps (2016 – 2020*)

Billy Patton (2018 – 2022*)

John Worley (2016 – 2020*)

Town Attorney	Nathan Bicks
Town Judge	Lee Ann Pafford Dobson
Town Administrator	James Lewellen
Finance Director.....	Mark Krock**
Director of Development	Jay Cravens
Public Services Director.....	William Kilp
Chief of Police	Dale Lane
Fire Chief	Buddy Billings
Director of General Services.....	Derek Honeycutt
Parks, Recreation and Community Services Director.....	Greg Clark
Town Clerk	Lynn Carmack

BOARD OF EDUCATION OFFICIALS AND EXECUTIVE STAFF

BOARD MEMBERS

Mark Hansen, Chairman (2016 – 2020*)

Wanda Chism (2018 – 2022*)

Wright Cox (2016 – 2020*)

Wanda Gibbs (2019 – 2020*)

Frank Warren (2018 – 2022*)

Superintendent.....	Dr. Gary Lilly
Chief of Staff.....	Jeff Jones
Chief Financial Officer	Anita Hays**
Chief Academic Officer	Louise Claney
Chief of Student Services.....	Herchel Burton
Chief of Human Resources	Cecelia Booker
Chief of Special Education.....	Joyce Keohane
Chief Information Officer	Lisa Higgins

* Date elected term expires

** Designated CMFO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Board of Aldermen of the
Town of Collierville, Tennessee:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the statements of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the Town of Collierville, Tennessee, (the "Town") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town'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 Collierville Schools (the "Schools"), which include the general purpose school fund, each major fund, and the fiduciary funds of the School. The School funds are presented as special revenue funds in the financial statements of the Town and represent 37.4 percent, 49.9 percent, and 56.8 percent, respectively, of the assets, net position, and revenues of the governmental activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for the School, is based 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the statements of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the Town of Collierville, Tennessee, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Collierville's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supporting schedules, other schedules, and statistical information section, are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards and state financial assistance, as presented in the government auditing standards section, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, supporting schedules, and the schedule of expenditures of federal awards and state financial assistance 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 fund financial statements and schedules, supporting schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report December 11, 2020 on our consideration of the Town of Collierville'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 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 the Town of Collierville's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Watkins Mikusall, PLLC". The signature is written in a cursive, flowing style.

Memphis, Tennessee
December 11, 2020

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020

As management of the Town of Collierville, we offer readers of the Town of Collierville's financial statements this narrative overview and analysis of the financial activities of the Town of Collierville for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the Town of Collierville exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$502,648 (reported as *net position*). Of this amount, \$110,127 (reported as *unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$32,165. This increase is attributable to revenue exceeding expenses. Revenues increased over prior year by 2% while expenditures increased by 6%. The largest revenue sources, property tax, local option sales tax, and operating grants provided a \$5,075 increase in revenue as a group. Some revenue sources experienced a decrease from prior year due to the impact of the coronavirus. Most expenditure categories show a minor variance from prior year with the exception of education with an increase of \$6,804 in their sixth full year of operation.
- As of the close of the current fiscal year, the Town of Collierville's governmental funds reported combined ending fund balances of \$104,532, an increase of \$19,014 in comparison with the prior year. This increase can be attributed to revenues exceeding budgeted amounts and also exceeded total expenditures. Approximately 35 percent of this total amount, \$36,657 is *unassigned fund balance*, 11 percent is *restricted fund balance*, 49 percent is assigned fund balance, 3 percent is *committed fund balance* and 2 percent is *non-spendable fund balance*.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$36,657 or 68 percent of the total general fund expenditures.
- The Town of Collierville's total debt principal decreased by \$7,855 (5.8 percent) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Collierville's basic financial statements. The Town of Collierville's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the Town of Collierville's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Collierville is improving or deteriorating.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

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

Both of the government-wide financial statements distinguish functions of the Town of Collierville that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Collierville include legislative, general government, education, roads and public works, public safety, sanitation, library, culture and recreation, and drug fund. The business-type activity of the Town of Collierville is a water and sewer utility operation.

The government-wide financial statements include only the Town of Collierville itself (known as the *primary government*). The Town operates a water and sewer utility system. It is reported as a proprietary fund in the Town's financial statements.

The government-wide financial statements can be found on pages 24-25 of this report.

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

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

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

The Town of Collierville maintains fifteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general purpose school fund, CIP funds 321, and the educational CIP fund 177. Data from the other eleven governmental funds are combined into

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town of Collierville adopts an annual appropriated budget for its general fund and the general purpose school fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 26-43 of this report.

Proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Collierville uses an enterprise fund to account for its water and sewer operation.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operation which is considered to be a major fund of the Town of Collierville. The basic proprietary fund financial statements can be found on pages 44-46 of this report.

Fiduciary funds. The Town of Collierville maintains four fiduciary funds. *Fiduciary funds* account for assets held in a trustee capacity or as an agent for individuals. The Town of Collierville uses a fiduciary fund to account for the activities and accumulation of resources for payments to qualified participants and investments held by external organizations. The pension plan fund accounts for transactions related to the Town-sponsored defined benefit pension plan. The two OPEB funds account for transactions related solely to retiree group medical benefits for the Town and school. The student activity fund accounts for all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school. The basic fiduciary fund financial statements can be found on pages 47-48 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-96 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town of Collierville's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 97-115 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 116-135 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Collierville, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$502,648 (*reported as net position*) at the close of the most recent fiscal year.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

By far the largest portion of the Town of Collierville's net position (70 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town of Collierville uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town of Collierville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Collierville's net position (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$110,127 represents *unrestricted net position* and may be used to meet the government's ongoing obligations to citizens and creditors.

Town of Collierville's Net Position (in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and other assets	\$ 169,324	\$ 144,152	\$ 41,452	38,197	\$ 210,776	\$ 182,349
Capital assets	393,101	390,376	90,480	89,735	483,581	480,111
Total assets	562,425	534,528	131,932	127,932	694,357	662,460
DEFERRED OUTFLOWS OF RESOURCES	21,530	20,485	1,594	1,592	23,124	22,077
LIABILITIES						
Long-term liabilities outstanding	138,916	141,285	13,471	16,093	152,387	157,378
Other liabilities	10,197	11,497	1,346	556	11,543	12,053
Total liabilities	149,113	152,782	14,817	16,649	163,930	169,431
DEFERRED INFLOWS OF RESOURCES	50,417	44,217	486	407	50,903	44,624
NET POSITION						
Net investment in capital assets	273,791	265,549	78,661	75,301	352,452	340,850
Restricted	27,639	17,677	12,430	10,817	40,069	28,494
Unrestricted	82,995	74,789	27,132	26,350	110,127	101,139
Total net position	\$ 384,425	\$ 358,015	\$ 118,223	\$ 112,468	\$ 502,648	\$ 470,483

At the end of the current fiscal year, the Town of Collierville is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The government's net position increased by \$32,165 during the current fiscal year. The increase is attributed to revenues exceeding expenditures with revenue increases in categories including property tax, local option sales tax, operating grants/contributions, and state sales tax.

The following table of Changes in Net Position includes a change in how school revenue is recognized. In 2019 a portion of school revenue related to property and sales tax was included in general revenues but for 2020 it is appropriately recognized as operating grants and contributions in program revenues.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Town of Collierville's Changes in Net Position (in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues:						
Charges for Services	\$ 10,928	\$ 11,169	\$ 14,716	\$ 14,201	\$ 25,644	\$ 25,370
Operating grants and contributions	94,187	53,137	-	-	94,187	53,137
Capital grants and contributions	12,649	11,149	2,061	591	14,710	11,740
General Revenues:						
Property taxes	31,270	56,842	-	-	31,270	56,842
Local option sales tax	17,128	27,531	-	-	17,128	27,531
Other local taxes	5,214	8,696	-	-	5,214	8,696
State sales tax	4,200	4,087	-	-	4,200	4,087
State income and other taxes	1,505	2,346	-	-	1,505	2,346
Other state revenues	138	54	-	-	138	54
Other	3,689	2,763	635	826	4,324	3,589
Total revenues	<u>180,908</u>	<u>177,774</u>	<u>17,412</u>	<u>15,618</u>	<u>198,320</u>	<u>193,392</u>
EXPENSES						
General government	12,713	12,251	-	-	12,713	12,251
Education	95,213	88,409	-	-	95,213	88,409
Roads and public works	10,046	9,523	-	-	10,046	9,523
Public safety	25,696	24,208	-	-	25,696	24,208
Sanitation	4,007	3,821	-	-	4,007	3,821
Culture and recreation	2,767	3,022	-	-	2,767	3,022
Interest on long-term debt	4,304	4,457	-	-	4,304	4,457
Water and sewer	-	-	11,409	11,102	11,409	11,102
Total expenses:	<u>154,746</u>	<u>145,691</u>	<u>11,409</u>	<u>11,102</u>	<u>166,155</u>	<u>156,793</u>
Increase in net position before special items and transfers	26,162	32,083	6,003	4,516	32,165	36,599
Transfers	248	925	(248)	(925)	-	-
Increase/(Decrease) in net position	26,410	33,008	5,755	3,591	32,165	36,599
Net position-beginning	358,015	325,007	112,468	108,877	470,483	433,884
Net position-ending	<u>\$ 384,425</u>	<u>\$ 358,015</u>	<u>\$ 118,223</u>	<u>\$ 112,468</u>	<u>\$ 502,648</u>	<u>\$ 470,483</u>

Governmental activities. Governmental activities increased the Town of Collierville's net position by \$26,410. This increase is attributable to revenue exceeding expenses. Property tax, local option sales tax and operating grants and contributions, representing approximately 79% of total revenue, increased \$5,075 as a group. Overall, revenue increased \$3,134 with increases in state sales tax of \$113 and capital grants and contributions increased \$1,500 predominately related to education. Revenue categories realizing a decrease in revenue included charges for services, other local taxes and state income tax decreased by \$241, \$3,482 and \$841 respectively. The decreases are largely due to revenue sources impacted by the coronavirus. Overall, expenditures increased \$9,055 and is attributed to the increase in education expenditures in the school system's sixth full year of operation.

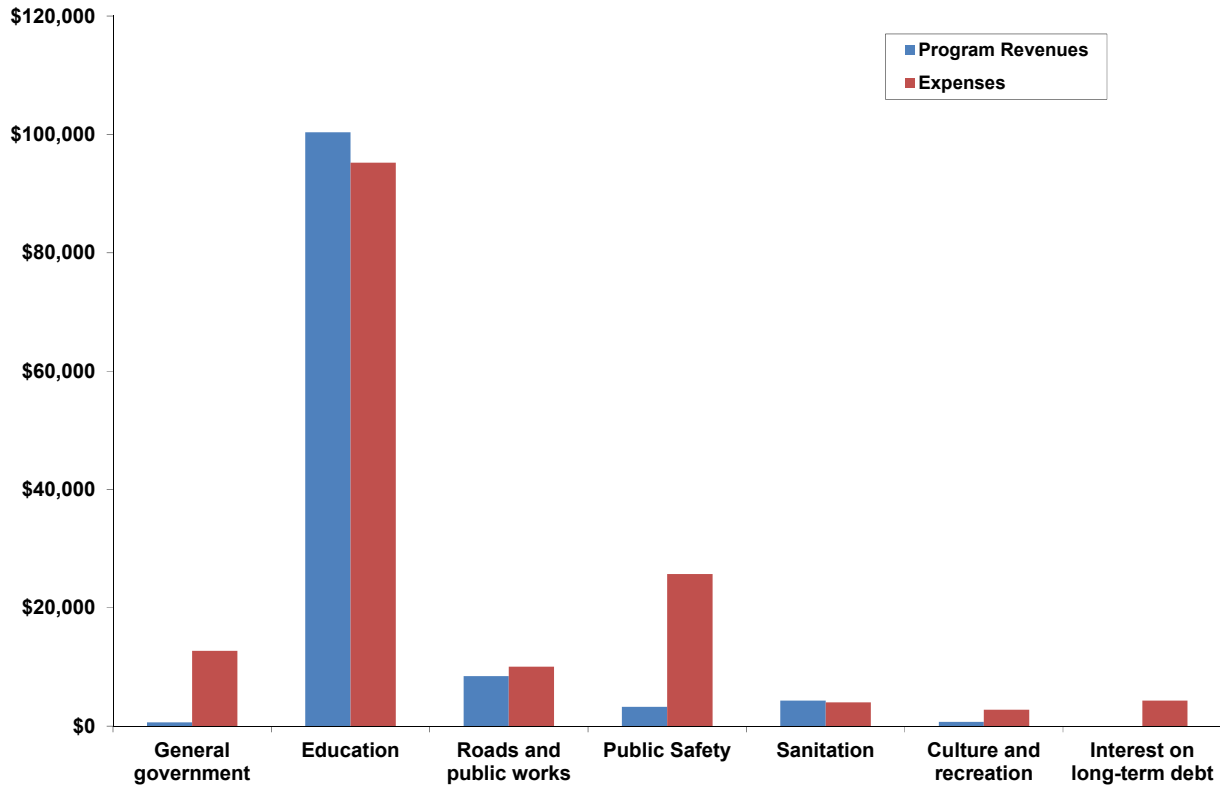
Business-type activities. Business-type activities increased the Town of Collierville's net position by \$5,755. This increase is due to revenues exceeding expenses by \$6,003 and transfers of \$248 resulting in an overall increase to net position. This amount of increase is consistent with prior years with an increase in fiscal year 2019 and 2018 of \$3,591 and \$3,345 respectively, and also consistent with the water usage projections from our 2012 rate study.

Financial Analysis of the Government's Funds

As noted earlier, the Town of Collierville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Expenses and Program Revenues – Governmental Activities

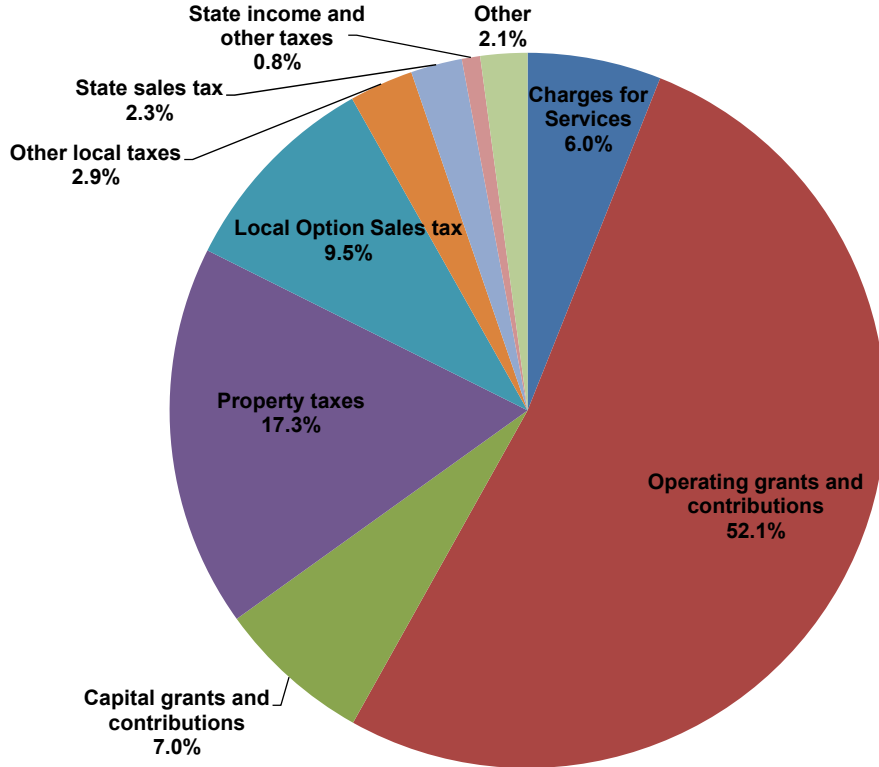


Governmental funds. The focus of the Town of Collierville's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Collierville's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Collierville's governmental funds reported combined ending fund balances of \$104,532 an increase of \$19,014 in comparison with the prior year. The *unassigned fund balance* of \$36,657 is 35 percent of the total. The remainder of fund balance is not available for new spending because it is either non-spendable or has been restricted, committed, or assigned for certain purposes. The assigned amount of \$51,005 represents funds which the Board of Mayor and Aldermen has assigned for specific purposes. The unassigned portion includes an amount equal to 25 percent of budgeted expenses in general fund to comply with a policy of the board to maintain as an operating reserve. More details of the fund balances can be found in Note (11) of this report.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Revenues by Source – Governmental Activities

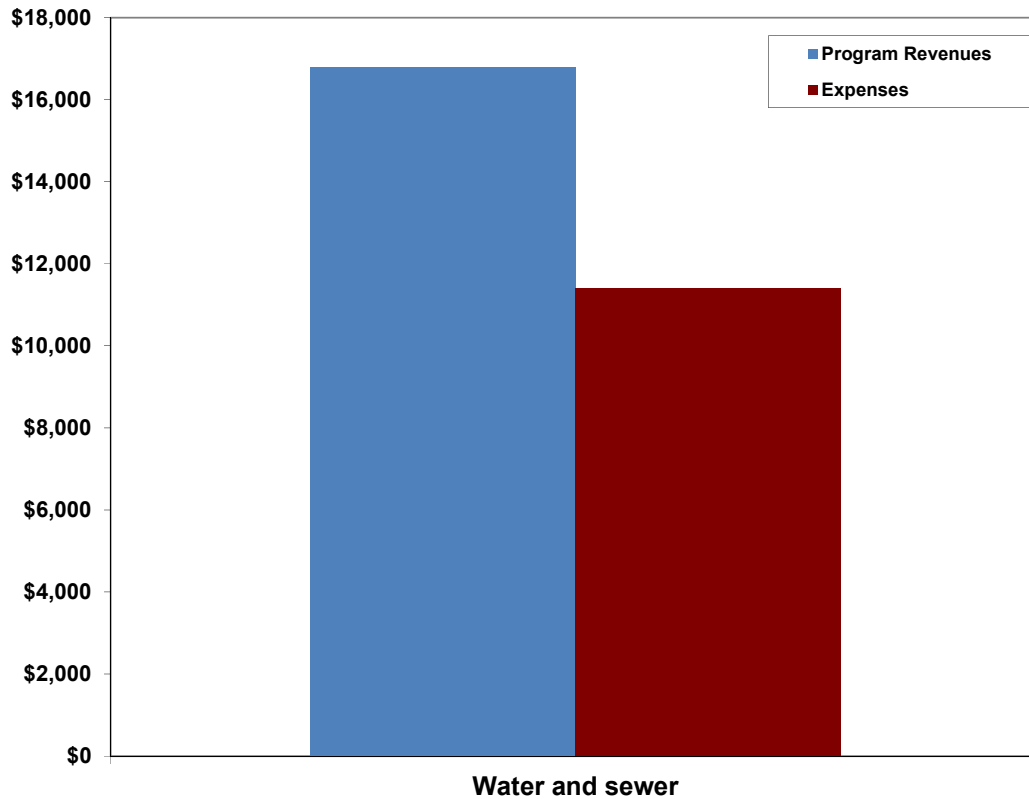


The general fund is the chief operating fund of the Town of Collierville. At the end of the current fiscal year, unassigned fund balance of the general fund was \$36,657 while total fund balance was \$78,039. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditure. Unassigned fund balance represents 68 percent of total general fund expenditures, while total fund balance represents 146 percent of that same amount.

The fund balance of the Town of Collierville's general fund increased by \$11,912 during the current fiscal year. The increase is attributed to increases in the major revenue categories of property tax and sales tax while expenditures remained relatively stable with an overall increase of \$1,752. The fund balance of the general purpose school fund had an overall increase of \$3,772 with revenue exceeding expenditures and the issuance of a capital lease. The fund balance for the Education Capital Project Fund #177 increased by \$3,705 related to various school capital projects. The Other Governmental funds fund balances increased by \$276 related to fund revenues exceeding expenditures for governmental funds other than the general fund.

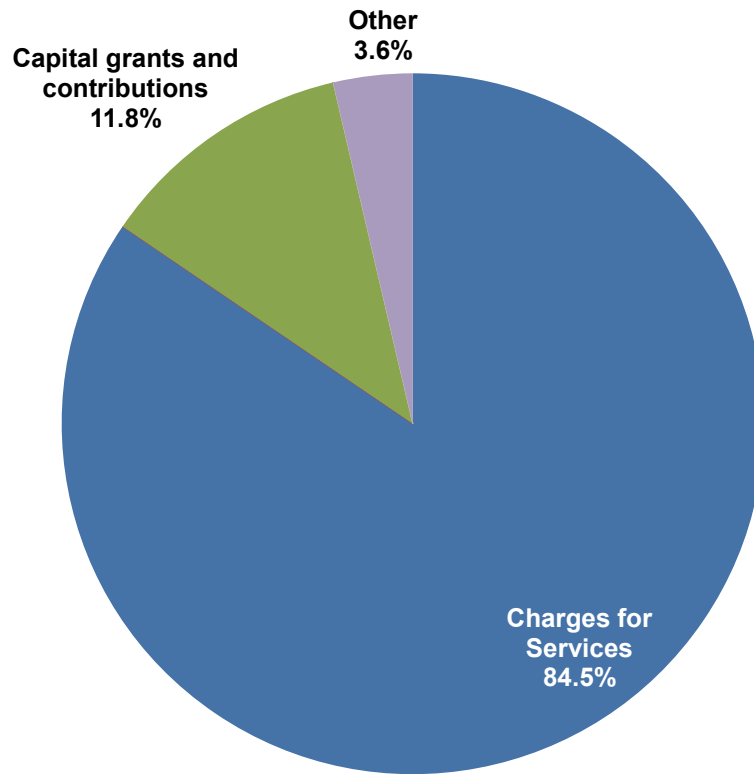
TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Expenses and Program Revenues – Business-type Activities



TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Revenues by Source – Business-type Activities



Proprietary funds. The Town of Collierville's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the water and sewer operation at the end of the year amounted to \$27,132. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town of Collierville's business-type activities.

General Fund Budgetary Highlights

The original appropriations were amended by \$311. The main components of the increase were:

- \$112 appropriation for Police communications equipment and software
- \$30 appropriation for training/education
- \$21 appropriation related to greenbelt repair/maintenance

The total positive variance of \$5,593 between final budget and actual revenues includes a positive variance of \$607 in property taxes due to better than expected collections of prior year property taxes and an increase in payments from industries related to payment-in-lieu-of-tax agreements. The charges for services revenue had a negative variance due to a decrease in Parks & Recreation fees related to program cancellations as a result of the coronavirus. Positive variances of \$1,171 in licenses and permits, \$1,147 in local taxes, \$995 intergovernmental can be attributed to a strong economic climate for in the first, second,

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

and third quarters of Fiscal Year 2020. Positive variances also include \$585 in interest on investments and \$64 in other revenue. The \$1,955 increase in contribution is due to grant receipts.

Of the total positive variance of \$5,291 between final budget and actual expenditures, \$1,480 was in general government, \$900 in roads and public works, \$2,545 in public safety, and \$362 in culture and recreation. These variances are attributed to conservative spending.

Capital Asset and Debt Administration

Capital assets. The Town of Collierville's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$483,581 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities and infrastructure. The total increase in the Town of Collierville's investment in capital assets for the current fiscal year was \$3,470 or .7 percent. The increase for governmental activities was \$2,725 or .7 percent and the increase for business-type activities was \$745 or .8 percent.

Major capital asset events during the current fiscal year included the following:

- Governmental activities assets acquired during the year amounted to \$18,121. This amount includes \$1,107 related to the Center Street Connect project that is still in process at fiscal year-end. Also included is the historic high school renovation with \$2,902 in additions in fiscal year 2020. The Sycamore Road/Shelby Drive road improvement project was completed with a total of \$9,303. A new rescue-pumper was acquired for \$896 and easements acquired in fiscal year 2020 totaled \$1,819.
- School system acquisitions included \$1,552 for a replacement chiller for an elementary school and \$1,094 for a middle school roof.
- Additions to water and sewer capital assets included capital projects and additions to distribution and collection systems of \$2,233. The expansion of the Shelton Road wastewater treatment plant had cumulative costs of \$888 as of year-end.

Town of Collierville's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 36,634	\$ 34,549	\$ 2,641	\$ 2,081	\$ 39,275	\$ 36,630
Buildings and improvements	171,506	171,931	10,099	9,924	181,605	181,855
Other improvements	11,661	11,468	737	799	12,398	12,267
Library materials	1,170	1,228	-	-	1,170	1,228
Equipment	29,995	31,771	1,915	2,011	31,910	33,782
Infrastructure	126,290	113,972	-	-	126,290	113,972
Distribution and collection systems	-	-	73,490	73,967	73,490	73,967
Construction in progress	15,845	25,457	1,598	953	17,443	26,410
Total	<u>\$ 393,101</u>	<u>\$ 390,376</u>	<u>\$ 90,480</u>	<u>\$ 89,735</u>	<u>\$ 483,581</u>	<u>\$ 480,111</u>

Additional information on the Town of Collierville's capital assets can be found in Note (7) of this report.

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Town of Collierville's Outstanding Debt
General Obligation and Revenue Bonds

	Governmental		Business-type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 108,865	\$ 113,330	\$ -	\$ -	\$ 108,865	\$ 113,330
Notes payable and capital lease	5,241	6,106	-	-	5,241	6,106
Revenue bonds	-	-	11,305	13,830	11,305	13,830
Total	<u>\$ 114,106</u>	<u>\$ 119,436</u>	<u>\$ 11,305</u>	<u>\$ 13,830</u>	<u>\$ 125,411</u>	<u>\$ 133,266</u>

Long-term debt. At the end of the current fiscal year, the Town of Collierville had total debt outstanding of \$125,411. Of this amount, \$108,865 comprises debt backed by the full faith and credit of the government.

The Town of Collierville's total debt principal decreased by \$7,855 during the current fiscal year. The Town of Collierville has no legal debt limit. The Town maintains a rating of Aaa on all its outstanding debt as designated by Moody's Investor's Service. Additional information on the Town of Collierville's long-term debt can be found in Note (9) of this report.

Economic Factors and New Year's Budget and Rates

- The unemployment rate for the Memphis metropolitan statistical area (MSA) in September 2020 was 9.1 percent compared to the national rate of 7.9 percent. The Town of Collierville's unemployment rate of 3.5 percent was considerably lower than that of the larger MSA and lower than the national rate as well.
- The number of permits for commercial development issued in fiscal year 2020 was 19 with a total valuation of \$162,143. This is an increase in the number of permits from fiscal year 2019 when 7 commercial permits were issued with a valuation of \$27,811. Residential permits issued in 2020 totaled 171 compared to 195 in fiscal year 2019. The total residential permit valuation in 2020 was \$72,167 compared to \$86,330 in fiscal year 2019.
- The value of real property increased by 2.2 percent.
- Local option sales tax revenue is monitored on a monthly basis. Revenue increased by 5% year-to-date for the first three months of fiscal year 2021.
- The property tax rate was adjusted to \$1.83 per \$100 assessed valuation for fiscal year 2019 budget for operational purposes and to offset the reduction of some state revenue sources.
- The total Town of Collierville budget increased approximately \$4,187 representing a 2.3% increase with the revenue budget projected to increase \$1,625 or 1% based on the fiscal year 2021 adopted budget.
- The Town of Collierville has considered the current economic trends while working with fiscal year 2021 budget. The Town projects a budget with increases in revenue and expenditures with revenues projected to exceed expenditures by approximately \$4,217.

The Town of Collierville staff is closely monitoring the annual budget, specifically what impact the coronavirus may have on fiscal year 2021 budget and operations, as well as the local and national economies, to ensure that the Town takes appropriate corrective action to maintain service levels, meet

TOWN OF COLLIERVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2020

Board goals, which include ensuring long-term financial stability and compliance with all laws and regulation.

Requests for Information

This financial report is designed to provide a general overview of the Town of Collierville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 500 Poplar View Parkway, Collierville, Tennessee, 38017.

BASIC FINANCIAL STATEMENTS

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 33,297,805	\$ 2,385,150	\$ 35,682,955
LGIP investments	65,644,321	26,508,828	92,153,149
Receivables	41,876,172	1,798,657	43,674,829
Due from other governments	5,873,516	-	5,873,516
Internal balances	1,786,877	(1,786,877)	-
Inventories	255,384	99,063	354,447
Prepaid items	64,565	12,750	77,315
Restricted investments	562,198	11,998,640	12,560,838
Capital assets, not being depreciated	52,478,072	4,238,242	56,716,314
Capital assets, being depreciated, net	340,622,968	86,241,299	426,864,267
Net pension asset	14,070,427	-	14,070,427
Net OPEB asset	5,892,249	436,697	6,328,946
Total assets	562,424,554	131,932,449	694,357,003
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension	17,629,053	651,406	18,280,459
Related to OPEB	3,022,347	87,288	3,109,635
Deferred charge on refunding	879,458	854,865	1,734,323
Total deferred outflows of resources	21,530,858	1,593,559	23,124,417
LIABILITIES			
Accounts payable and accrued liabilities	8,927,702	1,061,111	9,988,813
Accrued interest payable	90,175	59,121	149,296
Due to other governments	13,263	25,198	38,461
Unearned revenue	1,166,022	200,528	1,366,550
Noncurrent liabilities:			
Due within one year	6,822,691	2,632,203	9,454,894
Due in more than one year			
Other liabilities	115,387,215	10,198,567	125,585,782
Net pension liability	8,589,477	639,988	9,229,465
Net OPEB liability	8,116,311	-	8,116,311
Total liabilities	149,112,856	14,816,716	163,929,572
DEFERRED INFLOWS OF RESOURCES			
Current property taxes assessed for subsequent period	33,398,096	-	33,398,096
Related to pension	13,323,493	244,591	13,568,084
Related to OPEB	3,695,675	241,821	3,937,496
Total deferred inflows of resources	50,417,264	486,412	50,903,676
NET POSITION			
Net investment in capital assets	273,791,235	78,660,960	352,452,195
Restricted			
Net pension assets and net OPEB assets	19,962,676	-	19,962,676
Stabilization reserve trust	562,198	-	562,198
General government	2,845,667	-	2,845,667
Public safety	1,203,988	-	1,203,988
Roads and public works	2,962,811	-	2,962,811
Education	101,565	-	101,565
Capital Projects	175	-	175
Water and sewer development	-	12,429,639	12,429,639
Unrestricted	82,994,977	27,132,281	110,127,258
Total net position	\$ 384,425,292	\$ 118,222,880	\$ 502,648,172

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental Activities:							
General government	\$ 12,713,503	\$ 644,744	\$ 16,147	\$ -	\$ (12,052,612)	\$ -	\$ (12,052,612)
Public safety	25,696,150	2,687,120	376,264	188,609	(22,444,157)	-	(22,444,157)
Roads and public works	10,046,231	1,285,125	2,115,857	5,047,067	(1,598,182)	-	(1,598,182)
Culture and recreation	2,766,812	238,665	37,539	452,340	(2,038,268)	-	(2,038,268)
Sanitation	4,006,900	4,324,763	-	-	317,863	-	317,863
Education	95,212,674	1,747,134	91,641,143	6,961,191	5,136,794	-	5,136,794
Interest on long-term debt	4,303,536	-	-	-	(4,303,536)	-	(4,303,536)
Total governmental activities	154,745,806	10,927,551	94,186,950	12,649,207	(36,982,098)	-	(36,982,098)
Business-type Activities:							
Water and sewer	11,408,761	14,715,744	-	2,060,887	-	5,367,870	5,367,870
Total primary government	<u>\$ 166,154,567</u>	<u>\$ 25,643,295</u>	<u>\$ 94,186,950</u>	<u>\$ 14,710,094</u>	<u>(36,982,098)</u>	<u>5,367,870</u>	<u>(31,614,228)</u>
General revenues:							
Property taxes					31,269,966	-	31,269,966
Local option sales tax					17,128,274	-	17,128,274
Other taxes							
Wholesale liquor and beer taxes					1,100,650	-	1,100,650
Business, cable tv, and hotel-motel taxes					2,222,320	-	2,222,320
Automobile registration fees					1,511,185	-	1,511,185
Other local taxes					380,278	-	380,278
Intergovernmental revenues:							
State sales tax					4,199,769	-	4,199,769
State income tax					1,505,174	-	1,505,174
Other state revenue					137,818	-	137,818
Other revenue					2,787,258	37,835	2,825,093
Interest on investments					901,349	597,153	1,498,502
Transfers					248,343	(248,343)	-
Total general revenues and transfers					63,392,384	386,645	63,779,029
Change in net position					26,410,286	5,754,515	32,164,801
Net position - beginning					358,015,006	112,468,365	470,483,371
Net position - ending					<u>\$ 384,425,292</u>	<u>\$ 118,222,880</u>	<u>\$ 502,648,172</u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	General Purpose School Fund	Education Capital Projects Fund #177	Capital Projects Fund #321	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 9,173,359	\$ 19,208,965	\$ 2,965,450	\$ -	\$ 1,950,031	\$ 33,297,805
Investments - unrestricted	65,644,080	-	-	-	241	65,644,321
Receivables						
Property taxes	34,026,757	-	-	-	-	34,026,757
Sales, income, and other taxes	6,058,358	-	-	-	-	6,058,358
Federal and state grants	39,726	-	-	118,398	670,356	828,480
Accounts	753,285	-	-	-	299,096	1,052,381
Other	-	8,655	-	-	-	8,655
Less allowance for doubtful accounts	(550,201)	-	-	-	-	(550,201)
Due from other governments	-	4,530,112	1,074,910	-	268,494	5,873,516
Due from other funds	2,466,379	513,126	-	119,642	2,487,114	5,586,261
Inventory	196,884	-	-	-	58,500	255,384
Prepaid Items	1,860,484	-	-	-	29,900	1,890,384
Restricted investments	-	562,198	-	-	-	562,198
Total assets	<u>\$ 119,669,111</u>	<u>\$ 24,823,056</u>	<u>\$ 4,040,360</u>	<u>\$ 238,040</u>	<u>\$ 5,763,732</u>	<u>\$ 154,534,299</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 3,000,701	\$ 4,758,730	\$ 334,620	\$ 151,443	\$ 444,519	\$ 8,690,013
Due to other governments	13,263	-	-	-	-	13,263
Due to other funds	2,869,284	-	-	-	712,208	3,581,492
Deposits	1,018,826	-	-	-	11,379	1,030,205
Total liabilities	<u>6,902,074</u>	<u>4,758,730</u>	<u>334,620</u>	<u>151,443</u>	<u>1,168,106</u>	<u>13,314,973</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue						
Property taxes	34,535,137	1,744,544	-	-	-	36,279,681
State sales and income taxes	125,077	-	-	-	-	125,077
Grants	14,977	-	-	78,909	-	93,886
Court	48,758	-	-	-	-	48,758
Other	3,839	-	-	-	135,817	139,656
Total deferred inflows of resources	<u>34,727,788</u>	<u>1,744,544</u>	<u>-</u>	<u>78,909</u>	<u>135,817</u>	<u>36,687,058</u>
FUND BALANCES						
Nonspendable	2,057,368	-	-	-	61,125	2,118,493
Restricted	2,793,836	569,046	3,705,740	-	4,320,370	11,388,992
Committed	3,284,475	-	-	-	78,248	3,362,723
Assigned	33,246,173	17,750,736	-	7,688	66	51,004,663
Unassigned	36,657,397	-	-	-	-	36,657,397
Total fund balances	<u>78,039,249</u>	<u>18,319,782</u>	<u>3,705,740</u>	<u>7,688</u>	<u>4,459,809</u>	<u>104,532,268</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 119,669,111</u>	<u>\$ 24,823,056</u>	<u>\$ 4,040,360</u>	<u>\$ 238,040</u>	<u>\$ 5,763,732</u>	<u>\$ 154,534,299</u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2020

Total fund balances, governmental funds		\$ 104,532,268
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Amounts reported for governmental activities in the statement of net position are different because:

- | | | |
|--|----------------------|------------------|
| (1) Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | |
| Add: governmental funds capital assets | 538,284,695 | |
| Less: accumulated depreciation | <u>(145,183,655)</u> | 393,101,040 |
| | | |
| (2) Other long-term assets are not available to pay for current-period expenditures and, therefore, are unearned or unavailable in the funds. | | 3,149,306 |
| | | |
| (3) Long-term debt is not due and payable in the current period and, therefore, is not reported in the funds. | | |
| Less: bonds payable | (108,865,000) | |
| Less: capital lease obligations | (2,374,601) | |
| Less: settlement obligation, net of unamortized discount | (2,866,502) | |
| Less: unamortized premiums (discounts) on bonds payable | (6,083,160) | |
| Add: deferred amount on refunding | <u>879,458</u> | (119,309,805) |
| | | |
| (4) Accrued (prepaid) interest on long-term liabilities and other long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | | |
| Less: accrued (prepaid) interest | (1,915,994) | |
| Less: compensated absences payable | <u>(2,020,643)</u> | (3,936,637) |
| | | |
| (5) Pension assets (liabilities) and other postemployment benefit (OPEB) liabilities result from the excess (deficiency) of trust assets over (under) total pension and OPEB liabilities. The amounts are not available for use in the current period; therefore, are not reported in the funds. | | |
| Add: net pension asset | 2,832,193 | |
| Add: net OPEB asset | 17,130,483 | |
| Less: net pension liability | (8,589,477) | |
| Less: net OPEB liability | <u>(8,116,311)</u> | 3,256,888 |
| | | |
| (6) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years. | | |
| Add: deferred outflows of resources related to pensions | 17,629,053 | |
| Add: deferred outflows of resources related to OPEB | 3,022,347 | |
| Less: deferred inflows of resources related to pensions | (13,323,493) | |
| Less: deferred inflows of resources related to OPEB | <u>(3,695,675)</u> | <u>3,632,232</u> |

Net position of governmental activities		<u>\$ 384,425,292</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	General Fund	General Purpose School Fund	Education Capital Project #177	Capital Projects Fund #321	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 31,011,908	\$ 26,481,949	\$ -	\$ -	\$ -	\$ 57,493,857
Local sales taxes	22,538,329	14,024,809	-	-	46,567	36,609,705
Intergovernmental						
State sales, income, and other tax	5,842,761	-	-	-	-	5,842,761
State education revenue	-	44,559,497	-	-	19,871	44,579,368
State gas tax	-	-	-	-	1,618,783	1,618,783
Licenses and permits	2,249,481	-	-	-	-	2,249,481
Charges for services	1,514,824	219,602	-	-	5,852,295	7,586,721
Fines, forfeitures, and penalties	1,113,672	-	-	-	24,455	1,138,127
Federal and state grant revenue	113,946	-	-	2,299,200	6,706,294	9,119,440
Contributions	2,033,064	-	6,961,191	-	-	8,994,255
Other	531,887	2,162,614	-	-	44,510	2,739,011
Interest on investments	885,000	48,247	-	-	16,349	949,596
Total revenues	<u>67,834,872</u>	<u>87,496,718</u>	<u>6,961,191</u>	<u>2,299,200</u>	<u>14,329,124</u>	<u>178,921,105</u>
EXPENDITURES						
Current						
General government	12,489,611	-	-	-	5,424	12,495,035
Public safety	24,343,772	-	-	-	72,943	24,416,715
Roads and public works	5,792,004	-	-	-	1,620,936	7,412,940
Culture and recreation	1,841,225	-	-	-	-	1,841,225
Sanitation	-	-	-	-	4,010,659	4,010,659
Education	-	81,201,105	-	-	7,639,884	88,840,989
Debt Service						
Principal	4,465,000	-	-	-	-	4,465,000
Interest and fiscal charges	4,327,331	-	-	-	-	4,327,331
Capital outlays	-	4,378,098	3,376,892	4,687,157	2,687,975	15,130,122
Total expenditures	<u>53,258,943</u>	<u>85,579,203</u>	<u>3,376,892</u>	<u>4,687,157</u>	<u>16,037,821</u>	<u>162,940,016</u>
Excess (deficiency) of revenues over (under) expenditures	14,575,929	1,917,515	3,584,299	(2,387,957)	(1,708,697)	15,981,089
OTHER FINANCING SOURCES (USES)						
Issuance of capital lease	-	2,043,458	-	-	-	2,043,458
Sale of capital assets	85,000	-	-	-	-	85,000
Transfers in	3,964,264	93,806	121,441	4,631,204	2,243,283	11,053,998
Transfers out	(6,713,157)	(282,771)	-	(2,895,246)	(258,536)	(10,149,710)
Total other financing sources (uses)	<u>(2,663,893)</u>	<u>1,854,493</u>	<u>121,441</u>	<u>1,735,958</u>	<u>1,984,747</u>	<u>3,032,746</u>
Net change in fund balances	11,912,036	3,772,008	3,705,740	(651,999)	276,050	19,013,835
Fund balances - beginning	<u>66,127,213</u>	<u>14,547,774</u>	<u>-</u>	<u>659,687</u>	<u>4,183,759</u>	<u>85,518,433</u>
Fund balances - ending	<u>\$ 78,039,249</u>	<u>\$ 18,319,782</u>	<u>\$ 3,705,740</u>	<u>\$ 7,688</u>	<u>\$ 4,459,809</u>	<u>\$ 104,532,268</u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Net change in fund balance - total governmental funds		\$ 19,013,835
Amounts reported for governmental activities in the statement of activities are different because:		
(1) Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Add: capital outlays capitalized	15,068,568	
Less: depreciation expense	<u>(15,191,991)</u>	(123,423)
(2) Gain (losses) from the disposition of capital assets are reported net of any remaining net book value in the statement of activities.		(203,486)
(3) Capital contributions in the statement of activities are not recorded in governmental funds		3,708,330
(4) A transfer of capital assets to business-type activities from governmental activities is not reported in the governmental funds but is reported as an interfund transfer in the governmental activities.		(655,945)
(5) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the net difference between the amounts deferred in the current and prior years.		
Property taxes	258,058	
Sales and income taxes	(242,189)	
Grant revenue	(1,653,841)	
Other revenue	<u>(83,714)</u>	(1,721,686)
(6) The issuance of long-term debt (e.g. bonds, notes, other loans) 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on long-term debt	7,597,532	
Less: debt issuance through capital lease	<u>(2,043,458)</u>	5,554,074
(7) 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 governmental funds.		
Amortization of premiums and discounts on debt	83,742	
Amortization of deferred amount on refunding debt	(121,229)	
Change in accrued interest payable	61,282	
Change in compensated absences	<u>(112,084)</u>	(88,289)
(8) Payments of contributions to the pension plans and OPEB plan are recorded as expenditures in the governmental funds. Pension expense and OPEB expense are recorded on an actuarially determined basis in the statement of activities.		
Difference between actual contributions and pension expense	(10,679,559)	
Difference between actual contributions and OPEB expense	<u>11,606,435</u>	<u>926,876</u>
Change in net position of governmental activities		<u><u>\$ 26,410,286</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
PROPERTY TAXES				
Real taxes	\$ 31,687,240	\$ 31,687,240	\$ 32,075,414	\$ 388,174
Personal taxes	1,109,728	1,109,728	1,049,861	(59,867)
Payments in lieu of taxes	70,000	70,000	363,355	293,355
Property tax interest and penalties	70,000	70,000	93,990	23,990
Municipal tax allocation for schools	(2,532,151)	(2,532,151)	(2,570,712)	(38,561)
Total property taxes	30,404,817	30,404,817	31,011,908	607,091
LOCAL OPTION SALES TAXES	16,626,000	16,626,000	17,128,274	502,274
BUSINESS TAXES				
Wholesale beer and liquor taxes	887,400	887,400	1,100,650	213,250
Cable and telecommunications tax	657,900	657,900	611,556	(46,344)
Business tax	940,655	940,655	1,161,276	220,621
Hotel/Motel tax	379,440	379,440	449,488	70,048
Automobile tax	1,400,000	1,400,000	1,511,185	111,185
Police privilege tax	-	-	112,488	112,488
MLGW in lieu of tax	500,000	500,000	463,412	(36,588)
Total local taxes	4,765,395	4,765,395	5,410,055	644,660
INTERGOVERNMENTAL				
State of Tennessee shared revenues				
Sales tax	3,963,500	3,963,500	4,199,769	236,269
Income tax	-	-	578,303	578,303
Beer tax	227,750	227,750	257,920	30,170
TVA payments in lieu of tax	536,900	536,900	578,520	41,620
City streets and transportation funding	90,000	90,000	90,431	431
Other state revenue	30,000	30,000	137,818	107,818
Total state shared taxes	4,848,150	4,848,150	5,842,761	994,611
FEDERAL AND STATE GRANT REVENUE	577,200	577,200	113,946	(463,254)
LICENSES AND PERMITS				
Beer and liquor permits	37,500	37,500	40,108	2,608
Zoning permits	203,900	203,900	544,641	340,741
Building and related permits	692,200	692,200	1,463,079	770,879
Development related reviews and fees	145,045	145,045	201,653	56,608
Total licenses and permits	1,078,645	1,078,645	2,249,481	1,170,836

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
CHARGES FOR SERVICES				
Clerk's fees	\$ 700	\$ 700	\$ 640	\$ (60)
Material and rental fees	50,850	50,850	30,945	(19,905)
Non-resident card fees	16,300	16,300	14,610	(1,690)
Fire inspection fees	18,475	18,475	25,825	7,350
Fingerprinting fees	5,500	5,500	5,424	(76)
Animal adoption fees	42,800	42,800	25,923	(16,877)
Animal tag fees	56,000	56,000	53,805	(2,195)
Software fees	23,000	23,000	21,528	(1,472)
Stormwater fees	1,070,000	1,070,000	1,097,272	27,272
Facility rental fees	63,660	63,660	22,230	(41,430)
Instructional fees	113,564	113,564	44,220	(69,344)
Athletic registration fees	314,805	314,805	158,817	(155,988)
Special event fees	23,990	23,990	13,398	(10,592)
Sale of reports	500	500	187	(313)
Total charge for services	1,800,144	1,800,144	1,514,824	(285,320)
FINES, FORFEITURES, AND PENALTIES				
Court and other fees	963,087	963,087	767,944	(195,143)
Fines	332,903	332,903	345,728	12,825
Total fines, forfeitures, and penalties	1,295,990	1,295,990	1,113,672	(182,318)
CONTRIBUTIONS	-	77,710	2,033,064	1,955,354
INTEREST ON INVESTMENTS	300,000	300,000	885,000	585,000
OTHER	451,341	468,150	531,887	63,737
Total Revenues	62,147,682	62,242,201	67,834,872	5,592,671

(CONTINUED ON NEXT PAGE)

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
EXPENDITURES				
GENERAL GOVERNMENT				
Legislative				
Salaries	\$ 98,000	\$ 98,000	\$ 98,000	\$ -
Benefits	102,470	102,470	92,454	10,016
Contractual services	60,648	67,398	62,394	5,004
Materials and supplies	9,313	12,563	8,372	4,191
	<u>270,431</u>	<u>280,431</u>	<u>261,220</u>	<u>19,211</u>
Executive				
Salaries	555,940	570,941	526,773	44,168
Benefits	208,815	208,815	178,187	30,628
Contractual services	181,028	183,376	88,072	95,304
Materials and supplies	13,950	12,847	4,666	8,181
Expenditure reimbursement	(128,960)	(128,960)	(119,468)	(9,492)
	<u>830,773</u>	<u>847,019</u>	<u>678,230</u>	<u>168,789</u>
Finance				
Salaries	1,053,376	1,053,376	1,037,853	15,523
Benefits	590,808	590,808	517,850	72,958
Contractual services	311,760	311,760	261,412	50,348
Materials and supplies	14,775	14,775	10,798	3,977
Grants, contributions, and indemnities	700	700	591	109
Expenditure reimbursement	(689,997)	(689,997)	(639,976)	(50,021)
	<u>1,281,422</u>	<u>1,281,422</u>	<u>1,188,528</u>	<u>92,894</u>
Human resources				
Salaries	407,264	407,264	416,213	(8,949)
Benefits	166,574	166,574	140,067	26,507
Contractual services	147,857	147,857	51,240	96,617
Materials and supplies	17,430	17,430	5,003	12,427
Grants, contributions, and indemnities	9,050	9,050	8,630	420
Capital expenditure	1,725	1,725	-	1,725
Expenditure reimbursement	(112,485)	(112,485)	(93,173)	(19,312)
	<u>637,415</u>	<u>637,415</u>	<u>527,980</u>	<u>109,435</u>
Information technology				
Salaries	347,476	347,476	346,270	1,206
Benefits	151,611	151,611	134,554	17,057
Contractual services	293,212	281,812	257,874	23,938
Materials and supplies	26,040	37,440	32,607	4,833
Fixed charges	2,000	2,000	1,799	201
Capital expenditure	96,000	96,000	91,322	4,678
Expenditure reimbursement	(74,863)	(74,863)	(72,123)	(2,740)
	<u>841,476</u>	<u>841,476</u>	<u>792,303</u>	<u>49,173</u>

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Planning and zoning				
Salaries	\$ 562,370	\$ 564,161	\$ 544,806	\$ 19,355
Benefits	272,338	272,338	242,042	30,296
Contractual services	109,418	107,614	82,047	25,567
Materials and supplies	6,525	6,539	3,574	2,965
Expenditure reimbursement	(142,597)	(142,597)	(130,870)	(11,727)
	<u>808,054</u>	<u>808,055</u>	<u>741,599</u>	<u>66,456</u>
General services - administration				
Salaries	443,434	452,343	446,900	5,443
Benefits	179,738	170,829	158,064	12,765
Contractual services	100,585	99,533	62,382	37,151
Materials and supplies	14,565	24,567	15,950	8,617
Grants, contributions, and indemnities	1,600	1,600	1,338	262
Capital expenditure	-	1,050	1,026	24
Expenditure reimbursement	(93,476)	(93,476)	(90,745)	(2,731)
	<u>646,446</u>	<u>656,446</u>	<u>594,915</u>	<u>61,531</u>
General service - buildings				
Salaries	352,942	343,594	339,447	4,147
Benefits	314,570	313,918	279,883	34,035
Contractual services	805,789	798,789	784,672	14,117
Materials and supplies	158,826	165,739	143,609	22,130
Expenditure reimbursement	(100,127)	(100,127)	(92,900)	(7,227)
	<u>1,532,000</u>	<u>1,521,913</u>	<u>1,454,711</u>	<u>67,202</u>
General service - grounds and parks				
Salaries	1,437,937	1,417,537	1,301,897	115,640
Benefits	912,018	912,019	796,382	115,637
Contractual services	756,792	805,682	774,457	31,225
Materials and supplies	344,035	331,002	291,923	39,079
Capital expenditure	101,000	111,630	110,580	1,050
Expenditure reimbursement	(31,220)	(31,220)	(31,220)	-
	<u>3,520,562</u>	<u>3,546,650</u>	<u>3,244,019</u>	<u>302,631</u>
Development administration				
Salaries	191,853	191,853	190,692	1,161
Benefits	67,993	67,993	45,439	22,554
Contractual services	108,878	108,878	86,772	22,106
Materials and supplies	8,100	8,100	5,195	2,905
Grants, contributions, and indemnities	1,250	1,250	646	604
Expenditure reimbursement	(56,711)	(56,711)	(49,312)	(7,399)
	<u>321,363</u>	<u>321,363</u>	<u>279,432</u>	<u>41,931</u>

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Morton museum				
Salaries	\$ 100,266	\$ 99,195	\$ 70,495	\$ 28,700
Benefits	30,138	30,138	21,511	8,627
Contractual services	50,425	50,508	27,708	22,800
Materials and supplies	13,250	16,193	8,743	7,450
	194,079	196,034	128,457	67,577
Library				
Salaries	570,999	570,999	522,264	48,735
Benefits	157,040	157,040	131,475	25,565
Contractual services	183,160	187,187	154,677	32,510
Materials and supplies	22,760	35,076	29,198	5,878
Capital expenditure	225,000	231,329	210,924	20,405
Grants, contributions, and indemnities	400	400	242	158
	1,159,359	1,182,031	1,048,780	133,251
Insurance				
Contractual services	854,754	839,754	825,437	14,317
Fixed charges	933,424	933,424	652,161	281,263
Other charges	50	50	-	50
Expenditure reimbursement	(52,500)	(52,500)	(55,183)	2,683
	1,735,728	1,720,728	1,422,415	298,313
Special appropriations				
Grants, contributions, and indemnities	129,092	129,092	127,022	2,070
Total general government	13,908,200	13,970,075	12,489,611	1,480,464
PUBLIC SAFETY				
City court				
Salaries	641,096	641,096	620,538	20,558
Benefits	322,076	322,076	287,711	34,365
Contractual services	79,099	79,099	51,612	27,487
Materials and supplies	14,670	14,670	8,768	5,902
Grants, contributions, and indemnities	350	350	100	250
	1,057,291	1,057,291	968,729	88,562

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Police				
Salaries	\$ 9,122,009	\$ 9,092,009	\$ 8,237,391	\$ 854,618
Benefits	4,509,695	4,509,695	3,859,042	650,653
Contractual services	848,898	949,897	737,207	212,690
Materials and supplies	489,452	548,527	413,139	135,388
Fixed charges	3,677	3,677	3,341	336
Capital expenditure	423,690	431,640	438,286	(6,646)
Grants, contributions, and indemnities	2,006	2,156	1,960	196
	<u>15,399,427</u>	<u>15,537,601</u>	<u>13,690,366</u>	<u>1,847,235</u>
Fire department				
Salaries	5,283,762	5,231,012	5,134,716	96,296
Benefits	2,562,567	2,562,568	2,266,322	296,246
Contractual services	295,778	360,895	336,747	24,148
Materials and supplies	338,363	327,409	320,254	7,155
Capital expenditure	20,400	19,399	19,399	-
Grants, contributions, and indemnities	1,060	1,152	1,152	-
	<u>8,501,930</u>	<u>8,502,435</u>	<u>8,078,590</u>	<u>423,845</u>
Code enforcement				
Salaries	768,139	768,139	725,454	42,685
Benefits	397,680	397,680	339,742	57,938
Contractual services	66,678	64,878	47,545	17,333
Materials and supplies	31,001	32,801	19,095	13,706
	<u>1,263,498</u>	<u>1,263,498</u>	<u>1,131,836</u>	<u>131,662</u>
Animal control				
Salaries	260,962	260,962	252,267	8,695
Benefits	115,749	115,749	105,237	10,512
Contractual services	79,380	79,380	62,064	17,316
Materials and supplies	70,647	70,647	53,805	16,842
Capital expenditure	-	1	-	1
Grants, contributions, and indemnities	1,225	1,225	878	347
	<u>527,963</u>	<u>527,964</u>	<u>474,251</u>	<u>53,713</u>
Total public safety	<u>26,750,109</u>	<u>26,888,789</u>	<u>24,343,772</u>	<u>2,545,017</u>

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
ROADS AND PUBLIC WORKS				
Public works administration				
Salaries	\$ 525,323	\$ 525,323	\$ 433,676	\$ 91,647
Benefits	211,190	211,190	171,513	39,677
Contractual services	60,607	60,607	46,746	13,861
Materials and supplies	13,902	13,902	7,301	6,601
Grants, contributions, and indemnities	1,250	1,250	760	490
Expenditure reimbursement	(368,256)	(368,256)	(302,595)	(65,661)
	<u>444,016</u>	<u>444,016</u>	<u>357,401</u>	<u>86,615</u>
Highways and streets				
Salaries	1,189,138	1,182,711	1,126,179	56,532
Benefits	714,324	714,324	622,375	91,949
Contractual services	1,399,922	1,406,249	1,602,239	(195,990)
Materials and supplies	242,164	242,264	195,620	46,644
Capital expenditures	34,000	34,000	27,900	6,100
	<u>3,579,548</u>	<u>3,579,548</u>	<u>3,574,313</u>	<u>5,235</u>
Vehicle maintenance				
Salaries	452,413	452,413	442,160	10,253
Benefits	260,694	260,694	233,779	26,915
Contractual services	42,930	39,030	22,549	16,481
Materials and supplies	52,761	53,161	38,524	14,637
Fixed charges	665	665	315	350
Capital expenditures	26,200	29,700	28,945	755
	<u>835,663</u>	<u>835,663</u>	<u>766,272</u>	<u>69,391</u>
Engineering				
Salaries	779,968	779,968	789,178	(9,210)
Benefits	380,701	380,701	343,364	37,337
Contractual services	879,212	883,185	190,715	692,470
Materials and supplies	42,260	38,288	14,505	23,783
Grants, contributions, and indemnities	300	300	-	300
Capital expenditures	-	1	-	1
Expenditure reimbursement	(340,235)	(249,539)	(243,744)	(5,795)
	<u>1,742,206</u>	<u>1,832,904</u>	<u>1,094,018</u>	<u>738,886</u>
Total roads and public works	<u>6,601,433</u>	<u>6,692,131</u>	<u>5,792,004</u>	<u>900,127</u>

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
CULTURE AND RECREATION				
Parks and recreation				
Salaries	\$ 695,053	\$ 695,053	\$ 668,370	\$ 26,683
Benefits	263,521	263,521	238,050	25,471
Contractual services	956,897	970,897	721,557	249,340
Materials and supplies	235,737	241,737	194,164	47,573
Grants, contributions, and indemnities	31,600	31,600	19,084	12,516
	<u>2,182,808</u>	<u>2,202,808</u>	<u>1,841,225</u>	<u>361,583</u>
 Total culture and recreation	 <u>2,182,808</u>	 <u>2,202,808</u>	 <u>1,841,225</u>	 <u>361,583</u>
DEBT SERVICE				
Principal	4,465,000	4,465,000	4,465,000	-
Interest and fiscal charges	4,331,131	4,331,131	4,327,331	3,800
Total debt service	<u>8,796,131</u>	<u>8,796,131</u>	<u>8,792,331</u>	<u>3,800</u>
 Total Expenditures	 <u>58,238,681</u>	 <u>58,549,934</u>	 <u>53,258,943</u>	 <u>5,290,991</u>
 Excess of revenues over expenditures	 3,909,001	 3,692,267	 14,575,929	 10,883,662
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	85,000	85,000
Transfers in	-	4,200,000	3,964,264	(235,736)
Transfers out	-	(7,410,000)	(6,713,157)	696,843
	<u>-</u>	<u>(3,210,000)</u>	<u>(2,663,893)</u>	<u>546,107</u>
 Total other financing uses	 <u>-</u>	 <u>(3,210,000)</u>	 <u>(2,663,893)</u>	 <u>546,107</u>
 Net change in fund balances	 <u>\$ 3,909,001</u>	 <u>\$ 482,267</u>	 11,912,036	 <u>\$ 11,429,769</u>
 Fund balances - beginning			<u>66,127,213</u>	
 Fund balances - ending			<u>\$ 78,039,249</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
PROPERTY TAXES				
Real and personal	\$ 23,722,052	\$ 23,722,052	\$ 22,242,295	\$ (1,479,757)
Circuit court	313,004	274,443	226,482	(47,961)
TPSC tax	1,745,329	1,745,329	1,442,463	(302,866)
Municipal tax	2,532,151	2,570,712	2,570,709	(3)
Total property taxes	28,312,536	28,312,536	26,481,949	(1,830,587)
LOCAL TAXES				
Local option sales tax	10,500,196	10,500,196	10,968,388	468,192
Mixed drink tax	233,522	233,522	221,246	(12,276)
Business tax	3,300	3,300	2,561	(739)
MLGW in lieu of tax	210,000	210,000	178,700	(31,300)
Other in lieu of tax	282,831	282,831	208,134	(74,697)
Wheel tax	1,923,450	1,923,450	2,445,780	522,330
Total local taxes	13,153,299	13,153,299	14,024,809	871,510
INTERGOVERNMENTAL				
State revenues				
Basic education program	45,892,923	45,836,214	44,455,709	(1,380,505)
Career Ladder program	131,000	131,000	103,788	(27,212)
Total intergovernmental	46,023,923	45,967,214	44,559,497	(1,407,717)
CHARGES FOR SERVICES	281,000	281,000	219,602	(61,398)
FEDERAL AND STATE GRANTS	5,000	5,000	-	(5,000)
INTEREST ON INVESTMENTS	80,000	80,000	48,247	(31,753)
OTHER				
Other local revenue	2,000	2,000	-	(2,000)
Insurance recovery	37,000	35,500	9,962	(25,538)
Lease/rental	-	20,000	-	(20,000)
Miscellaneous refunds	328,126	353,676	520,628	166,952
Damages recovered from individuals	6,000	6,000	243	(5,757)
Tech replacement fines	6,500	6,500	5,506	(994)
Device fees	230,000	231,500	230,275	(1,225)
Sale of equipment	200,000	-	-	-
TV studio upgrade	-	168,000	80,000	(88,000)
Donations from sponsors	-	1,316,000	1,316,000	-
Total other revenues	809,626	2,139,176	2,162,614	23,438
Total Revenues	88,665,384	89,938,225	87,496,718	(2,441,507)

(CONTINUED ON NEXT PAGE)

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
EXPENDITURES				
EDUCATION				
Regular instruction				
Personnel	\$ 40,949,029	\$ 41,142,366	\$ 39,754,354	\$ 1,388,012
Contractual services	2,713,702	2,796,702	2,710,164	86,538
Materials and supplies	1,405,020	1,569,416	1,544,469	24,947
Other charges	104,000	90,794	87,639	3,155
Expenditure reimbursement	(449,733)	(389,733)	(296,074)	(93,659)
	<u>44,722,018</u>	<u>45,209,545</u>	<u>43,800,552</u>	<u>1,408,993</u>
Alternative education instruction				
Personnel	86,609	86,609	26,157	60,452
Contractual services	15,000	15,000	10,064	4,936
Materials and supplies	7,000	7,000	2,471	4,529
Other charges	2,000	2,000	30	1,970
	<u>110,609</u>	<u>110,609</u>	<u>38,722</u>	<u>71,887</u>
Special education instruction				
Personnel	7,326,445	7,191,502	6,786,488	405,014
Contractual services	46,500	6,500	3,954	2,546
Materials and supplies	110,400	70,400	69,721	679
	<u>7,483,345</u>	<u>7,268,402</u>	<u>6,860,163</u>	<u>408,239</u>
Vocational instruction				
Personnel	1,008,520	1,020,720	848,239	172,481
Contractual services	5,000	5,000	-	5,000
Materials and supplies	25,600	14,600	13,101	1,499
	<u>1,039,120</u>	<u>1,040,320</u>	<u>861,340</u>	<u>178,980</u>
Attendance				
Personnel	623,682	627,309	610,796	16,513
Contractual services	67,858	69,937	64,173	5,764
Materials and supplies	1,500	3,500	2,781	719
In-service/staff development	8,000	8,000	6,176	1,824
	<u>701,040</u>	<u>708,746</u>	<u>683,926</u>	<u>24,820</u>
Health services				
Personnel	1,200,366	1,200,366	1,114,494	85,872
Contractual services	21,700	21,700	15,129	6,571
Materials and supplies	5,000	5,000	1,269	3,731
In-service/staff development	6,000	6,000	4,519	1,481
	<u>1,233,066</u>	<u>1,233,066</u>	<u>1,135,411</u>	<u>97,655</u>

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TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Other student support				
Personnel	\$ 2,220,641	\$ 2,448,681	\$ 2,393,919	\$ 54,762
Contractual services	65,400	24,400	5,632	18,768
Materials and supplies	1,000	1,000	-	1,000
In-service/staff development	13,900	13,900	11,250	2,650
	<u>2,300,941</u>	<u>2,487,981</u>	<u>2,410,801</u>	<u>77,180</u>
Regular instruction support				
Personnel	1,632,422	1,776,019	1,761,771	14,248
Contractual services	127,000	116,653	108,452	8,201
Materials and supplies	111,000	100,000	96,540	3,460
In-service/staff development	270,500	170,500	164,072	6,428
Expenditure reimbursement	-	-	-	-
	<u>2,140,922</u>	<u>2,163,172</u>	<u>2,130,835</u>	<u>32,337</u>
Alternative instruction support				
In-service/staff development	2,000	2,000	-	2,000
	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Special education support				
Personnel	1,790,096	1,814,696	1,783,249	31,447
Contractual services	150,000	145,400	130,888	14,512
Materials and supplies	20,000	20,000	17,730	2,270
In-service/staff development	47,345	43,185	40,711	2,474
	<u>2,007,441</u>	<u>2,023,281</u>	<u>1,972,578</u>	<u>50,703</u>
Vocational education support				
Contractual services	-	-	-	-
In-service/staff development	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Board of education				
Personnel	790,831	1,271,789	525,421	746,368
Contractual services	174,253	179,253	121,471	57,782
Materials and supplies	200	200	-	200
Insurance	300,139	296,021	189,656	106,365
In-service/staff development	15,000	15,000	6,442	8,558
Other charges	524,569	524,569	523,264	1,305
	<u>1,804,992</u>	<u>2,286,832</u>	<u>1,366,254</u>	<u>920,578</u>

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Office of the superintendent				
Personnel	\$ 310,126	\$ 349,551	\$ 364,680	\$ (15,129)
Contractual services	37,935	31,935	15,854	16,081
Materials and supplies	3,500	2,500	2,370	130
In-service/staff development	8,000	8,000	6,631	1,369
Other charges	42,000	48,000	44,735	3,265
	401,561	439,986	434,270	5,716
Office of the principal				
Personnel	5,695,707	5,760,632	5,673,007	87,625
Contractual services	15,705	12,705	18,705	(6,000)
In-service/staff development	40,000	10,000	6,656	3,344
	5,751,412	5,783,337	5,698,368	84,969
Fiscal services				
Personnel	755,167	736,944	682,124	54,820
Contractual services	172,500	208,743	189,373	19,370
Materials and supplies	7,500	11,500	10,245	1,255
In-service/staff development	20,500	13,500	12,099	1,401
Other charges	1,200	1,200	175	1,025
	956,867	971,887	894,016	77,871
Human resources				
Personnel	443,388	457,284	459,765	(2,481)
Contractual services	66,245	59,419	48,496	10,923
Materials and supplies	4,350	5,850	4,399	1,451
In-service/staff development	28,200	9,126	7,125	2,001
	542,183	531,679	519,785	11,894
Central and other				
Personnel	256,095	256,971	257,834	(863)
Contractual services	144,100	144,100	132,432	11,668
Materials and supplies	34,500	32,624	7,149	25,475
In-service/staff development	21,500	21,500	12,473	9,027
Other charges	25,200	30,200	17,152	13,048
	481,395	485,395	427,040	58,355

(CONTINUED ON NEXT PAGE)

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Operation of plant				
Personnel	\$ 759,569	\$ 781,969	\$ 777,793	\$ 4,176
Contractual services	2,157,525	2,157,525	1,987,493	170,032
Materials and supplies	2,267,500	2,221,300	1,672,396	548,904
Insurance	218,598	270,534	270,534	-
In-service/staff development	300	300	300	-
Other charges	29,000	29,000	10,538	18,462
	<u>5,432,492</u>	<u>5,460,628</u>	<u>4,719,054</u>	<u>741,574</u>
Maintenance of plant				
Personnel	761,250	862,862	811,330	51,532
Contractual services	661,860	556,860	366,258	190,602
Materials and supplies	1,000	1,000	990	10
In-service/staff development	18,280	18,280	2,451	15,829
Other charges	18,000	23,000	20,881	2,119
	<u>1,460,390</u>	<u>1,462,002</u>	<u>1,201,910</u>	<u>260,092</u>
Transportation				
Personnel	368,357	373,157	359,186	13,971
Contractual services	3,544,829	3,540,029	2,381,580	1,158,449
Materials and supplies	513,200	513,200	293,307	219,893
In-service/staff development	3,000	3,000	175	2,825
Other charges	3,300	3,300	796	2,504
Expenditure reimbursement	(442,106)	(442,106)	(343,092)	(99,014)
	<u>3,990,580</u>	<u>3,990,580</u>	<u>2,691,952</u>	<u>1,298,628</u>
Technology				
Personnel	2,618,275	2,343,031	2,313,275	29,756
Contractual services	848,810	773,510	467,555	305,955
Materials and supplies	372,750	417,750	411,519	6,231
In-service/staff development	79,000	79,000	31,680	47,320
Other charges	97,500	130,218	130,099	119
	<u>4,016,335</u>	<u>3,743,509</u>	<u>3,354,128</u>	<u>389,381</u>
Total education	86,578,709	87,402,957	81,201,105	6,201,852

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The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL PURPOSE SCHOOL FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
CAPITAL OUTLAY	<u>\$ 2,180,245</u>	<u>\$ 4,906,746</u>	<u>\$ 4,378,098</u>	<u>\$ 528,648</u>
Total Expenditures	<u>88,758,954</u>	<u>92,309,703</u>	<u>85,579,203</u>	<u>6,730,500</u>
Excess (deficiency) of revenues over (under) expenditures	(93,570)	(2,371,478)	1,917,515	4,288,993
OTHER FINANCING SOURCES (USES)				
Debt issuance	-	2,043,458	2,043,458	-
Transfers in	93,570	93,570	93,806	236
Transfers out	-	-	(282,771)	(282,771)
Planned use of fund balance	-	234,450	-	(234,450)
Total other financing sources	<u>93,570</u>	<u>2,371,478</u>	<u>1,854,493</u>	<u>(516,985)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>3,772,008</u>	<u>\$ 3,772,008</u>
Fund balances - beginning			<u>14,547,774</u>	
Fund balances - ending			<u>\$ 18,319,782</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Business-type Activities Enterprise Funds Water Fund and Sewer
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,385,150
LGIP Investments	26,508,828
Customer receivables	953,795
Unbilled receivables	960,000
Less allowance for doubtful accounts	(115,138)
Inventory	99,063
Prepaid expenses	12,750
Restricted LGIP Investments	11,998,640
Total current assets	42,803,088
Noncurrent assets:	
Capital assets, not being depreciated	4,238,242
Capital assets, being depreciated, net	86,241,299
Total capital assets, net	90,479,541
Net OPEB asset	436,697
Total noncurrent assets	90,916,238
Total assets	133,719,326
DEFERRED OUTFLOWS OF RESOURCES	
Related to pension	651,406
Related to OPEB	87,288
Deferred charges on refunding	854,865
Total deferred outflows of resources	1,593,559
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	1,061,111
Accrued bond interest	59,121
Due to other funds	1,786,877
Due to other governments	25,198
Accrued compensated absences	49,919
Current portion of bonds and notes payable	2,582,284
Total current liabilities	5,564,510
Noncurrent liabilities:	
Unearned revenue	200,528
Accrued compensated absences	107,405
Bonds and notes payable, net of current portion, discounts, and premium:	10,091,162
Net pension liability	639,988
Total noncurrent liabilities	11,039,083
Total liabilities	16,603,593
DEFERRED INFLOWS OF RESOURCES	
Related to pension	244,591
Related to OPEB	241,821
Total deferred inflows of resources	486,412
NET POSITION	
Net investment in capital assets	78,660,960
Restricted	
Net OPEB asset	430,999
Water and sewer development	11,998,640
Unrestricted	27,132,281
Total net position	\$ 118,222,880

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Business-type Activities:
	Enterprise Funds
	Water Fund and Sewer
Operating Revenues:	
Water service charges	\$ 4,791,738
Sewer service charges	7,790,679
Penalties and other charges	239,585
Other income	37,835
Total operating revenues	<u>12,859,837</u>
Operating Expenses:	
Salaries	1,876,066
Benefits	1,081,723
Contractual services	1,954,004
Materials and supplies	2,479,215
Insurance	176,100
Grants, contributions, and indemnities	21,539
Depreciation	3,427,656
Total operating expenses	<u>11,016,303</u>
Operating income	1,843,534
Nonoperating Revenues (Expenses):	
Interest income	597,153
Development fees	1,612,582
Tap fees	281,160
Bond interest and fiscal charges	(392,458)
Gain (loss) on sale of capital assets	-
Total nonoperating revenues	<u>2,098,437</u>
Income before contributions and transfers	3,941,971
Capital contributions	2,716,832
Transfers out	<u>(904,288)</u>
Change in net position	5,754,515
Net position - beginning, as previously reported	<u>112,468,365</u>
Net position - ending	<u><u>\$ 118,222,880</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Business-type Activities:
	Enterprise Funds
	Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 12,750,026
Payments to suppliers	(3,821,690)
Payments to employees	(2,893,258)
Other receipts	34,683
Net cash provided by operating activities	6,069,761
CASH FLOW FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES	
Payment (to) from other fund	(904,288)
Tap and impact fee receipts	1,893,742
Net cash provided by noncapital financing activities	989,454
CASH FLOW FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions	2,060,887
Purchases of capital assets	(3,516,389)
Principal paid on capital debt	(2,525,000)
Interest paid on capital debt	(498,201)
Net cash used for capital and related financing activities	(4,478,703)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments, net	(3,277,023)
Interest income	597,153
Net cash from investing activities	(2,679,870)
Net increase in cash and cash equivalents	(99,358)
Cash and cash equivalents - beginning of the year	2,484,508
Cash and cash equivalents - end of the year	\$ 2,385,150
Reconciliation of operating income to net cash from operating activities	
Operating income	\$ 1,843,534
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	3,427,656
Provision for bad debts	-
Pension expense in excess of employer contributions	34,722
OPEB expense in excess of employer contributions	13,302
Change in assets and liabilities	
Receivables, net	(119,296)
Unbilled receivables	(74,184)
Prepaid expenses	350
Inventories	10,847
Accounts payable	797,971
Accrued compensated absences	16,507
Due to governmental entities	(3,152)
Due to other funds	108,260
Unearned revenue	13,244
Net cash provided by operating activities	\$ 6,069,761
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES	
Transfer of capital assets to governmental activities	\$ 655,945

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	Pension and OPEB Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 2,403,014	\$ 1,331,714
Interest receivable	126,753	-
Inventory	-	24,428
Investments		
Savings, cds and time deposits	1,161,540	-
US government securities	-	-
Corporate and foreign bonds	6,078,521	-
Municipal obligations	764,442	-
Common equity securities	11,345,493	-
Equity mutual funds	48,357,856	-
Fixed income mutual funds	27,930,653	-
Structured investments	87,569	-
Total investments	95,726,074	-
Due from other funds	237,689	-
	<u>98,493,530</u>	<u>\$ 1,356,142</u>
LIABILITIES		
Accounts payable and accrued liabilities	126,892	-
Due to other TSBA accounts	200,000	-
Due to general fund	455,581	-
Due to schools general fund	-	653,829
Due to student groups	-	702,313
	<u>782,473</u>	<u>\$ 1,356,142</u>
NET POSITION		
Restricted for pensions	81,810,100	
Restricted for OPEB	15,900,957	
Total net position	<u>\$ 97,711,057</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2020

	Pension and OPEB Trust Funds
ADDITIONS	
Contributions	
Employer	\$ 3,894,910
Plan members	746,517
Total contributions	<u>4,641,427</u>
Investment earnings (losses):	
Interest and dividends	1,999,723
Net appreciation in fair value of investments	2,479,346
Total investment earnings	<u>4,479,069</u>
Total additions	9,120,496
DEDUCTIONS	
Benefits and claims paid	3,358,480
Administrative expense	278,429
Total deductions	<u>3,636,909</u>
Change in net position	5,483,587
Net position - beginning of the year	<u>92,227,470</u>
Net position - end of the year	<u><u>\$ 97,711,057</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF COLLIERVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Collierville, Tennessee (the “Town”) is a municipal corporation governed by an elected mayor and four-member Board of Aldermen. The Executive Branch is organized into the following departments: Administration, Legislative, Finance, Education, Police, Fire, Parks and Recreation, Public Works, Planning and Development, Code Enforcement, General Services, Engineering, and Utilities.

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as codified by the Governmental Accounting Standards Board (“GASB”). The financial statements present the government and its component units, entities for which the government is financially accountable. However, currently there are no component units. The financial statements of the Town include the financial statements of Collierville Schools (the “School”). The School’s general purpose fund, federal projects fund, nutrition fund, and discretionary grants fund are each reported as special revenue funds of the Town and the School’s capital projects fund is considered a capital projects fund of the Town. The School’s OPEB trust fund represents a fiduciary fund of the Town and the School’s student activity funds are an agency fund of the Town.

B. Basis of Presentation

1. Government-Wide 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 are designed to provide readers with a broad overview of the Town’s finances, in a manner similar to private-sector business. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Certain eliminations have been made regarding interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and business type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, those transactions between governmental and business-type activities have not been eliminated.

The statement of net position presents information on all the Town’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, with the differences presented as net position. Net position is reported as one of three categories: net investment in capital assets, restricted, or unrestricted. Restricted net position is further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

2. Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The activities of the government are organized into funds, each of which are separate entities. Each fund is accounted for by providing a set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures/expenses. Major individual governmental funds and the enterprise fund are reported as separate columns in the fund financial statements.

The Town has presented all major funds that met the quantitative or qualitative qualifications to be reported as a major fund as separate columns in the fund financial statements. The Capital Projects Fund #321 accounts for most of the Town's capital activity and the Education Capital Fund accounts for the School's capital activity; therefore, the Town's management has elected to classify both funds as a major funds. The Town's major funds are as follows:

Major Governmental Funds: General Fund, General Purpose School Fund, Capital Projects Fund #321, Education Capital Fund.

Major Proprietary Fund: Water and Sewer Fund

Detailed descriptions of these funds are presented below.

3. Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and statement of revenues, expenditures, and changes in fund balance individually for all major funds and in the aggregate for the remaining nonmajor funds. An accompanying schedule is presented to reconcile and explain the difference in fund balance and changes in fund balances as presented in these statements to net position and changes in net position presented in the government-wide financial statements. The governmental funds of the Town are described below:

- a. **General Fund** – The primary operating fund of the Town and accounts for all financial resources obtained and used for delivery of those services traditionally provided by a municipal government, which are not provided for in other funds. Most of the essential governmental services such as general government, public safety, public works, solid waste management, library, culture and recreation, and municipal courts, among other things, are reported in the general fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- b. **Special Revenue Funds** – These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted or committed to expenditures for specific purposes. The following comprise the special revenue funds:

General Purpose School Fund – The operating fund of the Collierville Schools and accounts for all general revenues and other receipts that are not allocated by law or contractual agreement to another Collierville Schools fund, such as property tax revenue from Shelby County, Tennessee, Basic Education Program (BEP) funds, sales tax, etc. General operating expenditures and capital improvement costs that are not paid through other School funds are paid from the general purpose school fund.

State Street Aid Fund – Accounts for the receipts and expenditures of the Town's share of the State of Tennessee's gasoline tax.

Historic Preservation Fund – Accounts for the receipts and expenditures of fees charged to developers for the preservation of the Town's historic town square.

E-Citation Fund – Accounts for the receipt of and expenditures related to the Town's electronic traffic citation system.

Solid Waste and Sanitation Fund – Accounts for the receipts and expenditures of the Town's solid waste removal services.

Special Drug Fund – Accounts for the receipt of and expenditures related to court drug fines and drug seizures.

School Federal Fund – Accounts for the receipts and expenditures of the Town's municipal school system related to the system's federally funded programs.

School Nutrition Fund – Accounts for the receipts and expenditures of the Town's municipal school system related to the system's cafeteria operations. These funds are required to be maintained in a separate fund.

School Discretionary Grants Fund – Accounts for the receipts and expenditures of the Town's municipal school system related to state funded programs.

- c. **Capital Projects Fund** – These funds account for all the financing of major governmental fund capital asset purchases. The Town has four capital project funds that account for all the Town's capital improvement projects and one capital project fund that accounts for all the capital improvement projects for the Town's municipal school system.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Proprietary Fund Financial Statements

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The proprietary fund of the Town is described below:

- a. **Enterprise Fund** – Account for business-like activities provided to the general public. The activities are financed primarily by user charges and the measurement of the financial activity focuses on net income measurement like private sector businesses.

Water and Sewer Fund – Accounts for water and sewer fees in connection with the operation of the Town's water and sewer system. The proceeds of several bond issues have been used specifically for the construction or acquisition of water and sewer systems and facilities. Since it is the intention of the Town to repay these bonds through water and sewer fund operations, these obligations are reported in this fund. Revenues derived from the physical connection to the system do not substantially exceed the cost incurred to provide such services.

5. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of fiduciary net position and statement of changes in fiduciary net position. Fiduciary fund balances and activities are excluded from the government-wide financial statements as they do not represent amounts available to the primary government. Agency funds are fiduciary funds used to account for assets held by the Town in a purely custodial capacity. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations.

- a. **Pension (and Other Employee Benefit) Trust Fund** – These funds account for the activities and accumulation of resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and other postemployment benefit plans. The Town maintains the Town Pension Plan Fund, and the Town Retiree Medical Plan Fund (Town OPEB). The School maintains the School Retiree Medical Plan (School OPEB). Both the Town OPEB and School OPEB account solely for retiree medical benefits (including claims incurred but not reported) for which each plan is self-insured.
- b. **Agency Fund** – These funds report resources held by the Town in a purely custodial capacity (the receipt, temporary investment, and remittance of fiduciary resources). The School Student Activity Funds are used to account for cash and inventory held by Collierville Schools on behalf of the school sponsored student activities or school-sponsored events held at or in connection with a school. Each school maintains its own bank account and records related to their student activities. These funds were audited in a separate report and can be obtained by contacting the Collierville Schools.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus

On the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the “economic resources” measurement focus. Accordingly, all the Town’s assets and liabilities, including capital assets and long-term liabilities, along with deferred inflows and outflows of resources, are included in the accompanying statement of net position. The statement of activities presents changes in net position.

Proprietary funds and fiduciary funds are also accounted for using the “economic resources” measurement focus. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included in the statement of net position. The statement of revenues, expenses, and changes in net position presents revenues (additions) and expenses (deductions) in total net position. Agency funds do not use the economic resources measurement focus.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available resources during a given period. These funds use fund balance as their measure of available resources at the end of the period.

Basis of Accounting

The government-wide financial statements are presented using the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. 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. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Revenues in the fiduciary funds are those additions to the plan that are generated from contributions from the Town or School and participants and investment related income. Expenses are those deductions to the assets of the plan that arise from the payment of benefits and administrative expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available to finance expenditures of the current period. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the Town, are property taxes, other local taxes, and intergovernmental revenues. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues are measurable and available only when cash is received by the Town. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The issuance of long-term debt is reported as other financing sources.

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

1. Deposits and investments

The Town considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. Cash equivalents held by the trustee of the Town Pension Plan Fund, the Town OPEB Fund, and the School OPEB Fund are included in cash and cash equivalents of those funds.

Investments, including pension and other postemployment benefit investments held in fiduciary funds, are reported at fair value except for investments measured using Net Asset Value (“NAV”) per share, which have no readily determinable fair value and have been determined using amortized cost which approximates fair value. Those investments in the Local Government Investment Pool (“LGIP”) qualify as a 2a7-like pool and are reported at amortized cost using a Stable Net Asset Value which approximates fair value.

For governmental activities, restricted investments consist of assets held in an irrevocable trust for future TCRS pension benefits. In addition, certain development fees collected by the Water and Sewer Fund represent restricted amounts which must be used for projects to increase capacity and other items for future community developments. There was \$11,998,640 in restricted investments for development fees at June 30, 2020.

2. Receivables

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts.

Real and personal property taxes are levied by April 20 of each fiscal year on values assessed as of the prior January 1. The Town has an enforceable legal claim as of January 1 (the assessment date). Property taxes are due on the following January 1 and are considered delinquent after February 28, at which time interest is assessed and property is available for tax lien. The property tax levy is without legal limit. The rate, as permitted by Tennessee State Law and Town Charter, is set annually by the Mayor and Board of Aldermen and billed and collected by the Finance Department.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes receivable are recognized as of the date the Town has an enforceable legal claim. Property taxes are reflected as revenues in the fiscal period for which they are levied, which is the subsequent fiscal year for the current fiscal year's assessment, provided they are received and collected within the current period or within 60 days following the fiscal year end (August 31). 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. Delinquent taxes estimated to be collected subsequent to August 31 are included in the balance sheet as property taxes receivable and a deferred inflow of resources to reflect amounts that were not available as revenues at June 30, 2020.

Receivables due from other governments are primarily from the United States government, the State of Tennessee, and Shelby County, Tennessee. No allowance for uncollectible amounts has been recognized.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned as "unearned revenue". At the end of the current fiscal year, unavailable revenue principally represents amounts relating to property taxes.

Utility revenue is recorded when earned. Customers are billed at various times throughout the month. The estimated value of services provided but unbilled at year end has been included in the accompanying financial statements as unbilled utility receivable.

3. Interfund Transactions

During operations, numerous transactions occur that may result in amounts owed between individual funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Permanent reallocations of resources between funds of the Town are classified as interfund transfers. For the statement of activities, all transfers between individual governmental funds have been eliminated.

4. Inventories and prepaid items

Inventory in all funds consists of expendable supplies held for consumption are stated at cost using the average cost method. The cost of inventory and prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Certain contractual or otherwise required payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid expenses in the governmental funds also include interest payments made on debt prior to the due date.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. *Capital assets*

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), and intangible assets (easements, rights-of-way, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets with an initial, individual cost of at least \$5,000 and an estimated useful life more than three years are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated acquisition value at the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest income on unspent bond funds, is included as part of the capitalized value of the assets constructed. 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.

Land, easements, rights-of-way, and construction in progress are not depreciated. All other capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	40 years
Other improvements	15-75 years
Library materials	10 years
Equipment	3-15 years
Infrastructure	25-75 years

6. *Deferred outflows of resources*

In addition to assets, the statement of financial position reports 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) until then. The Town has qualifying items for reporting in this category. The unamortized discount on refunding reported in the government-wide statement of net position results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Other deferred outflows of resources include pension and OPEB changes and employer contributions to the pension plan after the measurement date.

7. *Compensated absences*

Employees are granted sick and annual leave in varying amounts in accordance with administrative policies. Upon termination or retirement, employees are paid full value for any accrued annual leave earned not to exceed the maximum annual leave as set forth by the personnel policy. Generally, employees may accumulate sick leave up to nine hundred and sixty (960) hours, but upon termination or retirement, no payment shall be made for unused sick leave.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Vested or accumulated annual leave for terminated or retired employees that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated annual leave that are not expected to be liquidated with expendable available financial resources are maintained separately and represents a reconciling item between the fund and government-wide presentation.

Vested or accumulated annual leave of governmental funds is recorded only if the leave has matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement). Vested or accumulated annual leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

8. Long-term obligations

In the governmental-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the governmental fund financial statements, bond premiums and discounts and issuance costs are recognized in the current period. The face amount of debt 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 withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Deferred inflows of resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an increase to net position that applies to a future period and is not recognized as an inflow of resources (revenue) until that time. The Town has several types of items that qualify for reporting in this category. These items are amounts in the governmental funds that were receivable and measurable at year-end but were not available to finance expenditures for the current year. Deferred inflows of resources include those related to unavailable revenues from property taxes and pension and OPEB changes.

10. Net Position and Fund balance

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

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, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Applicable deferred outflows of resources and deferred inflows of resources, if any should be included in the component of net position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted net position – consists of net position with constraints placed on the use of primarily cash and investments 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 legislations.

Unrestricted net position – all other net position that does not meet the definition of net investment in capital assets or restricted net position

In the fund financial statements, governmental funds report fund balances in classifications that compromise 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 consist of the following five components, as applicable:

Nonspendable – amounts that cannot be spent because they are either in a (a) non-spendable form, including items not expected to be converted to cash (i.e. inventories, prepaid amounts, long-term portion of loans and notes receivable), or (b) legally or contractually required to be maintained intact (i.e. corpus of endowment funds).

Restricted – amounts constrained to be used for a specific purpose as per external parties, constitutional provision, or enabling legislation.

Committed – amounts constrained to be used for specific purposes by the highest level of decision making authority (Board of Mayor and Alderman or Collierville Schools). Formal action, in the form of an ordinance adopted by the Board of Mayor and Aldermen, to establish, modify or rescind a commitment must be taken by the end of the fiscal year. Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Board removes or changes the commitment by taking the same action it employed to impose the commitment.

Assigned – amounts intended to be used by the Town for a specific purpose but are neither restricted nor committed. The intent shall be expressed by the Board of Mayor and Aldermen or a designee authorized by the Board of Mayor and Aldermen with authority to assign amounts. At this time, the Board of Mayor and Aldermen has maintained the authorization to assign fund balance which is accomplished through a resolution. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification. The Collierville Schools has the authority to assign the fund balance for the School Funds. Amounts more than nonspendable, restricted, and committed fund balance in funds other than the general fund are reported as assigned fund balance.

Unassigned – represents the residual balance available for any purpose in the general fund. In other governmental funds, the classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the Town to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the Town that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Within the Fund Balance Policy, established by a resolution of the Board of Mayor and Aldermen, the Town also established a Stabilization Policy. The provisions of the Stabilization Policy do not qualify for reservation as committed or assigned fund balance and have been included as a portion of the unassigned fund balance.

The Stabilization Policy has the following four main accounts: contingency, emergency, cash flow stabilization, and debt service. The contingency account, estimated to be one (1) percent of the General Fund budgeted expenditures, is established in the event that during the year there are unanticipated expenses or revenue shortfalls impacting programs already approved in conjunction with the current year budget. The emergency account, estimated to be four (4) percent of the General Fund budgeted expenditures, is established to fund a finding by the Mayor, with confirmation by the Board, of “true urgent economic necessity,” which is based on a significant economic downturn after the budget is complete or a natural disaster. The cash flow stabilization account, estimated to be eighteen (18) percent of the General Fund budgeted expenditures, is established to serve cash flow needs for the first few months of the fiscal year based on the tax calendar. The debt service account, estimated to be two (2) percent of the General Fund budgeted expenditures, is established to fund general obligation debt service payments for the first few months of the year based on the tax calendar. Any changes to the Stabilization Policy, or addition of amounts, require a resolution to be passed by the Board of Mayor and Aldermen.

11. Pensions and Other Postemployment Benefits

The Town maintains six defined benefit retirement plans. Two are sponsored by the Town and the remaining four are sponsored by the Tennessee Consolidated Retirement System. The Town maintains two defined benefit other postemployment benefit plans (“OPEB”) sponsored by the Town.

For purposes of measuring the net pension and net OPEB asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position, and additions to/deductions from each plan’s fiduciary net position have been determined on the same basis as they are reported by the actuaries. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of each plan. Expenses of the plans, such as investment fees, trustee fees, and audit fees, are paid by the plans. However, certain administrative functions are performed by employees of the Town and are not reimbursed by the plans. Investments, other than contracts, are reported at fair value. Investment income is recognized as earned. Plan assets do not include any securities of the Town nor have any of the plans made any loans to the Town.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Fair Value Measurements

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets and liabilities recorded at fair value in the statements of net position are categorized based on the level of judgment associated with the inputs used to measure their fair value. The three categories of level inputs are as follows: Level 1 inputs include unadjusted quoted prices in active markets for identical assets or liabilities accessible at the measurement date; Level 2 inputs include quoted prices for similar assets or liabilities; quoted prices in inactive markets; or other inputs that can be corroborated by observable market data. Such inputs include market interest rates and volatilities, spreads and yield curves; Level 3 inputs are inputs which are unobservable for the asset or liability and rely on management's own assumptions that market participants would use in pricing the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In determining fair value, the Town utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The methods used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Town believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at reporting date.

13. Estimates

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

E. – New Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 84, *Fiduciary Activities* was issued to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The requirements of GASB Statement No. 84 are effective for fiscal year 2020. The Town of Collierville is currently evaluating the impact of GASB Statement No. 84 may have on its financial statements.

GASB Statement No. 87, *Leases*, was issued to increase the usefulness of financial statements by requiring reporting of certain lease liabilities that currently are not reported, enhance comparability by requiring lessees and lessors to report leases under a single model, and enhance the usefulness of information by requiring notes to the financial statements regarding leasing arrangements. The requirements of GASB No. 87 are effective for fiscal year 2022. The Town is currently evaluating the impact of GASB No.87 may have on its financial statements.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

The revenues and expenditures accounted for in all governmental fund types are controlled by a formal integrated budgetary accounting system. The Board of Mayor and Aldermen annually approves the operating budgets of the general, special revenue, capital projects, debt service, and enterprise funds of the Town. The Collierville Schools annually approves the operating budgets of the general purpose school fund, federal projects, school nutrition, discretionary grants, and education capital fund. Budgetary control is maintained at the departmental level by line item, and expenditures may not exceed funds budgeted which constitute the legal spending limit. Unexpended appropriations lapse at year-end. The Town Administrator may transfer funds within departments without approval of the governing body; however, any amendments made between departments must meet with the governing body's approval as prescribed by the Town Charter. The accompanying budgetary data has been revised for transfers authorized by the Town Administrator during the year as well as amended in accordance with the Town Charter. Annual budgets are adopted on a basis consistent with Tennessee Code Annotated, which is not materially different than the modified accrual basis of accounting for all governmental funds.

B. Excess of expenditures over appropriations

For the year ended June 30, 2020, no funds had expenditures that exceeded appropriations.

C. Deficit fund equity

As of June 30, 2020, none of the funds had a deficit fund balance.

NOTE 3 – DEPOSITS

Legal Provisions – Deposits must be collateralized by federal depository insurance, the Tennessee Bank Collateral Pool, collateral held by the Town's agent in the Town's name, collateral held by the Federal Reserve Banks acting as third party agents, or a combination of these methods. State statute requires that all uninsured deposits with financial institutions must be collateralized by securities whose market value is equal to 105% 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 insured for purposes of credit risk disclosure.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. Although the Town has not adopted a formal deposit policy, its policy is to be insured or collateralized with securities held by the Town or its agent in the Town's name and comply with statutes requiring deposits. As of June 30, 2020, all bank deposits were entirely insured by federal depository insurance and collateralized by the Bank Collateral Pool of the State of Tennessee.

NOTE 4 – RECEIVABLES

	Governmental Activities	Business-Type Activities	Total
Property taxes	\$ 34,026,757	\$ -	\$ 34,026,757
Sales, income, and other taxes	6,058,358	-	6,058,358
Federal and state grants	828,480	-	828,480
Customer	1,048,542	953,795	2,002,337
Other	464,236	-	464,236
Unbilled	-	960,000	960,000
Less allowance for doubtful accounts	(550,201)	(115,138)	(665,339)
	<u>\$ 41,876,172</u>	<u>\$ 1,798,657</u>	<u>\$ 43,674,829</u>

NOTE 5 – INVESTMENTS

Legal Provisions – Investments of the primary government are limited to those authorized by Tennessee State Law. State statutes authorize the Town 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 Local Government Investment Pool (“LGIP”); bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; and nonconvertible debt securities of certain federal government sponsored enterprises. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. State statutes limit maturities of the above investments to four years from the date of investment unless a greater maturity is approved by the State Director of Finance. The Town has not adopted a formal investment policy that limits its interest rate or credit risks.

The School is a member of the Tennessee Consolidated Retirement System (“TCRS”) Stabilization Reserve Trust. The School has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member’s funds are restricted for the payment of retirement benefits of that member’s employees. Trust funds are not subject to the claims of general creditors of the School or Town. The trust is authorized to make investments are directed by the TCRS Board of Trustees. The School may not impose restrictions on investments placed by the trust on their behalf.

In addition to the investments allowed by the primary government, the fiduciary funds investment policies authorize investments in common stocks, mutual funds, and other equities. The investment policies of the fiduciary funds have been formally adopted by the Town’s Board of Mayor and Aldermen.

NOTE 5 – INVESTMENTS (CONTINUED)

A. Primary Government Investments

The Tennessee Local Government Investment Pool (“LGIP”) represents 100% of the primary government’s investments at June 30, 2020. The responsibility of conducting the State of Tennessee investment program resides with the State Treasurer and is exercised in accordance with the investment policy and resolutions of the State Funding Board. The LGIP uses amortized costs rather than fair value to report net position to compute share prices. The Pool maintains a weighted average maturity of 60 days or less.

B. Restricted Investments – TCRS Stabilization Reserve Trust

Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (“TRGT”). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool’s underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares. For further information concerning the School Department’s investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag19091.pdf>. The following table summarizes fair value disclosures and measurements for Collierville School’s investments held by the TRGT on its behalf as of June 30, 2020.

Investments at Fair Value	Total	Level 1	Level 2	Level 3
U.S. equity	\$ 174,281	\$ 174,281	\$ -	\$ -
Developed market international equity	78,708	78,708	-	-
Emerging market international equity	22,488	22,488	-	-
U.S. fixed income	112,440	-	112,440	-
Short-term securities	5,621	-	5,621	-
Real estate	56,220	-	-	56,220
	449,758	275,477	118,061	56,220
Investments at amortized cost using NAV				
Private equity and strategic lending	112,440			
Total restricted investments	\$ 562,198			

NOTE 5 – INVESTMENTS (CONTINUED)

C. Fiduciary Investments

The Town administers four fiduciary funds whose investments are held by a third party trustee bank. Additionally, the Town utilizes an advisor to select appropriate investment choices. The following table summarized fair value disclosures and measurements for fiduciary investments at June 30, 2020:

	Total	Level 1	Level 2	Level 3
Investments:				
Certificates of deposit	\$ 1,161,540	\$ -	\$ 1,161,540	\$ -
Corporate and foreign bonds	6,078,521	-	6,078,521	-
Municipal obligations	764,442	-	764,442	-
Common stocks	11,345,493	11,345,493	-	-
Equity mutual funds	48,357,856	48,357,856	-	-
Fixed income mutual funds	27,930,653	27,930,653	-	-
Structured investments	87,569	-	-	87,569
	<u>\$ 95,726,074</u>	<u>\$ 87,634,002</u>	<u>\$ 8,004,503</u>	<u>\$ 87,569</u>

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020:

- *Short-term securities:* generally include investments in money market-type securities reported at cost plus accrued interest.
- *Equity and equity derivative securities:* Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Level 2 are securities whose values are derived daily from associated traded securities. Level 3 are valued with last trade data having limited trading volume.
- *US Treasury Bills, Bonds, Notes and Futures:* Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.
- *Real estate investments:* Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

NOTE 5 – INVESTMENTS (CONTINUED)

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

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

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Collierville Schools does not have the ability to limit TRGT investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. Collierville Schools places no limit on the amount the TRGT may invest in one issuer. The Town and School have adopted the investment policy established by TCA 6-5-106 for investments other than those held for Pension and OPEB benefits. The Town diversifies its fiduciary fund investment portfolios so that the impact of potential losses from any specific issuer or business sector will be minimized. The Town had no investments that comprised more than 5% of its total investments at June 30, 2020.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments in the LGIP are held by the State Treasury, not in the name of the Town. The third party bank is also a participant in the State collateral pool. Pursuant to the trust agreements, investments are held in the TRGT and each fiduciary trust are for the benefit of the Town of Collierville and Collierville Schools to pay retirement benefits of their respective employees.

NOTE 6 – INTERFUND TRANSACTIONS

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

Receivable From	Payable To					Total
	General	General Purpose School	Capital Projects	Aggregate Nonmajor Governmental	Pension and OPEB Trusts	
General	\$ -	\$ 24,839	\$ 119,642	\$ 2,487,114	\$ 237,689	\$ 2,869,284
General Purpose						
Water and Sewer	1,786,877	-	-	-	-	1,786,877
Aggregate Nonmajor						
Governmental	223,921	488,287	-	-	-	712,208
Pension and						
OPEB Trusts	455,581	-	-	-	-	455,581
Total	<u>\$ 2,466,379</u>	<u>\$ 513,126</u>	<u>\$ 119,642</u>	<u>\$ 2,487,114</u>	<u>\$ 237,689</u>	<u>\$ 5,823,950</u>

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

The composition of interfund transfers for the year ended June 30, 2020 were as follows:

Transfer Out	Transfer In					Total
	General	General Purpose School	Capital Projects	Education Capital Projects	Aggregate Nonmajor Governmental	
General	\$ -	\$ -	\$ 4,631,204	\$ -	\$ 2,081,953	\$ 6,713,157
General Purpose School	-	-	-	121,441	161,330	282,771
Capital Projects	2,895,246	-	-	-	-	2,895,246
Education Capital						
Projects	-	-	-	-	-	-
Water and Sewer	904,288	-	-	-	-	904,288
Aggregate Nonmajor						
Governmental	164,730	93,806	-	-	-	258,536
Total	<u>\$ 3,964,264</u>	<u>\$ 93,806</u>	<u>\$ 4,631,204</u>	<u>\$ 121,441</u>	<u>\$ 2,243,283</u>	<u>\$ 11,053,998</u>

Transfers out of the governmental funds represent cost allocations, capital projects funding, and transactions for goods and services arising in the normal course of business. Transfers out of the water and sewer fund represent payments in lieu of taxes that are not payments for, and are not reasonably equivalent in value to, services provided.

NOTE 7 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land, easements, right-of-ways	\$ 34,548,658	\$ 2,169,907	\$ (85,000)	\$ 36,633,565
Construction in progress	25,456,602	10,726,932	(20,339,027)	15,844,507
Total capital assets, not being depreciated	60,005,260	12,896,839	(20,424,027)	52,478,072
Capital assets, being depreciated:				
Buildings and improvements	217,599,865	4,442,516	-	222,042,381
Other improvements	24,044,169	996,214	-	25,040,383
Library materials	2,560,960	210,924	(190,752)	2,581,132
Equipment	57,351,707	5,456,873	(533,197)	62,275,383
Infrastructure	159,325,730	14,541,614	-	173,867,344
Total capital assets, being depreciated	460,882,431	25,648,141	(723,949)	485,806,623
Less accumulated depreciation for:				
Buildings and improvements	(45,669,153)	(4,866,393)	-	(50,535,546)
Other improvements	(12,575,996)	(802,887)	-	(13,378,883)
Library materials	(1,333,375)	(221,028)	143,147	(1,411,256)
Equipment	(25,580,981)	(7,076,578)	377,316	(32,280,243)
Infrastructure	(45,352,622)	(2,225,105)	-	(47,577,727)
Total accumulated depreciation	(130,512,127)	(15,191,991)	520,463	(145,183,655)
Total capital assets, being depreciated, net	330,370,304	10,456,150	(203,486)	340,622,968
Governmental activities capital assets, net	<u>\$ 390,375,564</u>	<u>\$ 23,352,989</u>	<u>\$ (20,627,513)</u>	<u>\$ 393,101,040</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,080,700	\$ 560,019	\$ -	\$ 2,640,719
Construction in progress	952,508	1,245,984	(600,969)	1,597,523
Total capital assets, not being depreciated	3,033,208	1,806,003	(600,969)	4,238,242
Capital assets, being depreciated:				
Buildings and improvements	19,532,261	553,388	-	20,085,649
Other improvements	1,559,939	6,344	-	1,566,283
Equipment	4,879,487	192,350	(170,315)	4,901,522
Distribution and collection systems	123,003,443	2,233,229	-	125,236,672
Total capital assets, being depreciated	148,975,130	2,985,311	(170,315)	151,790,126
Less accumulated depreciation for:				
Buildings and improvements	(9,608,361)	(378,289)	-	(9,986,650)
Other improvements	(761,328)	(68,047)	-	(829,375)
Equipment	(2,867,411)	(272,076)	152,304	(2,987,183)
Distribution and collection systems	(49,036,375)	(2,709,244)	-	(51,745,619)
Total accumulated depreciation	(62,273,475)	(3,427,656)	152,304	(65,548,827)
Total capital assets, being depreciated, net	86,701,655	(442,345)	(18,011)	86,241,299
Business-type activities capital assets, net	<u>\$ 89,734,863</u>	<u>\$ 1,363,658</u>	<u>\$ (618,980)</u>	<u>\$ 90,479,541</u>

NOTE 7 – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 988,366
Public safety	1,731,715
Roads and public works	2,476,998
Culture and recreation	945,687
Sanitation	353,634
Education	8,695,591
Total depreciation expense - governmental activities	<u>\$ 15,191,991</u>
Business-type Activities:	
Water and sewer	<u>\$ 3,427,656</u>

Construction and other significant commitments

The government has active construction projects as of June 30, 2020. At year-end, the government's approximate commitments with contractors related to uncompleted contracts are as follows:

<u>Function/Activity</u>	<u>Commitment</u>
City uncompleted contracts	
General government - general services	\$ 919,000
General government - buildings and improvements	242,000
Roads and public works - infrastructure	1,729,000
Education - roof project	45,300
Education - parking lot replacement	227,000
Education - school renovations	707,000
Education - gymnasium	222,000
	<u>\$ 4,091,300</u>

NOTE 8 – ACCRUED LIABILITIES

	Governmental Activities	Business-Type Activities	Total
Accounts payable	\$ 2,538,469	\$ 892,924	\$ 3,431,393
Accrued expenses	273,303	42,382	315,685
Accrued payroll and benefits	5,353,232	50,136	5,403,368
Retainage payable	14,688	336	15,024
Accrued other	748,010	75,333	823,343
	<u>\$ 8,927,702</u>	<u>\$ 1,061,111</u>	<u>\$ 9,988,813</u>

NOTE 9 – LONG-TERM LIABILITIES

1. Long-Term Debt

General obligation and revenue bonds

The Town periodically issues general obligation and revenue bonds for the acquisition, construction, and improvement of major capital facilities and infrastructure. The bonds are generally issued as 15 to 30-year serial bonds. The Town is not subject to any state or other law that limits the amount of net bonded debt a Town may have outstanding; therefore, there is no legal debt margin or computation thereof. The Town's full faith, credit and unlimited taxing power are pledged to the repayment of all general obligation bond principal and interest. Revenue bonds are secured by net revenues derived from the operations of the Water and Sewer fund. The Town is contingently liable for the repayment of revenue bond principal and interest.

Shelby County Settlement Obligation

In July 2013, Collierville citizens approved a referendum authorizing the creation of Collierville Schools. The County Commission of Shelby County, Tennessee sued the Town, and other municipalities, alleging that the Town's effort to create its own municipal school district was illegal, whereas the Town denied the allegation. In January 2014, the Town and the School entered into a settlement agreement with the Board of Commissioners of Shelby County, Shelby County, Tennessee, and the Shelby County Board of Education. The School agreed to pay the Shelby County Board of Education twelve annual installments of \$507,819 for a total of \$6,093,828. The School elected to establish the liability incurred through the settlement agreement at its present value with a discount rate of 2.2%.

Capital Leases

Collierville Schools entered capital leases for computer equipment to be used in the classrooms. The equipment has a book value, calculated at the net present value of the lease payments at inception of \$4,934,671 and accumulated depreciation of \$2,608,628 as of June 30, 2020. Lease expense was \$2,465,881 for fiscal year 2020.

NOTE 9 – LONG-TERM LIABILITIES (CONTINUED)

Debt outstanding as of June 30, 2020 consisted of the following:

	Original Issue	Interest Rates	Issue Date	Maturity Date	Balance Outstanding at Year End
Governmental activities:					
<u>Payable through General Fund</u>					
General obligation bonds					
2008 serial bonds	\$ 13,000,000	3.50% - 5.00%	11/25/2008	11/1/2021	\$ 660,000
2011 serial bonds	4,985,000	2.00% - 2.50%	10/25/2011	4/1/2022	1,080,000
2012 serial bonds	5,215,000	1.50% - 2.00%	11/1/2012	11/1/2025	3,265,000
2013 serial bonds	7,700,000	2.00% - 4.00%	8/22/2013	11/1/2032	5,475,000
2015A serial bonds	93,485,000	3.25% - 5.00%	10/13/2015	1/1/2046	87,450,000
2015B serial bonds	5,000,000	2.00% - 4.00%	10/13/2015	1/1/2035	4,170,000
2015C serial bonds	8,015,000	2.00% - 4.00%	10/13/2015	11/1/2028	6,765,000
					<u>\$ 108,865,000</u>
<u>Payable through General Purpose School Fund</u>					
Direct borrowings:					
Shelby County Settlement	\$ 6,093,828	2.20%	11/1/2014	11/1/2025	\$ 2,866,502
Capital Lease	2,891,213	3.69%	8/1/2018	8/1/2020	992,354
Capital Lease	2,043,458	3.32%	8/1/2019	8/1/2021	1,382,247
					<u>\$ 5,241,103</u>
Total governmental activities					<u><u>\$ 114,106,103</u></u>
Business-type activities:					
Revenue bonds					
2012 revenue bond	\$ 15,655,000	1.50% - 4.00%	11/1/2012	11/1/2023	\$ 7,970,000
2015 revenue bond	5,305,000	4.00% - 5.00%	10/13/2015	6/1/2026	3,335,000
					<u><u>\$ 11,305,000</u></u>

NOTE 9 – LONG-TERM LIABILITIES (CONTINUED)

Annual debt service requirements to maturity for bonds are as follows:

Years Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 4,230,000	\$ 4,156,488	\$ 2,310,000	\$ 391,900
2022	4,415,000	3,994,637	2,480,000	296,100
2023	4,005,000	3,832,038	1,565,000	230,850
2024	4,180,000	3,673,763	1,615,000	190,975
2025	4,350,000	3,508,218	1,620,000	166,750
2026 - 2030	21,105,000	14,908,690	1,715,000	85,750
2031 - 2035	19,060,000	11,417,195	-	-
2036 - 2040	19,100,000	8,006,800	-	-
2041 - 2045	23,205,000	3,900,200	-	-
2046 - 2047	5,215,000	208,600	-	-
	<u>\$ 108,865,000</u>	<u>\$ 57,606,629</u>	<u>\$ 11,305,000</u>	<u>\$ 1,362,325</u>

Future payments under the School obligations are as follows:

Years Ending June 30	Settlement Liability	Capital Leases
	Amount	Amount
2021	\$ 507,819	\$ 1,762,594
2022	507,819	726,873
2023	507,819	-
2024	507,819	-
2025	507,819	-
2026	507,819	-
Total payments	3,046,914	2,489,467
Less amount representing interest	(180,412)	(114,866)
	<u>\$ 2,866,502</u>	<u>\$ 2,374,601</u>

NOTE 9 – LONG-TERM LIABILITIES (CONTINUED)**2. Changes in Long-Term Liabilities**

A summary of long-term liability activity, including debt, for the year ended June 30, 2020 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 113,330,000	\$ -	\$ (4,465,000)	\$ 108,865,000	\$ 4,230,000
Unamortized premiums	6,391,154	-	(307,994)	6,083,160	307,994
Total bonds	119,721,154	-	(4,772,994)	114,948,160	4,537,994
Capital leases	2,797,024	2,043,458	(2,465,881)	2,374,601	1,674,811
Settlement obligation, net	3,308,901	-	(442,399)	2,866,502	452,133
Total long-term debt	125,827,079	2,043,458	(7,681,274)	120,189,263	6,664,938
Compensated absences	1,908,559	157,753	(45,669)	2,020,643	157,753
	<u>\$ 127,735,638</u>	<u>\$ 2,201,211</u>	<u>\$ (7,726,943)</u>	<u>\$ 122,209,906</u>	<u>\$ 6,822,691</u>
Business-type activities:					
Revenue bonds	\$ 13,830,000	\$ -	\$ (2,525,000)	\$ 11,305,000	\$ 2,310,000
Unamortized premiums (discounts), net	1,640,668	-	(272,222)	1,368,446	272,284
Total long-term debt	15,470,668	-	(2,797,222)	12,673,446	2,582,284
Compensated absences	140,817	18,237	(1,730)	157,324	49,919
	<u>\$ 15,611,485</u>	<u>\$ 18,237</u>	<u>\$ (2,798,952)</u>	<u>\$ 12,830,770</u>	<u>\$ 2,632,203</u>

For governmental activities, compensated absences are generally liquidated by the general fund and general purpose school fund.

NOTE 10 – DEFERRED LOSS ON REFUNDING

The unamortized deferred loss on refunding relates to General Obligation Refunding Bonds for governmental activities and Water and Sewer Revenue Refunding Bonds for business-type activities. Deferred loss on refunding reported in the statement of net position at June 30, 2020 consists of the following:

	Governmental Activities	Business-Type Activities	Total
Series 2011	\$ 7,416	\$ -	\$ 7,416
Series 2012	248,353	684,714	933,067
Series 2015	623,689	170,151	793,840
	<u>\$ 879,458</u>	<u>\$ 854,865</u>	<u>\$ 1,734,323</u>

NOTE 11 – FUND BALANCES

Following is more detailed information on the government-wide calculation of the net investment in capital assets:

	Governmental Activities	Business-Type Activities	Total
Capital assets, net of accumulated depreciation	\$ 393,101,040	\$ 90,479,541	\$ 483,580,581
Deferred loss on refunding	879,458	854,865	1,734,323
Total outstanding balance of capital debt	(120,189,263)	(12,673,446)	(132,862,709)
Net investment in capital assets	<u>\$ 273,791,235</u>	<u>\$ 78,660,960</u>	<u>\$ 352,452,195</u>

NOTE 11 – FUND BALANCES (CONTINUED)

Following is more detailed information on the governmental fund balances:

	General Fund	General Purpose School Fund	Capital Projects Fund #321	Education Capital Projects	Other Governmental Funds	Total
Nonspendable for:						
Inventory	\$ 196,884	\$ -	\$ -	\$ -	\$ 58,500	\$ 255,384
Prepaid expenditures	1,860,484	-	-	-	2,625	1,863,109
Total nonspendable fund balance	2,057,368	-	-	-	61,125	2,118,493
Restricted for:						
Animal shelter projects	329,078	-	-	-	-	329,078
Capital projects	-	-	-	-	175	175
Community development	5,616	-	-	-	-	5,616
Development improvements	191,704	-	-	-	-	191,704
Public safety	179,774	-	-	-	695,136	874,910
Public services	2,018,011	-	-	-	944,800	2,962,811
Sanitation	-	-	-	-	2,578,694	2,578,694
Parks and recreation	69,653	-	-	-	-	69,653
Education	-	6,848	-	-	101,565	108,413
Stabilization reserve trust	-	562,198	-	-	-	562,198
Education capital projects	-	-	-	3,705,740	-	3,705,740
Total restricted fund balance	2,793,836	569,046	-	3,705,740	4,320,370	11,388,992
Committed for:						
Alternate transportation	43,458	-	-	-	-	43,458
Fire facility fee	713,552	-	-	-	-	713,552
Historic preservation	-	-	-	-	78,248	78,248
Parkland dedication	1,964,740	-	-	-	-	1,964,740
Police privilege tax	562,725	-	-	-	-	562,725
Total committed fund balance	3,284,475	-	-	-	78,248	3,362,723
Assigned to:						
Capital projects	20,207,877	-	7,688	-	66	20,215,631
General administration	5,383,653	-	-	-	-	5,383,653
Other purposes	5,200,000	-	-	-	-	5,200,000
Parks and recreation	2,344,118	-	-	-	-	2,344,118
Public safety	1,200	-	-	-	-	1,200
Public Services	109,325	-	-	-	-	109,325
OPEB contributions	-	1,067,508	-	-	-	1,067,508
Education	-	16,683,228	-	-	-	16,683,228
Total assigned fund balance	33,246,173	17,750,736	7,688	-	66	51,004,663
Unassigned	36,657,397	-	-	-	-	36,657,397
Total fund balances	<u>\$ 78,039,249</u>	<u>\$ 18,319,782</u>	<u>\$ 7,688</u>	<u>\$ 3,705,740</u>	<u>\$ 4,459,809</u>	<u>\$ 104,532,268</u>

NOTE 12 – DEFINED BENEFIT PENSION PLANS

The Town of Collierville is the administrator of the following single-employer defined benefit Public Employee Retirement Plan established by the Town to provide pension benefits for its employees:

- I. **Town of Collierville, Tennessee Defined Benefit Pension (“Town Pension Plan”)** – On July 1, 2007, the effective date of the plan, existing employees were given the option to make an irrevocable election to participate in this plan or stay in the Town TCRS Plan. Employees hired on July 1, 2007 and after are eligible at the date of employment. The plan offers both contributory and non-contributory options. Participants make an irrevocable election to participate in one of these options.

The plan is considered a part of the Town’s financial reporting entity and is included in the Town’s financial reports as a pension trust fund. The Town does not issue a stand-alone financial report for the plan. Benefits and contributions are established by the Town and may be amended only by the Board of Mayor and Aldermen.

The Town of Collierville and Collierville Schools participate in the following defined benefit multiple-employer Public Employee Retirement Plans administered by the Tennessee Consolidated Retirement System (“TCRS”):

- II. **Town Public Employee Retirement Plan (“Town TCRS Plan”)** – Employees of the Town originally were eligible to participate in this plan. Effective June 30, 2007, the plan was closed to new employees. Employees hired on July 1, 2007 and after are eligible for the defined benefit pension plan administered by the Town. On July 1, 2007, existing employees were given the option to stay in the plan or move their pension benefits to the plan administered by the Town. The plan is an agent multiple-employer pension plan. Neither this plan nor the Town’s plan are available to employees of Collierville Schools.
- III. **Collierville Schools Legacy Public Employee Retirement Plan (“Legacy Plan”)** – Certain administrative employees with membership in TCRS prior to June 30, 2014 are included in this plan, which is maintained separately from the Town of Collierville’s plan. This plan was closed to new membership on June 30, 2014 but continues to provide benefits to existing members. This is an agent multiple-employer pension plan.
- IV. **Collierville Schools Hybrid Employee Retirement Plan (“Hybrid Plan”)** – Certain administrative employees with membership in TCRS beginning July 1, 2014 are included in this plan, which is maintained separately from the Town of Collierville’s plan. This plan is a hybrid plan which features both a defined contribution element and a pension plan element. This plan is an agent multiple-employer pension plan.
- V. **Collierville Schools Teacher Legacy Pension Plan (“Teacher Legacy Plan”)** – Teachers with membership in TCRS prior to June 30, 2014 are included in this plan. The plan was closed to new membership on June 30, 2014 but continues to provide benefits to existing members. The plan is a cost sharing multiple-employer pension plan.
- VI. **Collierville Schools Teacher Retirement Plan (“Teacher Hybrid Plan”)** – Teachers with membership in TCRS beginning July 1, 2014 are included in this plan. The plan is a hybrid plan which features both a defined contribution element and a pension plan element. The plan is a cost sharing multiple-employer pension plan.

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

The TCRS was created by state statute under Tennessee Code Annotated 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. Tennessee Code Annotated Title 8, Chapters 34-37 establishes 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.

The net pension assets and liabilities, deferred outflows and inflows of resources related to pensions, and pension expense (negative expense) reported on the statement of net position are summarized as follows:

	Net Pension Asset	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense
Governmental Activities					
Town Administered Pension Plan	\$ -	\$ 8,742,713	\$ 8,589,477	\$ 3,282,741	\$ 3,362,541
Town TCRS Plan	2,832,193	-	-	169,234	(173,761)
School Administrative Legacy Plan	159,014	261,165	-	261,210	373,393
School Administrative Hybrid Plan	154,751	357,517	-	6,979	(34,281)
Teacher Legacy Plan	10,435,910	7,871,385	-	9,406,854	3,265,855
Teacher Hybrid Plan	488,559	396,273	-	196,475	145,424
Total governmental activities	<u>\$ 14,070,427</u>	<u>\$ 17,629,053</u>	<u>\$ 8,589,477</u>	<u>\$ 13,323,493</u>	<u>\$ 6,939,171</u>
Business-type Activities					
Town Administered Pension Plan	\$ -	\$ 651,406	\$ 639,988	\$ 244,591	\$ 250,538
Total	<u>\$ 14,070,427</u>	<u>\$ 18,280,459</u>	<u>\$ 9,229,465</u>	<u>\$ 13,568,084</u>	<u>\$ 7,189,709</u>

For governmental activities, pension liabilities is generally liquidated by the general fund and general purpose school fund.

A. General Information about the Pension Plans

Benefits Provided

Under the Town Pension Plan, members are eligible to retire with an unreduced benefit at age 60 with 10 years of service credit (5 years if hired prior to July 1, 2007) or after 30 years of service credit regardless of age. A reduced early retirement benefit is available at age 55 and vested. Benefits are determined by a formula using the member's highest five consecutive year average compensation during the 10 completed calendar years immediately preceding termination of employment and the member's years of service credit up to 30 years. Members vest with 10 years of service credit (5 years if hired prior to July 1, 2007). A variety of death benefits are available under various eligibility criteria.

Under the Town TCRS Plan, Legacy Plan and Teacher Legacy Plan, members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. A reduced early retirement benefit is available at age 55 and vested. Under the Hybrid Plan and Teacher

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Hybrid Plan, members are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80.

Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. 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 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) 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 3 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. Under the Teacher Legacy Plan and Teacher Hybrid Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, under the Hybrid Plan, Teacher Legacy Plan, and Teacher Hybrid Plan, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis. No COLA is provided under the Town Pension Plan.

Employees Covered by Benefit Terms

The Town Pension Plan has a measurement date of June 30, 2020 while the TCRS Plans have a measurement date of June 30, 2019. As of the respective plan measurement dates, the following employees were covered by the benefit terms of the agent plans:

	Town Pension Plan	TCRS Town Plan	TCRS School Administrative	
			Legacy Plan	Hybrid Plan
Inactive employees or beneficiaries currently receiving benefits	103	20	22	-
Inactive employees entitled to but not yet receiving benefits	83	86	56	52
Active employees	498	11	124	151
	684	117	202	203

Contributions

Under the Town Pension Plan, contribution requirements of plan members and the Town are established and may be amended by the Board of Mayor and Aldermen. The Town has adopted two plan options for the retirement plan for its employees. Plan A is noncontributory, whereas Plan B requires employee contributions of 5.00 percent of their gross pay. The choice of plan is irrevocable by the participant.

Under the TCRS Plans, contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or, for the Hybrid Plan and Teacher Hybrid Plan, by automatic cost controls set by law. Employees contribute 5 percent of salary. The Town and School make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions to each plan are required to be paid. TCRS may intercept the Town's state shared taxes if the required employer contributions are not remitted. The employer rate, when combined

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability. Per the statutory provisions governing TCRS, the employer contribution rate for the Hybrid Plan and Teacher Hybrid Plan cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees is reached.

Employer contributions to each plan for the year ended June 30, 2020 were as follows:

	Town Pension Plan	TCRS Town Plan	TCRS School Administrative Legacy Plan	TCRS School Administrative Hybrid Plan	TCRS Teacher Plans Legacy Plan	TCRS Teacher Plans Hybrid Plan
Employer contributions	\$ 3,112,326	\$ -	\$ 205,518	\$ 200,419	\$ 3,860,387	\$ 359,040
Covered payroll	25,492,300	511,546	4,316,744	5,274,675	36,400,009	11,137,766
As a percentage of covered payroll	12.21%	0.00%	4.76%	3.80%	10.61%	3.22%

Actuarial Assumptions

Town Administered Pension Plan

The total pension liability was determined as part of the June 30, 2020 actuarial valuation using the entry age normal, level percent of pay cost method. Significant actuarial assumptions used in the valuation include:

Inflation	2.5%
Salary increases	3.75%, including inflation
Investment rate of return	7.25%, net of investment expense, including inflation
Mortality table	Pub G-2010 for general employees ages 18-54 Pub-2010 for healthy employees over age 54

Investment policy

The Town has developed a flexible investment policy statement based on modern portfolio theory. The investment policy does not specifically limit the amount of investment in individual or aggregate investments based on the credit rating of the investment. The investment policy seeks to earn an average annual return of 7.25 percent over a minimum of a 10 year period. The long-term expected rate of return on pension plan investments was determined based on the historical market returns of the targeted asset classes. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 (see the discussion of the Plan's investment policy) are summarized as follows:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Cash and cash equivalents	2.00%	2%
Fixed income	2.72%	38%
U.S equity	6.43%	40%
International equity	7.00%	15%
REITS	5.00%	5%
		100%

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Rate of return

For the year ended June 30, 2020, the annual money-weighted rate of return on plan investments was 4.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

Discount rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan 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.

TCRS Administered Pension Plans

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

Inflation	2.5%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
Investment rate of return	7.25%, net of investment expense, including inflation
Cost-of-Living Adjustment	2.25%
Mortality rates	Actual experience including an adjustment for some anticipated improvements

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

Investment policy

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

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
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%
		<u>100%</u>

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 three factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from the Board of Education 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 total pension liability.

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Net Pension Liability (Asset)

The net pension liability (asset) for the Town administered pension plan was measured as of June 30, 2020 and each TCRS plan was measured as of June 30, 2019. The total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of the respective dates. The components of the net pension liability for the agent plans as of those dates are as follows:

	Agent Plans				Cost-Sharing Plans	
	Town Pension Plan	TCRS Town Plan	TCRS School Administrative Legacy Plan	TCRS School Administrative Hybrid Plan	TCRS Teacher Plans Legacy Plan	TCRS Teacher Plans Hybrid Plan
Total Pension Liability						
Service cost	\$ 2,239,448	\$ 45,582	\$ 633,094	\$ 221,787		
Interest	6,070,838	283,809	266,813	52,423		
Differences between expected and actual experience	1,248,066	(180,823)	20,895	59,348		
Changes in assumptions	-	-	-	-		
Benefit payments, including refunds	(2,184,946)	(76,703)	(45,646)	(6,206)		
Net change in total pension liability	7,373,406	71,865	875,156	327,352		
Total pension liability - beginning	83,666,159	3,907,381	3,069,906	504,387		
Total pension liability - ending	91,039,565	3,979,246	3,945,062	831,739		
Plan Fiduciary Net Position						
Contributions - employer	3,112,326	-	445,058	81,588		
Contributions - employee	620,832	-	242,462	212,114		
Net investment income	3,783,477	474,718	262,560	58,863		
Benefit payments	(2,184,946)	(76,703)	(45,646)	(6,206)		
Administrative expense	(234,771)	(867)	(11,225)	(13,325)		
Other changes	-	-	-	-		
Net change in plan fiduciary net position	5,096,918	397,148	893,209	333,034		
Plan fiduciary net position - beginning	76,713,182	6,414,291	3,210,867	653,456		
Plan fiduciary net position - ending	81,810,100	6,811,439	4,104,076	986,490		
Net pension liability (asset)	\$ 9,229,465	\$ (2,832,193)	\$ (159,014)	\$ (154,751)		
Proportionate share of net pension liability (asset)					<u>\$ (10,435,910)</u>	<u>\$ (488,559)</u>
Proportionate share at June 30, 2019 measurement date					1.014989%	0.865494%
Proportionate share at June 30, 2018 measurement date					0.935380%	0.748652%

The proportion of the net pension liability (asset) was based on the School's contributions to each cost-sharing plan relative to the contributions of all participating LEAs. Detailed information about each cost-sharing pension plan's fiduciary net position is available in a separately issued TCRS financial report.

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) or proportionate share of net pension liability (asset) of the Town related to each plan calculated using the current discount rate, as well as what the net pension liability (asset) or proportionate share of net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	Current Rate	1% Decrease	Current Rate	1% Increase
Net pension liability (asset)				
Town Pension Plan	7.25%	\$ 21,934,597	\$ 9,229,465	\$ (1,291,875)
TCRS Town Plan	7.25%	(2,262,886)	(2,832,193)	(3,302,758)
TCRS School Administrative Legacy Plan	7.25%	465,652	(159,014)	(670,846)
TCRS School Administrative Hybrid Plan	7.25%	41,754	(154,751)	(306,650)
Proportionate share of the net pension asset				
TCRS Teacher Legacy Plan	7.25%	\$ 21,338,421	\$(10,435,910)	\$(35,711,510)
TCRS Teacher Hybrid Plan	7.25%	154,795	(488,559)	(964,118)

C. Pension Expense and Deferred Outflows and Inflows Resources Related to Pensions

For the year ended June 30, 2020, the Town reported pension expense, deferred outflows of resources, and deferred inflows of resources related to each plan from the following sources:

	Town Pension Plan	TCRS Town Plan	TCRS School Administrative Legacy Plan	TCRS School Administrative Hybrid Plan	TCRS Teacher Plans Legacy Plan	TCRS Teacher Plans Hybrid Plan
Pension Expense (Negative Expense)	<u>\$ 3,613,079</u>	<u>\$ (173,761)</u>	<u>\$ 373,393</u>	<u>\$ (34,281)</u>	<u>\$ 3,265,855</u>	<u>\$ 145,424</u>
Deferred Outflows of Resources						
Differences between expected and actual experience	\$ 2,034,614	\$ -	\$ 23,436	\$ 150,078	\$ 508,098	\$ 20,258
Net difference between projected and actual earnings on plan investments	1,593,756	-	-	-	-	-
Changes in assumptions	5,765,749	-	32,211	7,020	1,406,293	16,975
Change in proportion of net pension liability (asset)	-	-	-	-	2,096,607	-
Contributions subsequent to the measurement date of June 30, 2019	-	-	205,518	200,419	3,860,387	359,040
	<u>\$ 9,394,119</u>	<u>\$ -</u>	<u>\$ 261,165</u>	<u>\$ 357,517</u>	<u>\$ 7,871,385</u>	<u>\$ 396,273</u>
Deferred Inflows of Resources						
Differences between expected and actual experience	\$ 2,225,444	\$ 90,411	\$ 221,107	\$ -	\$ 6,374,461	\$ 85,289
Net difference between projected and actual earnings on plan investments	-	78,823	40,103	6,979	2,981,740	20,656
Changes in assumptions	1,301,888	-	-	-	-	-
Change in proportion of net pension liability (asset)	-	-	-	-	50,653	90,530
	<u>\$ 3,527,332</u>	<u>\$ 169,234</u>	<u>\$ 261,210</u>	<u>\$ 6,979</u>	<u>\$ 9,406,854</u>	<u>\$ 196,475</u>

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

The amounts shown above for “Contributions subsequent to the measurement date of June 30, 2019,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the years ending June 30:

	Town Pension Plan	TCRS Town Plan	TCRS School Administrative		TCRS Teacher Plans	
			Legacy Plan	Hybrid Plan	Legacy Plan	Hybrid Plan
2021	\$ 609,814	\$ (95,282)	\$ (42,811)	\$ 16,090	\$ (256,201)	\$ (18,259)
2022	822,064	(56,443)	(53,351)	15,323	(2,817,246)	(21,419)
2023	681,129	(15,010)	(39,276)	17,078	(1,319,855)	(15,626)
2024	657,533	(2,499)	(33,621)	18,078	(1,002,554)	(12,672)
2025	294,196	-	(25,413)	18,388	-	(11,830)
Thereafter	2,802,051	-	(11,091)	65,162	-	(79,436)

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

D. Payable to the Pension Plans

At June 30, 2020, the following amounts were payable to the pension plans related to the outstanding required contributions as of the respective measurement dates:

	Town Pension Plan	TCRS Town Plan	TCRS School Administrative		TCRS Teacher Plans	
			Legacy Plan	Hybrid Plan	Legacy Plan	Hybrid Plan
Payables related to required contribution	\$ -	\$ -	\$ 41,836	\$ 32,248	\$ 820,390	\$ 149,757

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Trusted Pension Plan without Stand-Alone Financial Statements

	Town Pension Plan
<u>Statements of Pension Trust Net Position</u>	
ASSETS	
Cash and cash equivalents	\$ 2,169,533
Interest receivable	115,281
Investments, at fair value:	
Savings, cds and time deposits	1,161,540
Corporate and foreign bonds	6,078,521
Municipal obligations	764,442
Common equity securities	9,435,711
Equity mutual funds	39,518,122
Fixed income mutual funds	22,446,781
Total investments	<u>79,405,117</u>
Due from other funds	<u>237,689</u>
Total assets	<u>81,927,620</u>
LIABILITIES	
Accounts payable	<u>117,520</u>
NET POSITION	
Restricted for pension	<u><u>\$ 81,810,100</u></u>
<u>Statements of Changes in Pension Plan Net Position</u>	
ADDITIONS	
Contributions:	
Employer	\$ 3,112,326
Plan members	620,832
Total contributions	<u>3,733,158</u>
Investment earnings (losses):	
Interest and dividends	1,657,251
Net appreciation in fair value of investments	2,126,226
Total investment earnings	<u>3,783,477</u>
Total additions	<u>7,516,635</u>
DEDUCTIONS	
Benefits	2,184,946
Administrative expense	234,771
Total deductions	<u>2,419,717</u>
Change in net position	5,096,918
NET POSITION RESTRICTED FOR PENSION	
Beginning of year	76,713,182
End of year	<u><u>\$ 81,810,100</u></u>

NOTE 13 – DEFINED CONTRIBUTION PENSION PLANS

Town Money Purchase Pension Plan

The Town provides pension benefits to full-time employees employed prior to June 30, 1994, through the Town of Collierville, Tennessee Money Purchase Pension Plan, a defined contribution plan administered by Securian Financial Group. Plan provisions and contribution requirements are established, and may be amended by, the Town's Board of Mayor and Aldermen. These assets are required to be placed in trust, thus eliminating the requirement that assets be reflected in the statement of net position of the Town. The plan consists of two separate agreements, one for the police and fire departments for retirement at age 55 and another for the remainder of employees with retirement at age 65. At June 30, 2020, there were 5 plan members. The Town contributes 9% of total compensation and employees may contribute up to 10% of compensation. All participants are 100 % vested in current and prior contributions. Contributions are made on a tax-deferred basis. For the year ended June 30, 2020, contributions from the Town and employees were \$26,097 and \$600, respectively.

Town 457 Plan

The Town offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. Plan provisions and related contribution requirements are established and may be amended by the Town's Board of Mayor and Aldermen. These assets are required to be placed in trust, thus eliminating the requirement that assets be reflected in the statement of net position of the Town. The plan is available to all Town employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

School TCRS Hybrid 401k Plan

The TCRS School Administrative Hybrid Plan and the TCRS Teacher Hybrid Plan (the Hybrid Plans) provide a combination of a defined benefit plan and a defined contribution plan. The defined benefit portion of the Hybrid Plans are managed by TCRS. The defined contribution assets are deposited into the State's 401(k) plan where the employee manages the investments within the 401(k) plan. Participants are automatically enrolled, with opt-out feature, to contribute 2% of their salaries and employers are required to contribute 5% of those salaries to the defined contribution (401(k)) portion of the Hybrid plans. During 2020, the School made no contributions to the Teacher Hybrid Plan and contributions totaling \$819,866 to the Administrative Hybrid Plan. Employees are immediately vested in contributions. Contributions are made on a tax-deferred basis.

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS

The Town and School each administer a single-employer defined benefit other postemployment plan to provide health care benefits to certain employees and elected officials under the provisions of the Retirement System of the Town of Collierville i.e. Town of Collierville, Tennessee Other Postemployment Benefit Plan and Collierville Schools Other Postemployment Benefit Plan.

- I. **Town of Collierville, Tennessee Other Postemployment Benefit Plan (“Town OPEB Plan”)**
– Certain employees and elected officials who have at least ten (10) years of continuous and creditable service and who have attained the age of sixty; or who have completed thirty years of continuous and creditable service and participate in the healthcare plan are eligible to participate in the OPEB plan.
- II. **Collierville Schools Employee Benefit Plan (“School OPEB Plan”)** – Employees who retire from the School and qualify for retirement under the TCRS may be eligible for the plan. Eligible employees must complete fifteen (15) years of continuous service with Collierville Schools. Those who are former employees of Shelby County Schools or Memphis City Schools must have fifteen (15) years of continuous service with Collierville, Shelby County, and/or Memphis City Schools prior to retirement. New employees are not eligible for benefits if employed after July 1, 2018. Eligible employees must be enrolled in a Collierville Schools health insurance plan for one (1) year immediately before the retirement date.

The plans are considered part of the Town’s financial reporting entity and are included in the Town’s financial reports as OPEB trust funds. The Town does not issue a stand-alone financial report for either plan. Benefits provided including coverage, eligibility, and contribution requirements of the Town OPEB plan and School OPEB plan are established and may be amended only by the Board of Mayor and Aldermen and Board of Education, respectively, at any time, for any reason.

The net OPEB assets and liabilities, deferred outflows and deferred inflows of resources related to OPEBs, and OPEB expense (negative expense) reported on the statement of net position are summarized as follows:

	Net OPEB Asset	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources	OPEB Expense
Governmental Activities					
Town OPEB Plan	\$ 5,892,249	\$ 1,177,754	\$ -	\$ 3,262,836	\$ (423,673)
School OPEB Plan	-	1,844,593	8,116,311	432,839	633,715
Total governmental activities	<u>\$ 5,892,249</u>	<u>\$ 3,022,347</u>	<u>\$ 8,116,311</u>	<u>\$ 3,695,675</u>	<u>\$ 210,042</u>
Business-type Activities					
Town OPEB Plan	\$ 436,697	\$ 87,288	\$ -	\$ 241,821	\$ (31,400)
Total	<u><u>\$ 6,328,946</u></u>	<u><u>\$ 3,109,635</u></u>	<u><u>\$ 8,116,311</u></u>	<u><u>\$ 3,937,496</u></u>	<u><u>\$ 178,642</u></u>

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

A. General Information about the OPEB Plans

Benefits Provided

The Town OPEB plan provides a continuation of medical coverage for eligible retirees and their eligible dependents until the retiree and/or spouse reaches the age of sixty-five (65) or becomes eligible for Medicare insurance, whichever comes first. Upon reaching the age of sixty-five or becoming eligible for Medicare insurance coverage under this plan will cease. Eligible dependent children will be covered to age 25.

The premium charged will be a percentage of the group rate and will be based on age and years of continuous service. The group rate will be determined by the plan cost annually. The Town will either provide a Medicare supplement plan or reimburse the retiree for a supplemental plan at the Town's discretion, at a rate determined by the Town on an annual basis.

The School OPEB plan provides healthcare for retirees and their dependents. Benefits are provided through a third-party insurer. Retirees with 25 years of service may continue to participate in the School's plan options that are available to its active employees for life. Retirees with 10 to 25 years of services will receive a monthly stipend of \$300 to \$600.

Employees Covered by Benefit Terms

On June 30, 2020, the Town and School's membership consisted of:

	Town OPEB Plan	School OPEB Plan
Inactive employees or beneficiaries currently receiving benefits	66	62
Inactive employees entitled to but not yet receiving benefits	-	39
Active employees	517	98
	<u>583</u>	<u>199</u>

Contributions

The Town has adopted a contributory OPEB plan for its employees requiring employee contributions to be made in accordance with the employee's age and employment status. The Town is required to contribute the remaining amounts to meet the minimum funding requirement, which is calculated at an actuarially determined rate. The Town'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.

The School has adopted a non-contributory OPEB plan for its employees. Employer contributions are based on an actuarially determined rate. The School's intent is to partially fund the actuarial determined contribution and pay for the pay-go costs from the general purpose school fund until the Trust balance is sufficient to meet future benefit payments.

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

Employer contributions to each plan for the year ended June 30, 2020 were as follows:

	Town OPEB Plan	School OPEB Plan
Employer contributions	\$ -	\$ 782,584
Covered payroll	26,907,912	57,830,560
As a percentage of covered payroll	0.00%	1.35%

B. Actuarial Assumptions

Actuarial valuations for the Town and School OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. As such, the actuarial calculations of the OPEB plans reflect a long-term perspective. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimated are made about the future.

Town Administered OPEB Plan

The total OPEB liability was determined as of June 30, 2020 as part of an actuarial valuation , as of that date, using the entry age normal, level percent of pay cost method. Significant actuarial assumptions used in the valuation include:

Inflation	2.5%
Salary increases	3.5%
Investment rate of return	7.25%, net of investment expense, including inflation
Mortality table	Pub G.H-2010-E (M & F) for ages 18-54 Pub G.H.-2010-HR (M & F) for ages 55 and older
Health care cost trend rate	7.0% initial rate, 3.0% ultimate rate, 9-year grading period

Changes of Assumptions

In 2020, the Town OPEB changes of assumptions included a decrease in the investment rate of return from 7.5% to 7.25% and a change to mortality tables.

School Administered OPEB Plan

The total OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019 using the entry age normal level percent of pay actuarial cost method applied to all periods included in the measurement. Significant actuarial assumptions used in the valuation include:

Inflation	3.0%
Investment rate of return	6.0%, net of investment expense, including inflation
Mortality table	RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018
Health care cost trend rate	7.5% initial rate, 4.5% ultimate rate, 7-year grading period

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

Changes of Assumptions

In 2020, the School OPEB changes of assumptions included a decrease in the discount rate and expected long-term rate of return from 7.5% to 6.0% and the decrease in health care costs from 8.0% to 7.5%.

Town Investment Policy

The Town's policy regarding allocation of invested assets is established and may be amended by the Retirement Plan Committee. The Town has developed a flexible investment policy based on modern portfolio theory. The investment policy does not specifically limit the amount of investment in individual or aggregate investments based on the credit rating of the investment. The investment policy seeks to earn an average annual return of 7.25% over a minimum of a 10-year period. The long-term rate of return on OPEB plan investments is based on historical returns by asset class consistent with the investment policy. The target allocation and best estimates of arithmetic real rates of return, before inflation, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1%	2.00%
Short-term bond	15%	2.25%
Intermediate-term bond	19%	3.25%
Large-cap equity	27%	6.25%
Mid-cap equity	11%	6.65%
Small-Cap equity	7%	7.00%
International equity	15%	7.00%
REITS	5%	5.00%
	100%	

School Investment Policy

Collierville Schools has placed funds with the Tennessee School Board Association OPEB Trust ("TSBA OPEB Trust") to be used to pre-fund a portion of the OPEB liability. The assets of the TSBA OPEB Trust are commingled with other participant's funds for investment purposes, but are held in an irrevocable trust for each plan participant and may be used only for the payment of benefits to the members of the plan in accordance with the terms of their plan. The TSBA OPEB Trust's policy regarding allocation of invested assets is established and may be amended by the TSBA OPEB Trust Board of Trustees by a majority vote of its members. The TSBA OPEB Trust obtains an annual audit, which may be obtained from the TSBA at 525 Brick Church Park Drive, Nashville, TN 37207; however, the audit for the year ended June 30, 2020 was not available from other auditors as of the date of this report.

It is the policy of the TSBA OPEB Trust Board to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future rates of return are developed for each major asset class. These expected future rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage.

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

The best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020 is summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large equity	34%	9.20%
U.S. mid equity	4%	9.80%
U.S. small equity	4%	10.30%
European equity	13%	7.40%
Japanese equity	2%	7.40%
Asian (excl. Japan) equity	3%	9.70%
Emerging market equity	5%	11.40%
Short-term fixed income	7%	3.60%
U.S. fixed income	23%	4.80%
International fixed income	1%	4.50%
Inflation protected notes	3%	5.70%
Emerging market fixed income	1%	7.10%
	100%	

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on Town and School investments was 4.58% percent and 3.48%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

Discount Rate Information

The discount rate used in valuing OPEB liabilities in funded plans as of the measurement date must be based on the long-term expected rate of return on OPEB plan investments that are expected to be used to finance future benefit payments to the extent that they are sufficient to pay for projected benefit payments and the OPEB plan assets are invested using a strategy that will achieve that return. When the OPEB plan investments are insufficient to cover future benefit payments, a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) must be used. The Town OPEB's discount rate is 7.25%.

The School's funding policy is to pay for the pay-as-you-go costs out of the general purpose fund and partially fund the Actuarially Determined Contribution. The final equivalent single discount rate for this year's valuation is 6.00% based on the assumption that the trust is eventually expected to be sufficient to finance all future benefit payments.

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

C. Net OPEB Liability

The components of the Town's net OPEB liability at June 30, 2020, were as follows:

	Town OPEB Plan	School OPEB Plan
Total OPEB Liability		
Service cost	\$ 241,801	\$ 66,615
Interest	653,486	613,855
Differences between expected and actual experience	(2,136,475)	(126,741)
Changes in assumptions	949,676	1,308,451
Benefit payments, including refunds	(515,950)	(657,584)
Net change in total OPEB liability	(807,462)	1,204,596
Total OPEB liability - beginning	8,850,224	8,440,964
Total OPEB liability - ending	8,042,762	9,645,560
Plan Fiduciary Net Position		
Contributions - employer	-	782,584
Contributions - employee	125,685	-
Net investment income	648,317	47,275
Benefit payments	(515,950)	(657,584)
Administrative expense	(37,904)	(5,754)
Net change in plan fiduciary net position	220,148	166,521
Plan fiduciary net position - beginning	14,151,560	1,362,728
Plan fiduciary net position -ending	14,371,708	1,529,249
Net OPEB liability (asset)	<u>\$ (6,328,946)</u>	<u>\$ 8,116,311</u>

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the Town and School's net OPEB liability (asset) calculated using the current discount rate as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Current Rate	1% Decrease	Current Rate	1% Increase
Net OPEB liability (asset)				
Town OPEB Plan	7.25%	\$ (5,515,932)	\$ (6,328,946)	\$ (7,031,026)
School OPEB Plan	6.00%	\$ 9,202,155	\$ 8,116,311	\$ 7,207,460

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rate***

The following presents the Town and School's net OPEB liability (asset) calculated using the current healthcare cost trend rate as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>Current Rate</u>	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB liability (asset)				
Town OPEB Plan	7.0% to 3.0%	\$ (6,532,685)	\$ (6,328,946)	\$ (6,093,956)
School OPEB Plan	7.5% to 4.5%	\$ 7,134,309	\$ 8,116,311	\$ 9,287,276

D. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Town and School reported OPEB expense, deferred outflows of resources, and deferred inflows of resources related to each OPEB plan from the following sources:

	<u>Town OPEB Plan</u>	<u>School OPEB Plan</u>
OPEB (negative) expense	<u>\$ (455,073)</u>	<u>\$ 633,715</u>
Deferred Outflows of Resources		
Differences between expected and actual experience	\$ 89,240	\$ 516,586
Net difference between projected and actual earnings on plan investments	299,178	57,057
Changes in assumptions	876,624	1,270,950
	<u>\$ 1,265,042</u>	<u>\$ 1,844,593</u>
Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 3,504,657	\$ 280,264
Net difference between projected and actual earnings on plan investments	-	-
Changes in assumptions	-	152,575
	<u>\$ 3,504,657</u>	<u>\$ 432,839</u>

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for the years ending June 30:

	<u>Town OPEB Plan</u>	<u>School OPEB Plan</u>
2021	\$ (203,635)	\$ 303,428
2022	(141,442)	310,394
2023	(146,627)	480,042
2024	(154,127)	317,890
2025	(236,252)	-
Thereafter	(1,357,532)	-

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (CONTINUED)**E. Trusted OPEB Plan without Stand-Alone Financial Statements**

	Town OPEB Fund	School OPEB Fund
<u>Statements of OPEB Trust Net Position</u>		
ASSETS		
Cash and cash equivalents	\$ 149,372	\$ 84,109
Interest receivable	11,472	-
Investments, at fair value:		
Common equity securities	1,909,782	-
Equity mutual funds	7,760,393	1,079,341
Fixed income mutual funds	5,005,642	478,230
Structured investments	-	87,569
Total investments	<u>14,675,817</u>	<u>1,645,140</u>
Total assets	<u>14,836,661</u>	<u>1,729,249</u>
LIABILITIES		
Accounts payable	9,372	-
Due to other funds	455,581	-
Due to other TSBA accounts	-	200,000
	<u>464,953</u>	<u>200,000</u>
NET POSITION		
Restricted for OPEB	<u>\$ 14,371,708</u>	<u>\$ 1,529,249</u>
<u>Statements of Changes in OPEB Plan Net Position</u>		
ADDITIONS		
Contributions:		
Employer	\$ -	\$ 782,584
Plan members	125,685	-
Total contributions	125,685	782,584
Investment earnings (losses):		
Interest and dividends	293,317	49,155
Net appreciation in fair value of investments	355,000	(1,880)
Total investment earnings	648,317	47,275
Total additions	774,002	829,859
DEDUCTIONS		
Benefits	515,950	657,584
Premiums	-	-
Administrative expense	37,904	5,754
Total deductions	553,854	663,338
Change in net position	220,148	166,521
NET POSITION RESTRICTED FOR OPEB		
Beginning of year	14,151,560	1,362,728
End of year	<u>\$ 14,371,708</u>	<u>\$ 1,529,249</u>

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Operating Lease Revenues

Collierville Schools occasionally enters long-term operating leases for equipment to be used in the schools. For the year ended June 30, 2020, lease expense was \$60,612. The future lease commitments are as follows:

Years Ending June 30	Amount
2021	\$ 60,612
2022	60,612
2023	60,612
2024	15,153
Total payments	<u>\$ 196,989</u>

Contracts

The Town has an agreement with the City of Memphis (“Memphis”) whereby as a means of resolving various annexation issues regarding the Town’s Reserve Areas, the parties agreed to various conditions on future annexations. As a condition of the agreement, the Town agreed that it will share with Memphis for a period of twenty years beginning June 26, 2000, fifty percent of wholesale beer and local sales tax revenue derived from businesses and transactions located on and within the area described as Gallina. For the year ended June 30, 2020, such amount totaled to \$536,100.

Legal Contingencies

The Town is a defendant in various lawsuits arising in the ordinary course of operations from those seeking awards for property damage and personal injury, contesting its taxing authority, and questioning certain personnel practices and policies. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Town’s administration that the ultimate settlement of these matters should be covered by liability insurance and should not materially affect the financial condition of the Town.

Environmental Protection Agency

The Town is potentially liable for Environmental Protection Agency (“EPA”) clean up on land sold in a prior year to a corporation operating a manufacturing plant on such property. The corporation has been responsible for all cleanup costs and continues to maintain compliance with the EPA.

Asset Retirement Obligations

The Town has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the system cannot be reasonably estimated as of June 30, 2020, since the costs have not yet been identified. The Town anticipates identifying and obtaining estimates of those legally required costs in the subsequent fiscal year.

NOTE 16 – RISK MANAGEMENT

Insurance Other Than Health Insurance

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Town considers it more economically feasible to participate in a public entity risk pool as opposed to purchasing commercial insurance for certain general liability, workers' compensation, and property and casualty insurance. As such, the Town participates in the Public Entity Partners Risk Management Pool (the "Pool"), which is a public entity risk pool consisting of member political subdivisions of the State of Tennessee. The Town pays an annual premium to the Pool. Each political subdivision that participates in the Pool is subject to assessment if the funds it paid as premiums are insufficient to meet the obligations of the Pool. The Pool may reinsure through the Local Government Reinsurance Fund of Tennessee or a commercial insurance company.

The Town has not incurred any losses more than coverage for the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Health Insurance

The Town of Collierville and the Collierville Schools participate in the Interlocal Health Benefits Plan Asset Trust to reduce costs of benefit plan administration and lower premium rates related to healthcare benefits. The Interlocal Health Plan is accounted for as a public entity risk pool but operates solely as a risk-sharing pool. Benefits and premium requirements are established and may be amended by an insurance committee. Members have the option of choosing between a Health Reimbursement Account (HRA) option, an Exclusive Provider Organization (EPO) option, and a basic option for healthcare benefits. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop a contribution policy in term of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The plan has a separately issued Comprehensive Annual Report (CAFR) and can be found on the state's website at <http://www.comptroller.tn.gov/advanced-search.html>.

The Town and the School are only liable for their portion of plan premiums plus any outstanding capital requirements from the Interlocal Health Plan. The liability for any incurred-but-not-reported claims is borne by the Interlocal Health Plan and not by the individual members. During the year ended June 30, 2020, the Town of Collierville and the Collierville Schools contributed premiums of \$7,446,344 and \$9,887,097 respectively to the Interlocal Health Benefits Plan Asset Trust.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
TOWN OF COLLIERVILLE DEFINED BENEFIT PENSION PLAN

Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability										
Service cost	\$ 2,239,448	\$ 2,237,370	\$ 2,188,438	\$ 1,964,779	\$ 2,023,584	\$ 1,951,756	\$ 1,774,861	\$ 1,744,070	\$ 1,708,412	\$ 1,774,880
Interest	6,070,838	5,505,190	5,135,640	4,724,329	4,409,484	3,985,930	3,681,666	3,309,553	3,008,114	2,866,011
Differences between expected and actual experience	1,248,066	(1,935,974)	(645,352)	178,216	913,743	168,352	(608,973)	586,940	(122,560)	(2,274,160)
Changes in assumptions	-	6,589,427	-	-	(1,844,342)	-	-	-	-	-
Benefit payments	(2,184,946)	(1,978,903)	(1,606,651)	(1,398,011)	(1,152,278)	(894,299)	(790,697)	(678,800)	(575,037)	(472,023)
Net change in total pension liability	7,373,406	10,417,110	5,072,075	5,469,313	4,350,191	5,211,739	4,056,857	4,961,763	4,018,929	1,894,708
Total pension liability - beginning	83,666,159	73,249,049	68,176,974	62,707,661	58,357,470	53,145,731	49,088,874	44,127,111	40,108,182	38,213,474
Total pension liability - ending	91,039,565	83,666,159	73,249,049	68,176,974	62,707,661	58,357,470	53,145,731	49,088,874	44,127,111	40,108,182
Plan Fiduciary Net Position										
Contributions - employer	3,112,326	3,031,121	3,081,617	3,066,497	2,768,540	2,894,722	2,758,239	2,808,052	2,666,453	2,659,183
Contributions - employee	620,832	594,054	606,552	533,710	412,024	440,445	435,026	424,016	412,031	390,268
Net investment income	3,783,477	5,178,111	4,443,001	5,175,955	679,146	1,701,150	6,501,579	3,869,346	703,083	4,699,952
Benefit payments	(2,184,946)	(1,978,903)	(1,606,651)	(1,375,157)	(1,152,278)	(836,358)	(773,677)	(666,507)	(553,345)	(451,404)
Administrative expense	(234,771)	(219,311)	(205,002)	(18,943)	(21,451)	(17,419)	(29,364)	(26,757)	(117,883)	(99,038)
Net change in fiduciary net position	5,096,918	6,605,072	6,319,517	7,382,062	2,685,981	4,182,540	8,891,803	6,408,150	3,110,339	7,198,961
Plan Fiduciary net position - beginning	76,713,182	70,108,110	63,788,593	56,406,531	53,720,550	49,538,010	40,646,207	34,238,057	31,127,718	23,928,757
Plan fiduciary net position -ending	81,810,100	76,713,182	70,108,110	63,788,593	56,406,531	53,720,550	49,538,010	40,646,207	34,238,057	31,127,718
Net pension liability (asset)	\$ 9,229,465	\$ 6,952,977	\$ 3,140,939	\$ 4,388,381	\$ 6,301,130	\$ 4,636,920	\$ 3,607,721	\$ 8,442,667	\$ 9,889,054	\$ 8,980,464
Plan fiduciary net position as a percentage of the total pension liability	89.86%	91.69%	95.71%	93.56%	89.95%	92.05%	93.21%	82.80%	77.59%	77.61%
Covered payroll	\$ 25,492,300	\$ 23,874,855	\$ 24,557,658	\$ 24,504,469	\$ 21,977,675	\$ 21,830,123	\$ 20,820,026	\$ 19,771,885	\$ 18,997,573	\$ 18,497,575
Net pension liability as a percentage of covered payroll	36.20%	29.12%	12.79%	17.91%	28.67%	21.24%	17.33%	42.70%	52.05%	48.55%

Changes in assumptions: In 2019, amounts reported as changes in assumptions resulted from changes to the investment rate of return and mortality improvements.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
TOWN OF COLLIERVILLE DEFINED BENEFIT PENSION PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 2,401,808	\$ 2,452,625	\$ 2,373,129	\$ 2,201,004	\$ 2,277,360	\$ 2,329,533	\$ 2,485,308	\$ 2,358,195	\$ 2,289,002	\$ 2,466,713
Contributions	3,112,326	3,031,121	3,081,617	3,066,497	2,768,540	2,894,722	2,758,239	2,824,943	2,866,628	2,664,080
Contribution deficiency (excess)	<u>\$ (710,518)</u>	<u>\$ (578,496)</u>	<u>\$ (708,488)</u>	<u>\$ (865,493)</u>	<u>\$ (491,180)</u>	<u>\$ (565,189)</u>	<u>\$ (272,931)</u>	<u>\$ (466,748)</u>	<u>\$ (577,626)</u>	<u>\$ (197,367)</u>
Covered payroll	\$ 25,492,300	\$ 23,874,855	\$ 24,557,658	\$ 24,504,469	\$ 21,977,675	\$ 21,830,123	\$ 20,820,026	\$ 19,771,885	\$ 18,997,573	\$ 18,497,575
Contributions as a percentage of covered payroll	12.21%	12.70%	12.55%	12.51%	12.60%	13.26%	13.25%	14.29%	15.09%	14.40%

NOTE 1 - VALUATION DATE

Actuarially determined contribution rates are calculated as of July 1, as of the beginning of the fiscal year in which the contributions are reported.

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Aggregate
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	N/A
Asset valuation method	5-year smoothed market rate
Inflation	2.5%
Salary increases	3.75%, including inflation
Investment rate of return	7.25%, net of investment expenses, including inflation
Retirement age	Age 62 or the completion of the 10 years of service if later
Mortality	Pub G-2010 for general employees ages 18-54, Pub-2010 for healthy employees over age 54
Mortality	T-3 The Actuary's Pension Handbook

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN
TOWN OF COLLIERVILLE DEFINED BENEFIT PENSION PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Annual money-weighted rate of return, net of investment expense	4.91%	7.35%	6.85%	9.26%	1.35%	3.71%	15.86%	11.24%	2.14%	18.76%

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
TOWN OF COLLIERVILLE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 45,582	\$ 45,027	\$ 41,340	\$ 40,093	\$ 42,541	\$ 36,724
Interest	283,809	268,612	254,939	247,290	242,611	215,031
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(180,823)	(32,336)	(23,996)	(123,688)	(155,231)	171,923
Change of assumptions	-	-	94,693			
Benefit payments	(76,703)	(67,769)	(61,963)	(63,933)	(66,240)	(57,281)
Net change in total pension liability	71,865	213,534	305,013	99,762	63,681	366,397
Total pension liability - beginning	3,907,381	3,693,847	3,388,834	3,289,072	3,225,391	2,858,994
Total pension liability - ending	3,979,246	3,907,381	3,693,847	3,388,834	3,289,072	3,225,391
Plan Fiduciary Net Position						
Contributions - employer	-	-	-	-	-	-
Contributions - employee	-	-	-	-	-	-
Net investment income	474,718	494,254	612,731	141,079	160,565	750,110
Benefit payments	(76,703)	(67,769)	(61,963)	(63,933)	(66,240)	(57,281)
Administrative expense	(867)	(1,045)	(934)	(832)	(558)	(709)
Other	-	-	-	22,188	-	-
Net change in plan fiduciary net position	397,148	425,440	549,834	98,502	93,767	692,120
Plan fiduciary net position - beginning	6,414,291	5,988,851	5,439,017	5,340,515	5,246,748	4,554,628
Plan fiduciary net position - ending	6,811,439	6,414,291	5,988,851	5,439,017	5,340,515	5,246,748
Net pension liability (asset)	<u><u>\$ (2,832,193)</u></u>	<u><u>\$ (2,506,910)</u></u>	<u><u>\$ (2,295,004)</u></u>	<u><u>\$ (2,050,183)</u></u>	<u><u>\$ (2,051,443)</u></u>	<u><u>\$ (2,021,357)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	171.17%	164.16%	162.13%	160.50%	162.37%	162.67%
Covered payroll	\$ 481,845	\$ 561,312	\$ 557,292	\$ 509,968	\$ 482,400	\$ 562,098
Net pension liability (asset) as a percentage of covered payroll	-587.78%	-446.62%	-411.81%	-402.02%	-425.26%	-359.61%

Changes in assumptions: In 2017, amounts reported as changes in assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
TOWN OF COLLIERVILLE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	-	-	-	-	-
Contribution deficiency (surplus)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 511,545	\$ 481,845	\$ 561,312	\$ 557,292	\$ 509,968	\$ 482,400	\$ 562,098
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NOTE 1 - VALUATION DATE

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

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation method	10 year smoothed with a 20% corridor to market value
Inflation	0.025
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation
Investment rate of return	7.25%, net of investment expenses, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated movement
Cost of Living Adjustments	2.25%

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

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LEGACY PUBLIC EMPLOYEE RETIREMENT PLAN OF TCRS

Last Ten Fiscal Years Ending June 30*

	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ 633,094	\$ 671,753	\$ 669,582	\$ 805,568	\$ 729,290
Interest	266,813	215,749	157,592	114,304	54,690
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	20,895	(112,617)	8,841	(196,811)	(61,435)
Changes in assumptions	-	-	51,537	-	-
Benefit payments	(45,646)	(18,151)	(12,051)	(7,743)	(192)
Net change in total pension liability	875,156	756,734	875,501	715,318	722,353
Total pension liability - beginning	3,069,906	2,313,172	1,437,671	722,353	-
Total pension liability - ending	3,945,062	3,069,906	2,313,172	1,437,671	722,353
Plan Fiduciary Net Position					
Contributions - employer	445,058	380,282	477,714	476,176	473,757
Contributions - employee	242,462	243,147	257,669	256,837	255,533
Net investment income	262,560	223,391	207,672	28,921	11,095
Benefit payments	(45,646)	(18,151)	(12,051)	(7,743)	(192)
Administrative expense	(11,225)	(12,871)	(12,313)	(11,877)	(9,499)
Other	-	-	2,492	-	878
Net change in plan fiduciary net position	893,209	815,798	921,183	742,314	731,572
Plan fiduciary net position - beginning	3,210,867	2,395,069	1,473,886	731,572	-
Plan fiduciary net position - ending	4,104,076	3,210,867	2,395,069	1,473,886	731,572
Net pension liability (asset)	<u>\$ (159,014)</u>	<u>\$ (140,961)</u>	<u>\$ (81,897)</u>	<u>\$ (36,215)</u>	<u>\$ (9,219)</u>
Plan fiduciary net position as a percentage of the total pension liability	104.03%	104.59%	103.54%	102.52%	101.28%
Covered payroll	\$ 4,615,070	\$ 4,862,948	\$ 5,153,327	\$ 5,154,204	\$ 5,110,652
Net pension liability as a percentage of covered payroll	-3.45%	-2.90%	-1.59%	-0.70%	-0.18%

Changes in assumptions: In 2017, amounts reported as changes in assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustments, salary growth and mortality improvements.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
LEGACY PUBLIC EMPLOYEE RETIREMENT PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 205,518	\$ 445,058	\$ 380,282	\$ 435,456	\$ 476,176	\$ 473,869
Contributions	205,518	445,058	380,282	477,714	476,176	473,869
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,258)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,316,744	\$ 4,615,070	\$ 4,862,948	\$ 5,153,327	\$ 5,154,204	\$ 5,110,652
Contributions as a percentage of covered payroll	4.76%	9.64%	7.82%	9.27%	9.24%	9.27%

NOTE 1 - VALUATION DATE

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

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation method	10-year smoothed with a 20% corridor to market value
Inflation	2.5%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4%
Investment rate of return	7.25%, net of investment expenses, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated movement

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

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
SCHOOL HYBRID EMPLOYEE RETIREMENT PLAN OF TCRS

Last Ten Fiscal Years Ending June 30*

	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ 221,787	\$ 136,737	\$ 88,280	\$ 63,579	\$ 23,680
Interest	52,423	29,427	15,887	7,356	1,776
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	59,348	69,069	31,785	18,442	9,366
Changes in assumptions	-	-	9,654	-	-
Benefit payments	(6,206)	-	-	(651)	-
Net change in total pension liability	327,352	235,233	145,606	88,726	34,822
Total pension liability - beginning	504,387	269,154	123,548	34,822	-
Total pension liability - ending	831,739	504,387	269,154	123,548	34,822
Plan Fiduciary Net Position					
Contributions - employer	81,588	127,254	78,585	64,046	-
Contributions - employee	212,114	159,069	98,232	60,714	23,680
Net investment income	58,863	39,496	25,786	2,127	294
Benefit payments	(6,206)	-	-	(651)	-
Administrative expense	(13,325)	(10,048)	(6,702)	(3,774)	(367)
Other	-	-	-	-	(4,285)
Net change in plan fiduciary net position	333,034	315,771	195,901	122,462	19,322
Plan fiduciary net position - beginning	653,456	337,685	141,784	19,322	-
Plan fiduciary net position -ending	986,490	653,456	337,685	141,784	19,322
Net pension liability (asset)	<u>\$ (154,751)</u>	<u>\$ (149,069)</u>	<u>\$ (68,531)</u>	<u>\$ (18,236)</u>	<u>\$ 15,500</u>
Plan fiduciary net position as a percentage of the total pension liability	118.61%	129.55%	125.46%	114.76%	55.49%
Covered payroll	\$ 4,476,396	\$ 3,181,347	\$ 1,964,624	\$ 1,214,266	\$ 473,607
Net pension liability as a percentage of covered payroll	-3.46%	-4.69%	-3.49%	-1.50%	3.27%

Changes in assumptions: In 2017, amounts reported as changes in assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustments and salary growth.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
SCHOOL HYBRID EMPLOYEE RETIREMENT PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015
Actuarial determined contribution	\$ 200,419	\$ 161,797	\$ 68,399	\$ 46,562	\$ 39,760	\$ -
Contribution in relation to the contractually required contribution	200,419	81,166	127,254	78,584	64,046	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 80,631</u>	<u>\$ (58,855)</u>	<u>\$ (32,022)</u>	<u>\$ (24,286)</u>	<u>\$ -</u>
Covered payroll	\$ 5,274,675	\$ 4,476,396	\$ 3,181,347	\$ 1,964,624	\$ 1,214,266	\$ 473,607
Contributions as a percentage of covered payroll	3.80%	1.81%	4.00%	4.00%	5.27%	0.00%

In 2020, the School placed the actuarially determined contribution rate of 3.80% of covered payroll into the pension plan and placed 0.20% of covered payroll into the Pension Stabilization Reserve Trust. In 2019, the School placed the actuarially determined contribution rate of 1.81% of covered payroll into the pension plan and placed 2.19% of covered payroll into the Pension Stabilization Reserve Trust.

NOTE 1 - VALUATION DATE

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

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation method	10-year smoothed within a 20% corridor to market value
Inflation	2.50%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4%
Investment rate of return	7.25%, net of investment expenses, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated movement
Cost of Living Adjustments	2.25%

Changes in assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
SCHOOL TEACHER LEGACY PENSION PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	1.014989%	0.935380%	0.916457%	0.909980%	0.806559%	0.010312%
Proportionate share of the net pension liability (asset)	\$ (10,435,910)	\$ (3,291,522)	\$ (299,849)	\$ 5,686,872	\$ 330,394	\$ (1,675)
Covered payroll	\$ 34,044,269	\$ 32,754,587	\$ 32,375,060	\$ 32,848,484	\$ 30,193,596	\$ 404,757
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-30.65%	-10.05%	-0.93%	17.31%	1.09%	-0.41%
Plan fiduciary net position as a percentage of the total pension liability	104.28%	101.49%	100.14%	97.14%	99.81%	100.08%

*This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
SCHOOL TEACHER LEGACY PENSION PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015	2014
Contractually required	\$ 3,860,387	\$ 3,560,049	\$ 2,974,058	\$ 2,928,624	\$ 2,969,500	\$ 2,729,499	\$ 35,942
Contribution in relation to the contractually required contribution	3,860,387	3,560,049	2,974,058	2,928,624	2,969,500	2,729,499	35,942
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$36,400,009	\$34,044,269	\$32,754,587	\$32,375,060	\$32,848,484	\$30,193,596	\$404,757
Contributions as a percentage of covered payroll	10.61%	10.46%	9.08%	9.05%	9.04%	9.04%	8.88%

Changes in assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
SCHOOL TEACHER RETIREMENT PLAN OF TCRS

Last Ten Fiscal Years Ending June 30*

	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.865494%	0.748652%	0.634966%	0.473838%	0.438730%
Proportionate share of the net pension liability (asset)	\$ (488,559)	\$ (339,535)	\$ (167,525)	\$ (49,328)	\$ (17,650)
Covered payroll	\$ 9,085,252	\$ 6,542,299	\$ 4,188,789	\$ 2,084,918	\$ 911,572
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-5.38%	-5.19%	-4.00%	-2.37%	-1.94%
Plan fiduciary net position as a percentage of the total pension liability	123.07%	126.97%	126.81%	121.88%	127.46%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
SCHOOL TEACHER RETIREMENT PLAN OF TCRS
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015
Contractually required	\$ 359,040	\$ 344,710	\$ 106,689	\$ 166,701	\$ 52,190	\$ 22,789
Contribution in relation to the contractually required contribution	<u>359,040</u>	<u>152,562</u>	<u>261,693</u>	<u>166,701</u>	<u>83,396</u>	<u>36,463</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 192,148</u>	<u>\$ (155,004)</u>	<u>\$ -</u>	<u>\$ (31,206)</u>	<u>\$ (13,674)</u>
Covered payroll	\$ 11,137,766	\$ 9,085,252	\$ 6,542,299	\$ 4,188,789	\$ 2,084,918	\$ 911,572
Contributions as a percentage of covered payroll	3.22%	1.68%	4.00%	3.98%	4.00%	4.00%

In 2020, the School placed the actuarially determined contribution rate of 3.22% of covered payroll into the pension plan and placed 0.69% of covered payroll into the Pension Stabilization Reserve Trust. In 2019, the School placed the actuarially determined contribution rate of 1.68% of covered payroll into the pension plan and placed 2.32% of covered payroll into the Pension Stabilization Reserve Trust.

Changes in assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
TOWN OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017
Total OPEB Liability:				
Service cost	\$ 241,801	\$ 241,801	\$ 364,730	\$ 364,730
Interest	653,486	617,703	721,220	669,530
Changes in benefit terms	-	-	-	-
Differences between actual and expected experience	(2,136,475)	94,935	(1,992,284)	12,870
Changes of assumptions	949,676	-	-	-
Benefit payments, including refunds	(515,950)	(438,679)	(386,217)	(329,645)
Net change in total OPEB liability	(807,462)	515,760	(1,292,551)	717,485
Total OPEB liability-beginning	8,850,224	8,334,464	9,627,015	8,909,530
Total OPEB liability-ending	8,042,762	8,850,224	8,334,464	9,627,015
Plan Fiduciary Net Position:				
Contributions - employer	-	164,257	656,482	574,737
Contributions - employee	125,685	132,426	102,610	105,722
Net investment income	648,317	965,357	897,564	1,125,992
Benefit payments	(515,950)	(438,679)	(386,217)	(329,646)
Administrative expense	(37,904)	(48,214)	(41,553)	(41,702)
Net change in plan fiduciary net position	220,148	775,147	1,228,886	1,435,103
Plan fiduciary net position-beginning	14,151,560	13,376,413	12,147,527	10,712,424
Plan fiduciary net position-ending	14,371,708	14,151,560	13,376,413	12,147,527
Net OPEB asset-ending	<u>\$ (6,328,946)</u>	<u>\$ (5,301,336)</u>	<u>\$ (5,041,949)</u>	<u>\$ (2,520,512)</u>
Plan fiduciary net position as a percentage of the total OPEB asset	178.69%	159.90%	160.50%	126.18%
Covered payroll	\$26,907,912	\$25,821,015	\$25,821,015	\$23,089,345
Net OPEB asset as a percentage of covered payroll	-23.52%	-20.53%	-19.53%	-10.92%

Changes in assumptions: In 2020, amounts reported as changes in assumptions resulted from changes to the investment rate of return and mortality improvements.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
TOWN OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ 552,454	\$ 552,454
Contributions	-	164,257	656,482	574,737
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (164,257)</u>	<u>\$ (104,028)</u>	<u>\$ (22,283)</u>
Covered-employee payroll	\$ 26,907,912	\$ 25,821,015	\$ 25,821,015	\$ 23,089,345
Contributions as a percentage of covered-employee payroll	0.00%	0.64%	2.54%	2.49%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

NOTE 1 - VALUATION DATE

Actuarially determined contribution rates for June 30, 2020 were rolled forward from the valuation performed as of July 1, 2018.

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age normal, level percent of pay
Amortization method	Level dollar, closed
Amortization period	12 years
Asset valuation method	5 year smoothed market value
Inflation	2.5%
Salary increases	3.5%
Investment rate of return	7.5%, net of investment expenses, including inflation
Healthcare cost trend rates	8.0% initial, decreasing .5% over 9 years to an ultimate rate of 4.0%
Mortality	RP-2000 with a 2.0% load for expected mortality improvement

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF INVESTMENT RETURNS
TOWN OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	4.58%	7.32%	6.82%	10.38%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
SCHOOL OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017
Total OPEB Liability:				
Service cost	\$ 66,615	\$ 95,128	\$ 72,072	\$ 191,993
Interest	613,855	571,143	517,593	574,836
Changes in benefit terms	-	-	-	-
Differences between actual and expected experience	(126,741)	335,029	339,998	(521,705)
Changes of assumptions	1,308,451	81,285	586,465	(445,884)
Benefit payments, including refunds	(657,584)	(317,713)	(466,765)	(325,679)
Net change in total OPEB liability (asset)	1,204,596	764,872	1,049,363	(526,439)
Total OPEB liability-beginning	8,440,964	7,676,092	6,626,729	7,153,168
Total OPEB liability-ending	9,645,560	8,440,964	7,676,092	6,626,729
Plan Fiduciary Net Position:				
Contributions - employer	782,584	467,713	691,765	525,679
Contributions - employee	-	-	-	-
Net investment income	47,275	52,549	91,298	88,623
Benefit payments	(657,584)	(317,713)	(466,765)	(325,679)
Administrative expense	(5,754)	(4,947)	(13,357)	(1,239)
Net change in plan fiduciary net position	166,521	197,602	302,941	287,384
Plan fiduciary net position-beginning	1,362,728	1,165,126	862,185	574,801
Plan fiduciary net position-ending	1,529,249	1,362,728	1,165,126	862,185
Net OPEB liability-ending	\$ 8,116,311	\$ 7,078,236	\$ 6,510,966	\$ 5,764,544
Plan fiduciary net position as a percentage of the total OPEB liability	15.85%	16.14%	15.18%	13.01%
Covered-employee payroll	\$ 57,830,560	\$ 18,853,928	\$ 20,012,457	\$ 19,429,570
Net OPEB liability as a percentage of covered-employee payroll	14.03%	37.54%	32.53%	29.67%

Changes in assumptions: In 2020, amounts reported as changes in assumptions resulted from changes to the investment rate of return.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CONTRIBUTIONS
SCHOOL OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	2020	2019	2018	2017
Actuarially determined contribution	\$ 683,208	\$ 658,937	\$ 735,990	\$ 791,692
Contributions	782,584	467,713	691,765	525,679
Contribution deficiency (excess)	<u>\$ (99,376)</u>	<u>\$ 191,224</u>	<u>\$ 44,225</u>	<u>\$ 266,013</u>
Covered-employee payroll	\$ 57,830,560	\$ 18,853,928	\$ 20,012,457	\$ 19,429,570
Contributions as a percentage of covered-employee payroll	1.35%	2.48%	3.46%	2.71%

NOTE 1 - VALUATION DATE

Actuarially determined contribution rates are calculated as of July 1, as of the beginning of the fiscal year in which contributions are reported.

NOTE 2 - METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age normal, level percent of pay
Amortization method	Level dollar, closed
Amortization period	30 years
Asset valuation method	Market value of assets
Inflation	3.00%
Healthcare cost trend rates	7.5% decreasing 0.5% per year to an ultimate 4.5% for 2026 and thereafter after. Lower for post-65 employees.
Salary increases	Payroll growth including general wage inflation plus merit/productivity increases from zero to 7.75% based on the TCRS valuation as of June 30, 2016.
Investment rate of return	6.0%, net of investment expenses, including inflation
Retirement age	Annual retirement rates are based on the TCRS valuation as of June 30, 2016.
Mortality	RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018.

Changes in assumptions: In 2020, amounts reported as changes in assumptions resulted from changes to the investment rate of return.

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF INVESTMENT RETURNS
SCHOOL OTHER POSTEMPLOYMENT BENEFIT PLAN
Last Ten Fiscal Years Ending June 30*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	3.48%	4.36%	8.26%	13.53%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

TOWN OF COLLIERVILLE, TENNESSEE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Special Revenue Funds							
	State Street Aid Fund	Historic Preservation Fund	E-Citation Fund	Solid Waste and Sanitation Fund	Special Drug Fund	School Federal Projects Fund	School Nutrition Fund	School Discretionary Grants Fund
ASSETS								
Cash and cash equivalents	\$ 1,044,225	\$ -	\$ 150,444	\$ -	\$ 572,539	\$ -	\$ 181,557	\$ 1,266
Investments	-	-	-	-	-	-	-	-
Receivables								
Federal and state grants	-	-	-	-	-	562,698	45,815	61,843
Customer	-	-	-	299,096	-	-	-	-
Due from other governments	268,494	-	-	-	-	-	-	-
Due from other funds	-	78,248	1,940	2,406,926	-	-	-	-
Inventory	-	-	-	24,338	-	-	34,162	-
Prepaid Items	-	-	-	-	-	27,275	-	2,625
Total assets	<u>\$ 1,312,719</u>	<u>\$ 78,248</u>	<u>\$ 152,384</u>	<u>\$ 2,730,360</u>	<u>\$ 572,539</u>	<u>\$ 589,973</u>	<u>\$ 261,534</u>	<u>\$ 65,734</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 162,061	\$ -	\$ -	\$ 127,328	\$ 345	\$ 101,686	\$ 46,693	\$ 6,406
Due to other funds	205,858	-	-	-	18,063	488,287	-	-
Unearned revenue	-	-	-	-	11,379	-	-	-
Total liabilities	<u>367,919</u>	<u>-</u>	<u>-</u>	<u>127,328</u>	<u>29,787</u>	<u>589,973</u>	<u>46,693</u>	<u>6,406</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue								
Other	-	-	-	-	-	-	135,817	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,817</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	24,338	-	-	34,162	2,625
Restricted	944,800	-	152,384	2,578,694	542,752	-	44,862	56,703
Committed	-	78,248	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Total fund balances	<u>944,800</u>	<u>78,248</u>	<u>152,384</u>	<u>2,603,032</u>	<u>542,752</u>	<u>-</u>	<u>79,024</u>	<u>59,328</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,312,719</u>	<u>\$ 78,248</u>	<u>\$ 152,384</u>	<u>\$ 2,730,360</u>	<u>\$ 572,539</u>	<u>\$ 589,973</u>	<u>\$ 261,534</u>	<u>\$ 65,734</u>

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TOWN OF COLLIERVILLE, TENNESSEE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Capital Projects Funds			Total Nonmajor Governmental Funds
	#335 Fund	#336 Fund	#337 Fund	
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,950,031
Investments	66	132	43	241
Receivables				
Federal and state grants	-	-	-	670,356
Customer	-	-	-	299,096
Due from other governments	-	-	-	268,494
Due from other funds	-	-	-	2,487,114
Inventory	-	-	-	58,500
Prepaid Items	-	-	-	29,900
Total assets	<u>\$ 66</u>	<u>\$ 132</u>	<u>\$ 43</u>	<u>\$ 5,763,732</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 444,519
Due to other funds	-	-	-	712,208
Unearned revenue	-	-	-	11,379
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,168,106</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Other	-	-	-	135,817
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,817</u>
FUND BALANCES				
Nonspendable	-	-	-	61,125
Restricted	-	132	43	4,320,370
Committed	-	-	-	78,248
Assigned	66	-	-	66
Total fund balances	<u>66</u>	<u>132</u>	<u>43</u>	<u>4,459,809</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 66</u>	<u>\$ 132</u>	<u>\$ 43</u>	<u>\$ 5,763,732</u>

TOWN OF COLLIERVILLE, TENNESSEE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Special Revenue Funds							
	State Street Aid Fund	Historic Preservation Fund	E-Citation Fund	Solid Waste and Sanitation Fund	Special Drug Fund	School Federal Projects Fund	School Nutrition Fund	School Discretionary Grants Fund
REVENUES								
Local sales taxes	\$ -	\$ 46,567	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental								
State education revenue	-	-	-	-	-	-	19,871	-
State gas tax	1,618,783	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Charges for services	-	-	-	4,324,763	-	-	1,527,532	-
Fines, forfeitures, and penalties	-	-	19,793	-	4,662	-	-	-
Federal and state grant revenue	-	-	-	-	114,341	5,361,422	848,472	382,059
Interest on investments	9,788	-	966	-	3,482	-	-	-
Other	-	-	-	-	-	-	-	44,510
Total revenues	1,628,571	46,567	20,759	4,324,763	122,485	5,361,422	2,395,875	426,569
EXPENDITURES								
Current								
General government	-	5,424	-	-	-	-	-	-
Public safety	-	-	-	-	72,943	-	-	-
Roads and public works	1,620,936	-	-	-	-	-	-	-
Sanitation	-	-	-	4,010,659	-	-	-	-
Education	-	-	-	-	-	4,730,300	2,550,527	359,057
Capital outlays	-	-	-	-	-	540,929	6,678	40,126
Total expenditures	1,620,936	5,424	-	4,010,659	72,943	5,271,229	2,557,205	399,183
Excess (deficiency) of revenues over (under) expenditures	7,635	41,143	20,759	314,104	49,542	90,193	(161,330)	27,386
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	4,662	-	161,330	-
Transfers out	-	-	-	-	-	(90,193)	-	(3,613)
Total other financing sources and uses	-	-	-	-	4,662	(90,193)	161,330	(3,613)
Net change in fund balances	7,635	41,143	20,759	314,104	54,204	-	-	23,773
Fund balances - beginning	937,165	37,105	131,625	2,288,928	488,548	-	79,024	35,555
Fund balances - ending	\$ 944,800	\$ 78,248	\$ 152,384	\$ 2,603,032	\$ 542,752	\$ -	\$ 79,024	\$ 59,328

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TOWN OF COLLIERVILLE, TENNESSEE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Capital Projects Fund			Total Nonmajor Governmental Funds
	#335 Fund	#336 Fund	#337 Fund	
REVENUES				
Local sales taxes	\$ -	\$ -	\$ -	\$ 46,567
Intergovernmental				
State education revenue	-	-	-	19,871
State gas tax	-	-	-	1,618,783
Licenses and permits	-	-	-	-
Charges for services	-	-	-	5,852,295
Fines, forfeitures, and penalties	-	-	-	24,455
Federal and state grant revenue	-	-	-	6,706,294
Interest on investments	-	1,599	514	16,349
Other	-	-	-	44,510
Total revenues	-	1,599	514	14,329,124
EXPENDITURES				
Current				
General government	-	-	-	5,424
Public safety	-	-	-	72,943
Roads and public works	-	-	-	1,620,936
Sanitation	-	-	-	4,010,659
Education	-	-	-	7,639,884
Capital outlays	2,092,049	8,193	-	2,687,975
Total expenditures	2,092,049	8,193	-	16,037,821
Excess (deficiency) of revenues over (under) expenditures	(2,092,049)	(6,594)	514	(1,708,697)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,069,099	8,192	-	2,243,283
Transfers out	-	(124,444)	(40,286)	(258,536)
Total other financing sources and uses	2,069,099	(116,252)	(40,286)	1,984,747
Net change in fund balances	(22,950)	(122,846)	(39,772)	276,050
Fund balances - beginning	23,016	122,978	39,815	4,183,759
Fund balances - ending	\$ 66	\$ 132	\$ 43	\$ 4,459,809

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - STATE STREET AID FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Intergovernmental - state gas tax				
Gas motor fuel	\$ 1,700,000	\$ 1,700,000	\$ 828,979	\$ (871,021)
Gas 1989	-	-	131,070	131,070
Gas 3 cent	-	-	242,863	242,863
Petroleum special	-	-	415,871	415,871
Interest on investments	2,500	2,500	9,788	7,288
Total revenues	<u>1,702,500</u>	<u>1,702,500</u>	<u>1,628,571</u>	<u>(73,929)</u>
EXPENDITURES				
Roads and Public Works				
Contractual services	122,930	122,931	28,732	94,199
Traffic signal repair	54,700	54,700	30,739	23,961
Paving and street repair	<u>1,819,000</u>	<u>1,819,000</u>	<u>1,561,465</u>	<u>257,535</u>
Total expenditures	<u>1,996,630</u>	<u>1,996,631</u>	<u>1,620,936</u>	<u>375,695</u>
Net change in fund balances	<u>\$ (294,130)</u>	<u>\$ (294,131)</u>	7,635	<u>\$ 301,766</u>
Fund balances - beginning			<u>937,165</u>	
Fund balances - ending			<u>\$ 944,800</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HISTORIC PRESERVATION FUND

For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Local taxes				
Historic preservation fee	\$ 10,000	\$ 10,000	\$ 46,567	\$ 36,567
EXPENDITURES				
General government				
Contractual services	15,000	15,000	5,424	9,576
Net change in fund balances	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	41,143	<u>\$ 46,143</u>
Fund balances - beginning			<u>37,105</u>	
Fund balances - ending			<u>\$ 78,248</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - E-CITATION FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Fines and Penalties				
E-citation fees	\$ 28,000	\$ 28,000	\$ 19,793	\$ (8,207)
Interest on investments	-	-	966	966
Total revenues	28,000	28,000	20,759	(7,241)
EXPENDITURES				
Public Safety				
Materials and supplies	7,500	7,500	-	7,500
Net change in fund balances	\$ 20,500	\$ 20,500	20,759	\$ 259
Fund balances - beginning			131,625	
Fund balances - ending			\$ 152,384	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL SOLID WASTE AND SANITATION FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Federal and state grant revenue	\$ 8,000	\$ 8,000	\$ -	\$ (8,000)
Charges for Services				
Sanitation fees	4,283,457	4,283,457	4,324,763	41,306
Total revenues	4,291,457	4,291,457	4,324,763	33,306
EXPENDITURES				
Sanitation				
Salaries	1,298,902	1,298,902	1,269,677	29,225
Benefits	811,274	811,274	720,167	91,107
Contractual services	1,087,008	1,041,008	978,407	62,601
Materials and supplies	622,356	668,356	617,285	51,071
Fixed charges	2,500	2,500	1,554	946
Grants, contributions, and indemnities	17,500	17,500	13,266	4,234
Capital expenditures	422,000	422,000	410,303	11,697
	4,261,540	4,261,540	4,010,659	250,881
Net change in fund balances	\$ 29,917	\$ 29,917	314,104	\$ 284,187
Fund balances - beginning			2,288,928	
Fund balances - ending			\$ 2,603,032	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL DRUG FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Federal and state grants	\$ -	\$ -	\$ 114,341	\$ 114,341
Fines, forfeitures, and penalties				
Seizures	25,000	25,000	-	(25,000)
Fines	5,000	5,000	4,662	(338)
Interest on investments	500	500	3,482	2,982
Total revenues	<u>30,500</u>	<u>30,500</u>	<u>122,485</u>	<u>91,985</u>
EXPENDITURES:				
Public Safety				
Contractual services	65,340	55,390	29,482	25,908
Materials and supplies	43,550	43,500	19,291	24,209
Capital expenditures	-	40,000	24,170	15,830
Total expenditures	<u>108,890</u>	<u>138,890</u>	<u>72,943</u>	<u>65,947</u>
Excess (deficiency) of revenues				
over (under) expenditures	(78,390)	(108,390)	49,542	157,932
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>4,662</u>	<u>4,662</u>
Net change in fund balances	<u>\$ (78,390)</u>	<u>\$ (108,390)</u>	<u>54,204</u>	<u>\$ 162,594</u>
Fund balances - beginning			<u>488,548</u>	
Fund balances - ending			<u>\$ 542,752</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - FEDERAL PROJECTS FUND

For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Federal and state grants	\$ 4,845,533	\$ 6,347,159	\$ 5,361,422	\$ (985,737)
EXPENDITURES				
Education				
Regular instruction - Title I-A				
Personnel	1,395,365	1,455,830	1,384,893	70,937
Contractual services	75,000	75,000	74,597	403
Materials and supplies	362,721	403,284	290,914	112,370
Other charges	-	16,000	2,165	13,835
	<u>1,833,086</u>	<u>1,950,114</u>	<u>1,752,569</u>	<u>197,545</u>
Special education - IDEA-B				
Personnel	1,354,227	1,422,102	1,368,573	53,529
Contractual services	-	-	-	-
Materials and supplies	68,861	73,273	15,599	57,674
	<u>1,423,088</u>	<u>1,495,375</u>	<u>1,384,172</u>	<u>111,203</u>
Support services				
Personnel	658,961	912,991	739,904	173,087
Contractual services	54,112	426,865	376,519	50,346
Travel	-	-	-	-
Materials and supplies	86,645	118,580	55,908	62,672
In-service/staff development	223,672	328,313	275,351	52,962
Other charges	61,223	909	240	669
	<u>1,084,613</u>	<u>1,787,658</u>	<u>1,447,922</u>	<u>339,736</u>
Special education support- IDEA-B				
Personnel	94,500	119,139	111,966	7,173
Materials and supplies	48,874	48,874	4,056	44,818
In-service/staff development	198,611	196,140	29,615	166,525
Other charges	33,585	-	-	-
	<u>375,570</u>	<u>364,153</u>	<u>145,637</u>	<u>218,516</u>
	<u>4,716,357</u>	<u>5,597,300</u>	<u>4,730,300</u>	<u>867,000</u>
Capital outlays	<u>126,377</u>	<u>642,471</u>	<u>540,929</u>	<u>101,542</u>
Total expenditures	<u>4,842,734</u>	<u>6,239,771</u>	<u>5,271,229</u>	<u>968,542</u>
Excess of revenues over expenditures	2,799	107,388	90,193	(17,195)
OTHER FINANCING USES				
Transfers out	-	(107,388)	(90,193)	17,195
Net change in fund balances	<u>\$ 2,799</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - NUTRITION FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Intergovernmental				
State revenues	\$ 18,500	\$ 21,500	\$ 19,871	\$ (1,629)
Charges for Services				
Cafeteria fees	1,727,543	1,832,543	1,527,532	(305,011)
Federal grant revenue	913,600	889,665	848,472	(41,193)
Total revenues	<u>2,659,643</u>	<u>2,743,708</u>	<u>2,395,875</u>	<u>(347,833)</u>
EXPENDITURES				
Education				
Cafeteria				
Personnel	1,099,943	1,142,693	1,092,815	49,878
Travel	600	600	-	600
Contractual services	891,700	970,700	882,029	88,671
Materials and supplies	785,000	702,015	636,132	65,883
In-service/staff development	5,400	900	602	298
Other charges	3,000	3,000	669	2,331
Expense reimbursements	(160,000)	(87,000)	(61,720)	(25,280)
	<u>2,625,643</u>	<u>2,732,908</u>	<u>2,550,527</u>	<u>182,381</u>
Capital outlays	34,000	10,800	6,678	4,122
Total expenditures	<u>2,659,643</u>	<u>2,743,708</u>	<u>2,557,205</u>	<u>186,503</u>
Deficiency of revenues				
under expenditures	-	-	(161,330)	(161,330)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	161,330	161,330
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>79,024</u>	
Fund balances - ending			<u>\$ 79,024</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - DISCRETIONARY GRANTS FUND
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal and state grant revenue	\$ -	\$ 473,838	\$ 382,059	\$ (91,779)
Other Income	-	73,472	44,510	(28,962)
Total revenues	-	547,310	426,569	(120,741)
EXPENDITURES				
Education				
Regular instruction				
Personnel	-	2,125	-	2,125
Materials and supplies	-	6,204	5,028	1,176
Other charges	-	4,625	-	4,625
	-	12,954	5,028	7,926
Health services				
Personnel	-	18,875	18,703	172
Contractual services	-	21,034	16,615	4,419
Materials and supplies	-	32,287	15,866	16,421
In-service/staff development	-	15,185	15,185	-
	-	87,381	66,369	21,012
Support services				
Contractual services	-	20,500	20,300	200
Materials and supplies	-	7,660	7,276	384
In-service/staff development	-	15,000	1,928	13,072
Other charges	-	15,913	3,000	12,913
	-	59,073	32,504	26,569
Regular instruction support				
Personnel	-	24,000	17,700	6,300
Materials and supplies	-	30,822	2,720	28,102
In-service/staff development	-	6,084	53,518	(47,434)
Other charges	-	3,283	79	3,204
	-	64,189	74,017	(9,828)
Early Childhood Education				
Personnel	-	180,163	176,785	3,378
Materials and supplies	-	3,971	3,847	124
In-service/staff development	-	4,664	507	4,157
	-	188,798	181,139	7,659
	-	412,395	359,057	53,338
Capital outlays	-	134,915	40,126	94,789
Total expenditures	-	547,310	399,183	148,127
Excess of revenues over expenditures	-	-	27,386	27,386
OTHER FINANCING USES				
Transfers out	-	(3,683)	(3,613)	70
Planned use of fund balance	-	3,683	-	(3,683)
Total other financing uses	-	-	(3,613)	(3,613)
Net change in fund balances	\$ -	\$ -	23,773	\$ 23,773
Fund balances - beginning			35,555	
Fund balances - ending			\$ 59,328	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - EDUCATION CAPITAL EXPENDITURES FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Contributions	\$ 3,041,786	\$ 7,019,069	\$ 6,961,191	\$ (57,878)
EXPENDITURES				
Contractual	\$ 833,286	\$ 2,288,816	\$ 44,813	2,244,003
Capital Outlay	2,208,500	4,960,253	3,332,079	1,628,174
Total expenditures	<u>3,041,786</u>	<u>7,249,069</u>	<u>3,376,892</u>	<u>3,872,177</u>
Excess (deficiency) of revenues over (under) expenditures	-	(230,000)	3,584,299	3,814,299
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>230,000</u>	<u>121,441</u>	<u>(108,559)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,705,740</u>	<u>\$ 3,705,740</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ 3,705,740</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL CAPITAL PROJECTS #321 FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Federal and state grant revenue	\$ -	\$ 2,000,000	\$ 2,299,200	\$ 299,200
EXPENDITURES				
Capital Outlay				
Capital expenditures	4,233,500	4,687,156	4,687,157	(1)
Deficiency of revenues under expenditures	(4,233,500)	(2,687,156)	(2,387,957)	299,199
OTHER FINANCING SOURCES				
Transfers in	-	5,200,000	4,631,204	(568,796)
Transfers out	-	(3,100,000)	(2,895,246)	204,754
Total other financing sources	-	2,100,000	1,735,958	(364,042)
Net change in fund balances	<u>\$ (4,233,500)</u>	<u>\$ (587,156)</u>	(651,999)	<u>\$ (64,843)</u>
Fund balances - beginning			659,687	
Fund balances - ending			<u>\$ 7,688</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL CAPITAL PROJECTS #335 FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
EXPENDITURES				
Capital Outlay				
Capital expenditures	-	2,092,048	2,092,049	(1)
Deficiency of revenues				
under expenditures	-	(2,092,048)	(2,092,049)	(1)
OTHER FINANCING SOURCES				
Transfers in	-	2,500,000	2,069,099	(430,901)
Net change in fund balances	<u>\$ -</u>	<u>\$ 407,952</u>	(22,950)	<u>\$ (430,902)</u>
Fund balances - beginning			<u>23,016</u>	
Fund balances - ending			<u>\$ 66</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL CAPITAL PROJECTS #336 FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Interest on investment	\$ -	\$ -	\$ 1,599	\$ 1,599
EXPENDITURES				
Capital Outlay				
Capital expenditures	-	8,192	8,193	(1)
Deficiency of revenues under expenditures	-	(8,192)	(6,594)	1,598
OTHER FINANCING SOURCES				
Transfers in	-	-	8,192	8,192
Transfers out	-	(125,000)	(124,444)	556
Total other financing uses	-	(125,000)	(116,252)	8,748
Net change in fund balances	<u>\$ -</u>	<u>\$ (133,192)</u>	(122,846)	<u>\$ 10,346</u>
Fund balances - beginning			<u>122,978</u>	
Fund balances - ending			<u>\$ 132</u>	

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL PROJECTS #337 FUND
For the Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Interest on investment	\$ -	\$ -	\$ 514	\$ 514
Excess of revenues over expenditures	-	-	514	514
OTHER FINANCING SOURCES				
Transfers out	-	(45,000)	(40,286)	4,714
Net change in fund balances	<u>\$ -</u>	<u>\$ (45,000)</u>	(39,772)	<u>\$ 5,228</u>
Fund balances - beginning			<u>39,815</u>	
Fund balances - ending			<u>\$ 43</u>	

TOWN OF COLLIERVILLE, TENNESSEE
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	Employee Retirement Plan	Town OPEB Fund	School OPEB Fund	Total Pension and OPEB Trust Funds
ASSETS				
Cash and cash equivalents	\$ 2,169,533	\$ 149,372	\$ 84,109	\$ 2,403,014
Interest receivable	115,281	11,472	-	126,753
Investments				
Savings, cds and time deposits	1,161,540	-	-	1,161,540
US government securities	-	-	-	-
Corporate and foreign bonds	6,078,521	-	-	6,078,521
Municipal obligations	764,442	-	-	764,442
Common equity securities	9,435,711	1,909,782	-	11,345,493
Equity mutual funds	39,518,122	7,760,393	1,079,341	48,357,856
Fixed income mutual funds	22,446,781	5,005,642	478,230	27,930,653
Structured investments	-	-	87,569	87,569
Total investments	79,405,117	14,675,817	1,645,140	95,726,074
Due from other funds	237,689	-	-	237,689
 Total assets	 81,927,620	 14,836,661	 1,729,249	 98,493,530
LIABILITIES				
Accounts payable	117,520	9,372	-	126,892
Due to other TSBA accounts	-	-	200,000	200,000
Due to other funds	-	455,581	-	455,581
 Total liabilities	 117,520	 464,953	 200,000	 782,473
NET POSITION				
Restricted for pensions	81,810,100	-	-	81,810,100
Restricted for OPEB benefits	-	14,371,708	1,529,249	15,900,957
Total net position	<u>\$ 81,810,100</u>	<u>\$ 14,371,708</u>	<u>\$ 1,529,249</u>	<u>\$ 97,711,057</u>

TOWN OF COLLIERVILLE, TENNESSEE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2020

	Town Pension Fund	Town OPEB Fund	School OPEB Fund	Total Pension and OPEB Trust Funds
ADDITIONS				
Contributions:				
Employer	\$ 3,112,326	\$ -	\$ 782,584	\$ 3,894,910
Plan members	620,832	125,685	-	746,517
Total contributions	3,733,158	125,685	782,584	4,641,427
Investment earnings (losses):				
Interest and dividends	1,657,251	293,317	49,155	1,999,723
Net appreciation in fair value of investments	2,126,226	355,000	(1,880)	2,479,346
Net investment earnings	3,783,477	648,317	47,275	4,479,069
Total additions	7,516,635	774,002	829,859	9,120,496
DEDUCTIONS				
Benefits and claims paid	2,184,946	515,950	657,584	3,358,480
Administrative expense	234,771	37,904	5,754	278,429
Total deductions	2,419,717	553,854	663,338	3,636,909
Change in net position	5,096,918	220,148	166,521	5,483,587
Net position - beginning	76,713,182	14,151,560	1,362,728	92,227,470
Net position - ending	\$ 81,810,100	\$ 14,371,708	\$ 1,529,249	\$ 97,711,057

TOWN OF COLLIERVILLE, TENNESSEE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Assets				
Cash	\$ 1,349,599	\$ 3,309,802	\$ (3,327,687)	\$ 1,331,714
Inventory	21,895	2,533	-	24,428
Total assets	<u>\$ 1,371,494</u>	<u>\$ 3,312,335</u>	<u>\$ (3,327,687)</u>	<u>\$ 1,356,142</u>
Liabilities				
Due to student general fund	\$ 710,823	\$ 856,278	\$ (913,272)	\$ 653,829
Due to student groups	660,671	2,456,057	(2,414,415)	702,313
Total liabilities	<u>\$ 1,371,494</u>	<u>\$ 3,312,335</u>	<u>\$ (3,327,687)</u>	<u>\$ 1,356,142</u>

SUPPORTING SCHEDULES

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULES OF TRANSFERS
For the Year Ended June 30, 2020

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
General		
Capital Projects #321	\$ 2,895,246	\$ 4,631,204
Water Sewer	904,288	-
Special Drug	-	4,662
CIP #335	-	2,069,099
CIP #336	124,444	8,192
CIP #337	40,286	-
	<u>3,964,264</u>	<u>6,713,157</u>
General Purpose School		
General	-	-
Education Capital Projects	-	121,441
Federal Projects	90,193	-
School Nutrition	-	161,330
Discretionary Grants	3,613	-
	<u>93,806</u>	<u>282,771</u>
Capital Projects #321		
General	4,631,204	2,895,246
Education Capital Projects		
General Purpose School	121,441	-
Water and Sewer		
General	-	904,288
Total major funds	<u>8,810,715</u>	<u>10,795,462</u>
Nonmajor Governmental Funds		
Special Drug		
General	4,662	-
Federal Projects		
General Purpose School	-	90,193
School Nutrition		
General Purpose School	161,330	-
Discretionary Grants		
General Purpose School	-	3,613
Capital Projects #335		
General	2,069,099	-
Capital Projects #336		
General	8,192	124,444
Capital Projects #337		
General	-	40,286
Total nonmajor governmental	<u>2,243,283</u>	<u>258,536</u>
	<u><u>\$ 11,053,998</u></u>	<u><u>\$ 11,053,998</u></u>

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULES OF INTERFUND RECEIVABLES AND PAYABLES
For the Year Ended June 30, 2020

	Interfund Receivables	Interfund Payables
Major Funds		
General Fund		
General Purpose School	\$ -	\$ 24,839
Capital Projects #321	-	119,642
Water and Sewer	1,786,877	-
State Street	205,858	-
Historic Preservation	-	78,248
E-Citation	-	1,940
Solid Waste and Sanitation	-	2,406,926
Special Drug	18,063	-
Town Retiree Pension	-	237,689
Town OPEB	455,581	-
	<u>2,466,379</u>	<u>2,869,284</u>
General Purpose School Fund		
General	24,839	
Federal Projects Fund	488,287	
	<u>513,126</u>	<u>-</u>
Capital Projects #321		
General Fund	119,642	-
Water and Sewer		
General Fund	-	1,786,877
Total major funds	<u>3,099,147</u>	<u>4,656,161</u>
Nonmajor Governmental Funds		
State Street Aid		
General	-	205,858
Historic Preservation		
General	78,248	-
E-Citation		
General	1,940	-
Solid Waste and Sanitation		
General	2,406,926	-
Special Drug		
General	-	18,063
Federal Projects		
General Purpose School	-	488,287
Total nonmajor governmental funds	<u>2,487,114</u>	<u>712,208</u>
Pension and OPEB Trust Funds		
Town Retiree Pension		
General	237,689	-
Town OPEB		
General	-	455,581
Total pension and OPEB trust funds	<u>237,689</u>	<u>455,581</u>
	<u>\$ 5,823,950</u>	<u>\$ 5,823,950</u>

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL AND INTEREST REQUIREMENTS
BONDS PAYABLE - GOVERNMENTAL FUNDS
June 30, 2020

	General Improvement Bonds		General Improvement Refunding Bonds		General Improvement Refunding Bonds		General Improvement Bonds		General Improvement Bonds, Series A		General Improvement Bonds, Series B		General Improvement Refunding Bonds, Series C			
Date Issued	11/1/2008		10/25/2011		11/1/2012		8/22/2013		10/13/2015		10/13/2015		10/13/2015			
Interest Rate	3.50% - 5.00%		2.00% - 2.50%		1.50% - 2.00%		2.00% - 4.00%		4.00% - 5.00%		2.00% - 4.00%		2.00% - 4.00%		Total	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	660,000	14,850	520,000	27,000	510,000	58,925	355,000	165,725	1,920,000	3,502,300	215,000	149,338	50,000	238,350	4,230,000	4,156,488
2022	-	-	560,000	14,000	520,000	49,900	365,000	154,975	2,015,000	3,406,300	220,000	142,887	735,000	226,575	4,415,000	3,994,637
2023	-	-	-	-	535,000	39,350	370,000	146,700	2,115,000	3,305,550	225,000	136,288	760,000	204,150	4,005,000	3,832,038
2024	-	-	-	-	555,000	28,450	380,000	137,325	2,220,000	3,199,800	235,000	127,287	790,000	180,900	4,180,000	3,673,762
2025	-	-	-	-	565,000	17,250	390,000	127,456	2,335,000	3,088,800	245,000	117,887	815,000	156,825	4,350,000	3,508,218
2026	-	-	-	-	580,000	5,800	405,000	116,263	2,450,000	2,972,050	255,000	108,088	845,000	127,700	4,535,000	3,329,901
2027	-	-	-	-	-	-	415,000	103,963	2,570,000	2,849,550	265,000	97,888	885,000	93,100	4,135,000	3,144,501
2028	-	-	-	-	-	-	425,000	91,363	2,700,000	2,721,050	275,000	87,287	925,000	56,900	4,325,000	2,956,600
2029	-	-	-	-	-	-	440,000	78,113	2,790,000	2,633,300	285,000	76,287	960,000	19,200	4,475,000	2,806,900
2030	-	-	-	-	-	-	455,000	63,275	2,880,000	2,542,625	300,000	64,888	-	-	3,635,000	2,670,788
2031	-	-	-	-	-	-	475,000	46,406	2,970,000	2,449,025	310,000	52,888	-	-	3,755,000	2,548,319
2032	-	-	-	-	-	-	490,000	28,313	3,075,000	2,345,075	320,000	43,587	-	-	3,885,000	2,416,975
2033	-	-	-	-	-	-	510,000	9,563	3,185,000	2,237,450	330,000	33,587	-	-	4,025,000	2,280,600
2034	-	-	-	-	-	-	-	-	3,295,000	2,125,975	340,000	22,863	-	-	3,635,000	2,148,838
2035	-	-	-	-	-	-	-	-	3,410,000	2,010,650	350,000	11,813	-	-	3,760,000	2,022,463
2036	-	-	-	-	-	-	-	-	3,540,000	1,882,775	-	-	-	-	3,540,000	1,882,775
2037	-	-	-	-	-	-	-	-	3,670,000	1,750,025	-	-	-	-	3,670,000	1,750,025
2038	-	-	-	-	-	-	-	-	3,810,000	1,612,400	-	-	-	-	3,810,000	1,612,400
2039	-	-	-	-	-	-	-	-	3,960,000	1,460,000	-	-	-	-	3,960,000	1,460,000
2040	-	-	-	-	-	-	-	-	4,120,000	1,301,600	-	-	-	-	4,120,000	1,301,600
2041	-	-	-	-	-	-	-	-	4,285,000	1,136,800	-	-	-	-	4,285,000	1,136,800
2042	-	-	-	-	-	-	-	-	4,455,000	965,400	-	-	-	-	4,455,000	965,400
2043	-	-	-	-	-	-	-	-	4,635,000	787,200	-	-	-	-	4,635,000	787,200
2044	-	-	-	-	-	-	-	-	4,820,000	601,800	-	-	-	-	4,820,000	601,800
2045	-	-	-	-	-	-	-	-	5,010,000	409,000	-	-	-	-	5,010,000	409,000
2046	-	-	-	-	-	-	-	-	5,215,000	208,600	-	-	-	-	5,215,000	208,600
	\$ 660,000	\$ 14,850	\$1,080,000	\$ 41,000	\$3,265,000	\$199,675	\$5,475,000	\$1,269,440	\$87,450,000	\$53,505,100	\$4,170,000	\$1,272,863	\$6,765,000	\$1,303,700	\$ 108,865,000	\$57,606,628

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL AND INTEREST REQUIREMENTS
PROPRIETARY FUNDS

June 30, 2020

	Water & Sewer Revenue and Tax Refunding Bonds		Water & Sewer Revenue and Tax Refunding Bonds			
	11/1/2012 1.50% - 4.00%		10/13/2015 4.00% - 5.00%			
Fiscal Year	Principal	Interest	Principal	Interest	Total	
					Principal	Interest
2021	2,310,000	225,150	-	166,750	2,310,000	391,900
2022	2,480,000	129,350	-	166,750	2,480,000	296,100
2023	1,565,000	64,100	-	166,750	1,565,000	230,850
2024	1,615,000	24,225	-	166,750	1,615,000	190,975
2025	-	-	1,620,000	166,750	1,620,000	166,750
2026	-	-	1,715,000	85,750	1,715,000	85,750
	<u>\$ 7,970,000</u>	<u>\$ 442,825</u>	<u>\$ 3,335,000</u>	<u>\$ 919,500</u>	<u>\$ 11,305,000</u>	<u>\$ 1,362,325</u>

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Oustanding 6/30/2019	Issued During Period	Paid During Period	Refunded During Period	Oustanding 6/30/2020
Governmental Activities									
<u>Payable through General Fund</u>									
General obligation bonds:									
2008 serial bonds	\$ 13,000,000	3.50 - 5.00%	11/25/2008	11/1/2021	\$ 1,285,000	\$ -	\$ (625,000)	\$ -	\$ 660,000
2011 serial bonds	4,985,000	2.00 - 2.50%	10/25/2011	4/1/2022	1,615,000	-	(535,000)	-	1,080,000
2012 serial bonds	5,215,000	1.50 - 2.00%	11/1/2012	11/1/2025	3,765,000	-	(500,000)	-	3,265,000
2013 serial bonds	7,700,000	2.00 - 4.00%	8/22/2013	11/1/2032	5,815,000	-	(340,000)	-	5,475,000
2015A serial bonds	93,485,000	3.25 - 5.00%	10/13/2015	1/1/2046	89,280,000	-	(1,830,000)	-	87,450,000
2015B serial bonds	5,000,000	2.00 - 4.00%	10/13/2015	1/1/2035	4,375,000	-	(205,000)	-	4,170,000
2015C serial bonds	8,015,000	2.00 - 4.00%	10/13/2015	11/1/2028	7,195,000	-	(430,000)	-	6,765,000
					<u>\$ 113,330,000</u>	<u>\$ -</u>	<u>\$ (4,465,000)</u>	<u>\$ -</u>	<u>\$ 108,865,000</u>
<u>Payable through General Purpose School Fund</u>									
Direct borrowings:									
Shelby County Settlement Obligation	\$ 6,093,828	2.20%	11/1/2014	11/1/2025	\$ 3,308,901	\$ -	\$ (442,399)	\$ -	\$ 2,866,502
Capital Lease	2,462,708	2.49%	8/1/2017	8/1/2019	838,642	-	(838,642)	-	-
Capital Lease	2,891,213	3.69%	8/1/2018	8/1/2020	1,958,382	-	(966,028)	-	992,354
Capital Lease	2,043,458	3.32%	8/1/2019	8/1/2021	-	2,043,458	(661,211)	-	1,382,247
					<u>\$ 6,105,925</u>	<u>\$ 2,043,458</u>	<u>\$ (2,908,280)</u>	<u>\$ -</u>	<u>\$ 5,241,103</u>
Total governmental activities					<u>\$ 119,435,925</u>	<u>\$ 2,043,458</u>	<u>\$ (7,373,280)</u>	<u>\$ -</u>	<u>\$ 114,106,103</u>
Business-Type Activities									
<u>Payable through Water and Sewer Fund</u>									
Revenue and tax refunding bonds	\$ 15,655,000	1.50 - 4.00%	11/1/2012	11/1/2023	\$ 10,175,000	\$ -	\$ (2,205,000)	\$ -	\$ 7,970,000
Revenue and tax refunding bonds	5,305,000	4.00 - 5.00%	10/13/2015	6/1/2026	3,655,000	-	(320,000)	-	3,335,000
Total business-type activities					<u>\$ 13,830,000</u>	<u>\$ -</u>	<u>\$ (2,525,000)</u>	<u>\$ -</u>	<u>\$ 11,305,000</u>

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULES OF PROPERTY TAXES
For the Year Ended June 30, 2020

SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE - BY LEVY YEAR

Year of Levy	Balance June 30, 2019	Assessment	Adjustments	Collections	June 30, 2020
2020	\$ -	\$ 33,125,730	\$ -	\$ -	\$ 33,125,730
2019	32,469,003		90,131	32,044,974	514,160
2018	526,603		(6,686)	331,820	188,097
2017	111,732		71,374	140,106	43,000
2016	46,889		(3,498)	12,178	31,213
2015	32,884		(2,641)	3,558	26,685
2014	24,629		(2,319)	1,717	20,593
2013	24,276		(552)	796	22,928
2012	18,748		(153)	54	18,541
2011 PRIOR	55,727		(12,971)	1,444	41,312
Total	33,310,491	<u>\$ 33,125,730</u>	<u>\$ 132,685</u>	<u>\$ 32,536,647</u>	34,032,259
Allowance for uncollectible property taxes	<u>(434,955)</u>				<u>(495,502)</u>
Net receivables	<u>\$ 32,875,536</u>				<u>\$ 33,536,757</u>

In addition to real and personal property taxes, ad valorem property taxes receivable totaled \$490,000 at June 30, 2020.

PROPERTY TAX RATES AND ASSESSMENTS - LAST 10 YEARS

Year of Levy	Total Assessed Valuation	Tax Rate per \$100	Levy
2020	\$ 1,810,149,175	\$ 1.83	\$ 33,125,730
2019	\$ 1,774,262,475	\$ 1.83	32,469,003
2018	1,757,683,475	1.83	32,165,608
2017	1,725,044,030	1.63	28,118,218
2016	1,505,569,330	1.78	26,799,134
2015	1,471,459,590	1.78	26,191,981
2014	1,452,527,470	1.53	22,223,670
2013	1,446,885,170	1.53	22,137,343
2012	1,500,598,775	1.43	21,458,562
2011	1,455,713,724	1.43	20,816,706

DELINQUENT PROPERTY TAXES

Uncollected taxes for years prior to 2008 have been charged off for financial reporting purposes. Such amounts are not significant. Uncollected taxes for tax years prior to 2017 have been turned over to Chancery Court for collection. Property taxes in 2020 are included in deferred inflow of resources in accordance with GASB No. 63.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF INVESTMENTS
June 30, 2020

Governmental Funds

General Fund	
Local Government Investment Pool	\$ 65,644,080
Capital Projects Fund	
Local Government Investment Pool	241
	<u>\$ 65,644,321</u>

Proprietary Fund

Water and Sewer Fund	
Local Government Investment Pool	<u>\$ 38,507,468</u>

Fiduciary Funds

Retirement Pension Fund	
Trustee bank (member of State of Tennessee collateral pool)	
Money market funds	\$ 2,169,533
Certificates of deposit	1,161,540
U.S. government agency bonds	-
Corporate and foreign bonds	6,078,521
Municipal obligations	764,442
Common stocks	9,435,711
Equity mutual funds	39,518,122
Fixed income mutual funds	22,446,781
	<u>\$ 81,574,650</u>

Retirement Medical Insurance Fund	
Trustee bank (member of State of Tennessee collateral pool)	
Money market funds	\$ 149,372
Common stocks	1,909,782
Equity mutual funds	7,760,393
Fixed income mutual funds	5,005,642
	<u>\$ 14,825,189</u>

Postemployment Healthcare Benefits	
Trustee bank (member of Tennessee School Boards Association OPEB Trust)	
Fixed income mutual funds	\$ 478,230
Domestic equities mutual funds	752,018
International equities mutual funds	327,323
Structured investments	87,569
	<u>\$ 1,645,140</u>

OTHER SCHEDULES (UNAUDITED)

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF UTILITY RATE STRUCTURE AND NUMBER OF CUSTOMERS
For the Year Ended June 30, 2020

Rates from July 2019 - June 2020

Water				Sewer			
Inside city (volume charge is per 1,000 gal):							
Meter Size	Customer Service Charge	Base Charge	Volume Charge	Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	\$3.20	\$3.45	\$1.50	3/4"	\$4.30	\$11.20	\$2.60
1"	3.20	8.63	1.50	1"	4.30	28.00	2.60
2"	3.20	27.60	1.50	2"	4.30	89.60	2.60
3"	3.20	51.75	1.50	3"	4.30	168.00	2.60
4"	3.20	86.25	1.50	4"	4.30	280.00	2.60
6"	3.20	172.50	1.50	6"	4.30	560.00	2.60
8"	3.20	276.00	1.50	8"	4.30	896.00	2.60

Outside city (volume charge is per 1,000 gal):

Meter Size	Customer Service Charge	Base Charge	Volume Charge	Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	\$3.20	\$5.18	\$2.25	3/4"	\$4.30	\$16.80	\$3.90
1"	3.20	12.95	2.25	1"	4.30	42.00	3.90
2"	3.20	41.40	2.25	2"	4.30	134.40	3.90
				3"	4.30	252.00	3.90
				4"	4.30	420.00	3.90
				6"	4.30	840.00	3.90
				8"	4.30	1,344.00	3.90

Piperton (volume charge is per 1,000 gal):

Meter Size	Customer Service Charge	Base Charge	Volume Charge
2"	\$3.20	\$31.74	\$1.73
6"	3.20	198.38	1.73
8"	3.20	317.40	1.73
10"	3.20	456.26	1.73

Cotton Creek (volume charge is per 1,000 gal):

Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	\$4.30	\$16.80	\$3.90

Unmetered Cotton Creek customers: \$55.75

Number of Customers at Year-end

Water	18,615
Sewer	16,511
Sanitation	15,995

Note: All customers will be charged a volumetric rate provided, however, that a cap of 20,000 gallons of water usage shall apply for residential customers.

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF FIDELITY BONDS AND PRINCIPAL OFFICIALS
June 30, 2020

Official	Position	Official Bond
Stan Joyner	Mayor	
Maureen Fraser	Vice Mayor	
Tom Allen	Alderman	
Billy Patton	Alderman	
John Stamps	Alderman	
John Worley	Alderman	
Lynn Carmack	Town Clerk	(1)
James Lewellen	Town Administrator	
Mark Krock (CMFO)	Finance Director	
Jay Jeffries	Human Resources Director	
Dale Lane	Chief of Police	
William Kilp	Public Services Director	
Buddy Billings	Fire Chief	
Greg Clark	Parks, Recreation and Community Services Director	
Derek Honeycutt	General Services Director	
Jay Cravens	Development Director	
Jaime Groce	Town Planner	
Dale Perryman	Town Engineer	
Tim Pendleton	Building Official	
(1) Lynn Carmack	Notary Bond	\$10,000
(2) All Commissioned Patrolmen	Sheriff's Deputy Bond	\$50,000

All town officials are covered under crime coverage (employee dishonesty) up to \$250,000.

TOWN OF COLLIERVILLE, TENNESSEE

SCHEDULE OF UNACCOUNTED FOR WATER

For the Year Ended June 30, 2020

AWWA Free Water Audit Software:
Reporting Worksheet

WAS v5.0
American Water Works Association.

? Click to access definition

+ Click to add a comment

Water Audit Report for: **Town of Collierville (TN0000126)**
 Reporting Year: **2020** 7/2019 - 6/2020

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

WATER SUPPLIED

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

Volume from own sources:	+ ? 9	2,256.439 MG/Yr
Water imported:	+ ? n/a	0.000 MG/Yr
Water exported:	+ ? 9	100.150 MG/Yr
WATER SUPPLIED:		2,151.991 MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:	MG/Yr
+ ? 5	0.10%	MG/Yr
+ ? 5	-2.00%	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	+ ? 8	2,038.405 MG/Yr
Billed unmetered:	+ ? n/a	0.000 MG/Yr
Unbilled metered:	+ ? 10	37.592 MG/Yr
Unbilled unmetered:	+ ?	26.900 MG/Yr
AUTHORIZED CONSUMPTION:		2,102.897 MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

Click here: ? for help using option buttons below

Pcnt: 1.25% Value: MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: 0.25% Value: MG/Yr

1.00% MG/Yr

0.25% MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

49.094 MG/Yr

Apparent Losses

Unauthorized consumption: + ? 5.380 MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: + ? 7 20.970 MG/Yr

Systematic data handling errors: + ? 5.096 MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: ? 31.446 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: ? 17.648 MG/Yr

WATER LOSSES: 49.094 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: ? 113.586 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: + ? 9 312.0 miles

Number of active AND inactive service connections: + ? 9 18,740

Service connection density: ? 60 conn./mile main

Are customer meters typically located at the curbside or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: + ? 9 75.0 psi

COST DATA

Total annual cost of operating water system:	+ ? 10	\$4,676,650 \$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ? 10	\$1.50 \$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ? 10	\$272.92 \$/Million gallons U

*** YOUR SCORE IS: 86 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Volume from own sources

2: Unauthorized consumption

3: Systematic data handling errors

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TOWN OF COLLIERVILLE, TENNESSEE

SCHEDULE OF UNACCOUNTED FOR WATER

For the Year Ended June 30, 2020

AWWA Free Water Audit Software: System Attributes and Performance Indicators		WAS v5.0 American Water Works Association Copyright © 2014, All Rights Reserved.																															
<div style="display: flex; justify-content: space-between;"> <div> Water Audit Report for: Town of Collierville (TN0000126) Reporting Year: 2020 7/2019 - 6/2020 </div> <div style="text-align: right; font-size: small;"> WAS v5.0 American Water Works Association Copyright © 2014, All Rights Reserved. </div> </div>																																	
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 86 out of 100 ***																																	
System Attributes: <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 40%;">Apparent Losses:</td> <td style="width: 20%; text-align: right;">31.446</td> <td style="width: 40%; text-align: right;">MG/Yr</td> </tr> <tr> <td>+ Real Losses:</td> <td style="text-align: right;">17.648</td> <td style="text-align: right;">MG/Yr</td> </tr> <tr> <td>= Water Losses:</td> <td style="text-align: right; border: 1px solid black;">49.094</td> <td style="text-align: right; border: 1px solid black;">MG/Yr</td> </tr> <tr> <td colspan="3" style="padding-top: 10px;"> <div style="display: flex; justify-content: space-between;"> <div> ? Unavoidable Annual Real Losses (UARL): </div> <div style="text-align: right;">123.16 MG/Yr</div> </div> </td> </tr> <tr> <td colspan="2">Annual cost of Apparent Losses:</td> <td style="text-align: right; border: 1px solid black;">\$47,168</td> </tr> <tr> <td colspan="2">Annual cost of Real Losses:</td> <td style="text-align: right; border: 1px solid black;">\$4,817</td> </tr> </table> <div style="text-align: right; font-size: small; margin-top: 5px;"> Valued at Variable Production Cost Return to Reporting Worksheet to change this assumption </div>			Apparent Losses:	31.446	MG/Yr	+ Real Losses:	17.648	MG/Yr	= Water Losses:	49.094	MG/Yr	<div style="display: flex; justify-content: space-between;"> <div> ? Unavoidable Annual Real Losses (UARL): </div> <div style="text-align: right;">123.16 MG/Yr</div> </div>			Annual cost of Apparent Losses:		\$47,168	Annual cost of Real Losses:		\$4,817													
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Annual cost of Real Losses:		\$4,817																															
Performance Indicators: <table style="width: 100%; margin-top: 10px;"> <tr> <td rowspan="2" style="width: 15%; vertical-align: middle;">Financial:</td> <td rowspan="2" style="width: 5%; vertical-align: middle;">{</td> <td style="width: 55%;">Non-revenue water as percent by volume of Water Supplied:</td> <td style="width: 15%; text-align: right; border: 1px solid black;">5.3%</td> <td rowspan="2" style="width: 10%; vertical-align: bottom; font-size: small;">Real Losses valued at Variable Production Cost</td> </tr> <tr> <td>Non-revenue water as percent by cost of operating system:</td> <td style="text-align: right; border: 1px solid black;">1.5%</td> </tr> <tr> <td rowspan="4" style="vertical-align: middle;">Operational Efficiency:</td> <td rowspan="4" style="vertical-align: middle;">{</td> <td>Apparent Losses per service connection per day:</td> <td style="text-align: right; border: 1px solid black;">4.60</td> <td style="text-align: right; font-size: small;">gallons/connection/day</td> </tr> <tr> <td>Real Losses per service connection per day:</td> <td style="text-align: right; border: 1px solid black;">2.58</td> <td style="text-align: right; font-size: small;">gallons/connection/day</td> </tr> <tr> <td>Real Losses per length of main per day*:</td> <td style="text-align: right; border: 1px solid black;">N/A</td> <td></td> </tr> <tr> <td>Real Losses per service connection per day per psi pressure:</td> <td style="text-align: right; border: 1px solid black;">0.03</td> <td style="text-align: right; font-size: small;">gallons/connection/day/psi</td> </tr> <tr> <td colspan="2" style="padding-top: 10px;">From Above, Real Losses = Current Annual Real Losses (CARL):</td> <td style="text-align: right; border: 1px solid black;">17.65</td> <td style="text-align: right; font-size: small;">million gallons/year</td> <td></td> </tr> <tr> <td colspan="2" style="padding-top: 5px;">? Infrastructure Leakage Index (ILI) [CARL/UARL]:</td> <td style="text-align: right; border: 1px solid black;">0.14</td> <td></td> <td></td> </tr> </table>			Financial:	{	Non-revenue water as percent by volume of Water Supplied:	5.3%	Real Losses valued at Variable Production Cost	Non-revenue water as percent by cost of operating system:	1.5%	Operational Efficiency:	{	Apparent Losses per service connection per day:	4.60	gallons/connection/day	Real Losses per service connection per day:	2.58	gallons/connection/day	Real Losses per length of main per day*:	N/A		Real Losses per service connection per day per psi pressure:	0.03	gallons/connection/day/psi	From Above, Real Losses = Current Annual Real Losses (CARL):		17.65	million gallons/year		? Infrastructure Leakage Index (ILI) [CARL/UARL]:		0.14		
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* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline																																	

STATISTICAL INFORMATION SECTION (UNAUDITED)

Statistical Section

This part of the Town of Collierville's comprehensive annual financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents

Financial Trends (Schedules 1, 2, 3, 4, 5) 148

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity (Schedules 6, 7, 8, 9, 10, 11) 155

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property and sales tax.

Debt Capacity (Schedules 12, 13, 14, 15) 161

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. The Town has no legal debt limit.

Demographic and Economic Information (Schedules 16, 17) 165

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place and the help comparisons over time and with other governments.

Operating Information (Schedules 18, 19, 20, 21) 167

The schedules contain information about the Town's operations and resources to help the reader understand how the Town's financial information relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

SCHEDULE 1
TOWN OF COLLIERVILLE
NET POSITION BY COMPONENT

Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental Activities										
Net investment in capital assets ^a	\$ 140,702,628	\$ 151,470,712	\$ 158,108,082	\$ 214,192,052	\$ 219,842,050	\$ 223,882,653	\$ 226,974,039	\$ 243,939,180	\$ 265,549,172	\$ 273,791,235
Restricted	7,616,519	6,021,577	4,954,556	8,205,085	15,721,548	20,903,560	46,533,432	16,978,874	17,677,287	27,639,080
Unrestricted	<u>18,304,577</u>	<u>19,902,580</u>	<u>29,618,473</u>	<u>25,818,422</u>	<u>28,543,675</u>	<u>43,333,057</u>	<u>33,513,491</u>	<u>64,089,041</u>	<u>74,788,547</u>	<u>82,994,977</u>
Total government activities net position	<u>\$ 166,623,724</u>	<u>\$ 177,394,869</u>	<u>\$ 192,681,111</u>	<u>\$ 248,215,559</u>	<u>\$ 264,107,273</u>	<u>\$ 288,119,270</u>	<u>\$ 307,020,962</u>	<u>\$ 325,007,095</u>	<u>\$ 358,015,006</u>	<u>\$ 384,425,292</u>
Business-type activities										
Net investment in capital assets	\$ 65,716,041	\$ 66,108,146	\$ 64,339,030	\$ 66,444,330	\$ 68,511,231	\$ 70,589,472	\$ 72,240,473	\$ 74,820,384	\$ 75,301,572	\$ 78,660,960
Restricted	2,170,938	2,014,175	2,905,168	4,017,819	4,967,688	7,050,578	8,140,388	9,534,009	10,817,057	12,429,639
Unrestricted	<u>22,759,955</u>	<u>24,072,503</u>	<u>26,698,776</u>	<u>26,334,310</u>	<u>25,206,047</u>	<u>25,229,309</u>	<u>25,151,524</u>	<u>24,522,820</u>	<u>26,349,736</u>	<u>27,132,281</u>
Total business-type activities net position	<u>\$ 90,646,934</u>	<u>\$ 92,194,824</u>	<u>\$ 93,942,974</u>	<u>\$ 96,796,459</u>	<u>\$ 98,684,966</u>	<u>\$ 102,869,359</u>	<u>\$ 105,532,385</u>	<u>\$ 108,877,213</u>	<u>\$ 112,468,365</u>	<u>\$ 118,222,880</u>
Primary government										
Net investment in capital assets	\$ 206,418,669	\$ 217,578,858	\$ 222,447,112	\$ 280,636,382	\$ 288,353,281	\$ 294,472,125	\$ 299,214,512	\$ 318,759,564	\$ 340,850,744	\$ 352,452,195
Restricted	9,787,457	8,035,752	7,859,724	12,222,904	20,689,236	27,954,138	54,673,820	26,512,883	28,494,344	40,068,719
Unrestricted	<u>41,064,532</u>	<u>43,975,083</u>	<u>56,317,249</u>	<u>52,152,732</u>	<u>53,749,722</u>	<u>68,562,366</u>	<u>58,665,015</u>	<u>88,611,861</u>	<u>101,138,283</u>	<u>110,127,258</u>
Total primary government net position	<u>\$ 257,270,658</u>	<u>\$ 269,589,693</u>	<u>\$ 286,624,085</u>	<u>\$ 345,012,018</u>	<u>\$ 362,792,239</u>	<u>\$ 390,988,629</u>	<u>\$ 412,553,347</u>	<u>\$ 433,884,308</u>	<u>\$ 470,483,371</u>	<u>\$ 502,648,172</u>

^a In June 2014, the Town received 8 schools from Shelby County Schools with a net carrying amount of \$52,215,436, through a transfer of operations to the Collierville Municipal School District.

SCHEDULE 2
TOWN OF COLLIERVILLE
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 6,629,677	\$ 6,899,360	\$ 8,449,190	\$ 8,613,929	\$ 8,488,802	\$ 9,618,709	\$ 11,262,450	\$ 12,033,023	\$ 12,250,745	\$ 12,713,503
Education ^b	-	-	-	1,492,580	59,010,427	65,689,122	70,850,281	75,747,819	88,409,406	95,212,674
Roads and public works	7,762,474	9,218,450	8,890,342	8,310,099	9,164,356	9,050,543	10,439,443	9,527,123	9,522,520	10,046,231
Public Safety	19,473,131	20,451,636	20,502,856	21,796,313	20,689,453	21,345,823	22,938,253	23,828,724	24,207,971	25,696,150
Sanitation	2,968,315	3,014,845	3,156,642	3,721,153	3,000,678	3,062,821	3,301,213	3,438,247	3,820,531	4,006,900
Culture and recreation	4,437,125	3,892,595	4,626,281	5,120,963	5,256,151	5,380,376	5,609,463	3,022,787	3,022,417	2,766,812
Interest and fiscal charges	1,315,638	1,377,744	1,206,699	1,207,195	1,222,523	3,590,322	4,659,491	4,538,444	4,457,236	4,303,536
Total government activities expenses	<u>42,586,360</u>	<u>44,854,630</u>	<u>46,832,010</u>	<u>50,262,232</u>	<u>106,832,390</u>	<u>117,737,716</u>	<u>129,060,594</u>	<u>132,136,167</u>	<u>145,690,826</u>	<u>154,745,806</u>
Business-type activities:										
Water and sewer	<u>12,254,310</u>	<u>10,679,638</u>	<u>10,905,161</u>	<u>10,488,286</u>	<u>10,370,911</u>	<u>10,787,768</u>	<u>11,037,905</u>	<u>11,186,397</u>	<u>11,101,790</u>	<u>11,408,761</u>
Total business-type activities expenses	<u>12,254,310</u>	<u>10,679,638</u>	<u>10,905,161</u>	<u>10,488,286</u>	<u>10,370,911</u>	<u>10,787,768</u>	<u>11,037,905</u>	<u>11,186,397</u>	<u>11,101,790</u>	<u>11,408,761</u>
Total primary government expenses	<u>\$ 54,840,670</u>	<u>\$ 55,534,268</u>	<u>\$ 57,737,171</u>	<u>\$ 60,750,518</u>	<u>\$ 117,203,301</u>	<u>\$ 128,525,484</u>	<u>\$ 140,098,499</u>	<u>\$ 143,322,564</u>	<u>\$ 156,792,616</u>	<u>\$ 166,154,567</u>
Program Revenues (see Schedule 3)										
Governmental activities:										
Charges for services:										
General government	\$ 200,520	\$ 243,942	\$ 307,958	\$ 312,452	\$ 332,750	\$ 392,418	\$ 396,173	\$ 408,986	\$ 441,335	\$ 644,744
Education ^b	-	-	-	397,168	1,082,403	1,213,396	1,253,150	1,281,951	2,005,777	1,747,134
Roads and public works	1,101,149	503,235	653,073	695,312	633,779	970,723	946,455	1,135,899	1,312,250	1,285,125
Public safety	1,728,898	1,964,117	2,666,688	2,526,556	2,573,001	2,586,339	2,699,821	2,415,725	2,706,219	2,687,120
Sanitation	3,254,316	3,261,895	3,407,085	3,497,305	4,081,413	4,174,199	4,139,442	4,189,366	4,249,035	4,324,763
Culture and recreation	545,418	533,441	473,788	483,247	506,855	393,000	514,141	446,652	454,086	238,665
Operating grants and contributions ^{b,c}	2,068,717	2,112,056	2,106,515	1,634,483	37,097,132	39,933,660	43,612,561	47,686,739	53,137,126	94,186,950
Capital grants and contributions	<u>4,416,497</u>	<u>7,461,900</u>	<u>7,874,778</u>	<u>2,454,826</u>	<u>2,437,740</u>	<u>7,118,129</u>	<u>3,759,691</u>	<u>2,733,957</u>	<u>11,148,923</u>	<u>12,649,207</u>
Total governmental activities program revenues	<u>13,315,515</u>	<u>16,080,586</u>	<u>17,489,885</u>	<u>12,001,349</u>	<u>48,745,073</u>	<u>56,781,864</u>	<u>57,321,434</u>	<u>60,299,275</u>	<u>75,454,751</u>	<u>117,763,708</u>
Business-type activities:										
Charges for services	11,840,445	12,405,557	12,980,102	13,373,538	12,534,100	14,131,835	13,414,292	13,956,654	14,201,166	14,715,744
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	<u>1,669,411</u>	<u>274,665</u>	<u>3,500</u>	<u>350,862</u>	<u>345,748</u>	<u>1,321,865</u>	<u>674,177</u>	<u>726,831</u>	<u>591,353</u>	<u>2,060,887</u>
Total business-type activities program revenues	<u>13,509,856</u>	<u>12,680,222</u>	<u>12,983,602</u>	<u>13,724,400</u>	<u>12,879,848</u>	<u>15,453,700</u>	<u>14,088,469</u>	<u>14,683,485</u>	<u>14,792,519</u>	<u>16,776,631</u>
Total primary government program revenues	<u>\$ 26,825,371</u>	<u>\$ 28,760,808</u>	<u>\$ 30,473,487</u>	<u>\$ 25,725,749</u>	<u>\$ 61,624,921</u>	<u>\$ 72,235,564</u>	<u>\$ 71,409,903</u>	<u>\$ 74,982,760</u>	<u>\$ 90,247,270</u>	<u>\$ 134,540,339</u>
Net (Expense)/Revenue										
Governmental activities	\$ (29,270,845)	\$ (28,774,044)	\$ (29,342,125)	\$ (38,260,883)	\$ (58,087,317)	\$ (60,955,852)	\$ (71,739,160)	\$ (71,836,892)	\$ (70,236,075)	\$ (36,982,098)
Business-type activities	<u>1,255,546</u>	<u>2,000,584</u>	<u>2,078,441</u>	<u>3,236,114</u>	<u>2,508,937</u>	<u>4,665,932</u>	<u>3,050,564</u>	<u>3,497,088</u>	<u>3,690,729</u>	<u>5,367,870</u>
Total primary government net expense	<u>\$ (28,015,299)</u>	<u>\$ (26,773,460)</u>	<u>\$ (27,263,684)</u>	<u>\$ (35,024,769)</u>	<u>\$ (55,578,380)</u>	<u>\$ (56,289,920)</u>	<u>\$ (68,688,596)</u>	<u>\$ (56,289,920)</u>	<u>\$ (68,688,596)</u>	<u>\$ (31,614,228)</u>

(Continued)

Schedule 2 - Continued

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes ^c	\$ 17,577,135	\$ 20,970,077	\$ 21,971,554	\$ 22,421,859	\$ 43,311,468	\$ 48,515,768	\$ 53,256,948	\$ 51,383,244	\$ 56,842,183	\$ 31,269,966
Other local taxes	12,003,559	12,818,038	16,628,924	18,289,596	27,052,623	28,341,227	28,895,557	33,011,564	36,226,646	22,342,707
Intergovernmental revenues:										
State sales tax ^c	3,087,223	3,152,888	3,348,868	3,437,591	3,644,536	3,902,538	4,008,478	3,937,454	4,087,076	4,199,769
State income and other taxes	1,032,463	1,085,542	1,333,631	1,461,550	1,783,374	2,146,546	1,603,527	1,972,443	2,346,417	1,505,174
Other state revenue	102,478	99,185	103,508	103,704	201,434	144,288	120,113	75,348	53,552	137,818
Investment earnings	53,902	33,280	36,221	35,908	50,376	294,145	586,687	788,909	1,260,414	901,349
Miscellaneous	34,321	809,480	452,029	363,688	573,303	721,122	1,267,932	1,450,429	1,502,914	2,787,258
Payment to fiduciary trust	-	-	-	-	-	-	-	-	-	-
Transfers	557,773	764,569	753,632	790,493	789,805	902,215	901,610	819,463	924,784	248,343
Special item - litigation settlement	-	-	-	(5,324,494)	-	-	-	-	-	-
Special item - transfer of operations ^a	-	-	-	52,215,436	-	-	-	-	-	-
Total government activities	<u>34,448,854</u>	<u>39,733,059</u>	<u>44,628,367</u>	<u>93,795,331</u>	<u>77,406,919</u>	<u>84,967,849</u>	<u>90,640,852</u>	<u>93,438,854</u>	<u>103,243,986</u>	<u>63,392,384</u>
Business-type activities:										
Investment earnings	304,158	273,796	281,831	249,936	256,773	290,345	388,453	427,037	787,847	597,153
Miscellaneous	126,379	129,035	141,510	157,928	156,242	130,331	125,619	54,507	37,360	37,835
Transfers	(557,773)	(764,569)	(753,632)	(790,493)	(789,805)	(902,215)	(901,610)	(819,463)	(924,784)	(248,343)
Total business-type activities	<u>(127,236)</u>	<u>(361,738)</u>	<u>(330,291)</u>	<u>(382,629)</u>	<u>(376,790)</u>	<u>(481,539)</u>	<u>(387,538)</u>	<u>(337,919)</u>	<u>(99,577)</u>	<u>386,645</u>
Total primary government	<u>\$ 34,321,618</u>	<u>\$ 39,371,321</u>	<u>\$ 44,298,076</u>	<u>\$ 93,412,702</u>	<u>\$ 77,030,129</u>	<u>\$ 84,486,310</u>	<u>\$ 90,253,314</u>	<u>\$ 93,100,935</u>	<u>\$ 103,144,409</u>	<u>\$ 63,779,029</u>
Change in Net Position										
Governmental activities	\$ 5,178,009	\$ 10,959,015	\$ 15,286,242	\$ 55,534,448	\$ 19,319,602	\$ 24,011,997	\$ 18,901,692	\$ 21,601,962	\$ 33,007,911	\$ 26,410,286
Business-type activities	<u>1,128,310</u>	<u>1,638,846</u>	<u>1,748,150</u>	<u>2,853,485</u>	<u>2,132,147</u>	<u>4,184,393</u>	<u>2,663,026</u>	<u>3,159,169</u>	<u>3,591,152</u>	<u>5,754,515</u>
Total primary government	<u>\$ 6,306,319</u>	<u>\$ 12,597,861</u>	<u>\$ 17,034,392</u>	<u>\$ 58,387,933</u>	<u>\$ 21,451,749</u>	<u>\$ 28,196,390</u>	<u>\$ 21,564,718</u>	<u>\$ 24,761,131</u>	<u>\$ 36,599,063</u>	<u>\$ 32,164,801</u>

^a In June 2014, the Town received 8 schools from Shelby County Schools with a net carrying amount of \$52,215,436, through a transfer of operations to the Collierville Municipal School District.

^b The Collierville Municipal School District was established in 2014. Fiscal year 2015 was the first full year of operations.

^c From 2015-2019, property and sales tax revenues for schools were shown in general revenue. Beginning in 2020, property and sales tax revenues for schools are shown in operating grants and contributions.

SCHEDULE 3
TOWN OF COLLIERVILLE
PROGRAM REVENUES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental Activities:										
General government	\$ 281,393	\$ 775,027	\$ 5,089,866	\$ 495,251	\$ 664,865	\$ 426,700	\$ 439,609	\$ 421,689	\$ 520,551	\$ 660,891
Education ^a	-	-	-	397,168	37,342,062	41,633,016	42,884,451	46,611,772	56,276,459	100,349,468
Roads and public works	7,072,133	8,128,677	3,472,012	3,269,561	2,841,341	6,329,419	5,545,811	5,582,719	9,886,119	8,448,049
Public safety	2,004,015	3,353,826	5,017,081	3,705,252	3,067,241	3,190,248	3,235,995	2,748,452	3,583,732	3,251,993
Sanitation	3,259,069	3,266,172	3,411,338	3,502,010	4,081,413	4,174,199	4,148,421	4,198,279	4,400,884	4,324,763
Culture and recreation	<u>698,905</u>	<u>556,884</u>	<u>499,588</u>	<u>632,107</u>	<u>748,151</u>	<u>1,028,282</u>	<u>1,067,147</u>	<u>736,364</u>	<u>787,006</u>	<u>728,544</u>
Subtotal governmental activities	<u>13,315,515</u>	<u>16,080,586</u>	<u>17,489,885</u>	<u>12,001,349</u>	<u>48,745,073</u>	<u>56,781,864</u>	<u>57,321,434</u>	<u>60,299,275</u>	<u>75,454,751</u>	<u>117,763,708</u>
Business-type activities:										
Water and Sewer	<u>13,509,856</u>	<u>12,680,222</u>	<u>12,983,602</u>	<u>13,724,400</u>	<u>12,879,848</u>	<u>15,453,700</u>	<u>14,088,469</u>	<u>14,683,485</u>	<u>14,792,519</u>	<u>16,776,631</u>
Subtotal business-type activities	<u>13,509,856</u>	<u>12,680,222</u>	<u>12,983,602</u>	<u>13,724,400</u>	<u>12,879,848</u>	<u>15,453,700</u>	<u>14,088,469</u>	<u>14,683,485</u>	<u>14,792,519</u>	<u>16,776,631</u>
Total primary government	<u>\$ 26,825,371</u>	<u>\$ 28,760,808</u>	<u>\$ 30,473,487</u>	<u>\$ 25,725,749</u>	<u>\$ 61,624,921</u>	<u>\$ 72,235,564</u>	<u>\$ 71,409,903</u>	<u>\$ 74,982,760</u>	<u>\$ 90,247,270</u>	<u>\$ 134,540,339</u>

^a The Collierville Municipal School District was established in 2014. Fiscal year 2015 was the first full year of operations.

SCHEDULE 4
TOWN OF COLLIERVILLE
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2011^a</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016^a</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Nonspendable	\$ 154,091	\$ 153,045	\$ 161,315	\$ 172,028	\$ 180,804	\$ 3,035,409	\$ 3,036,761	\$ 2,169,278	\$ 2,138,824	\$ 2,057,368
Restricted	1,369,227	1,677,931	1,885,530	1,508,576	1,621,489	1,323,733	1,527,711	1,890,775	2,030,483	2,793,836
Committed	1,188,831	1,004,206	1,566,727	1,565,296	1,887,716	2,337,876	2,849,714	2,711,047	3,221,148	3,284,475
Assigned	6,877,687	6,019,516	10,295,248	15,822,524	13,198,818	16,060,399	20,871,637	28,251,078	32,753,748	33,246,173
Unassigned	<u>12,791,481</u>	<u>15,181,846</u>	<u>17,052,954</u>	<u>17,717,284</u>	<u>18,950,295</u>	<u>24,651,958</u>	<u>23,282,021</u>	<u>21,778,479</u>	<u>25,983,010</u>	<u>36,657,397</u>
Total general fund	<u>\$ 22,381,317</u>	<u>\$ 24,036,544</u>	<u>\$ 30,961,774</u>	<u>\$ 36,785,708</u>	<u>\$ 35,839,122</u>	<u>\$ 47,409,375</u>	<u>\$ 51,567,844</u>	<u>\$ 56,800,657</u>	<u>\$ 66,127,213</u>	<u>\$ 78,039,249</u>
All Other Governmental Funds										
Nonspendable	\$ 15,331	\$ 17,983	\$ 12,060	\$ 89,687	\$ 51,527	\$ 31,011	\$ 41,717	\$ 45,716	\$ 47,948	\$ 61,125
Restricted	6,077,870	4,343,644	3,069,023	6,696,509	14,100,059	114,353,298	67,917,138	7,543,254	4,348,469	8,595,156
Committed	489,119	727,569	660,732	-	-	1,156,386	73,143	117,038	37,105	78,248
Assigned	726,774	593,048	513,210	10,620	-	74,958	129,795	15,441,153	14,957,698	17,758,490
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(513,960)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 7,309,094</u>	<u>\$ 5,682,244</u>	<u>\$ 4,255,025</u>	<u>\$ 6,282,856</u>	<u>\$ 14,151,586</u>	<u>\$ 115,615,653</u>	<u>\$ 68,161,793</u>	<u>\$ 23,147,161</u>	<u>\$ 19,391,220</u>	<u>\$ 26,493,019</u>

^a In fiscal year 2016, the Town issued \$93,485,000 of bonds at \$6,104,228 premium for the construction of a new high school.

SCHEDULE 5
TOWN OF COLLIERVILLE
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018^e</u>	<u>2019</u>	<u>2020</u>
Revenues										
Property taxes	\$ 17,552,246	\$ 21,343,304	\$ 21,613,088	\$ 22,682,126	\$ 43,339,038	\$ 48,462,096	\$ 52,111,855	\$ 51,444,270	\$ 56,590,569	\$ 57,493,857
Other local taxes	11,992,194	12,798,591	16,511,457	18,234,550	26,190,556	28,316,990	29,091,431	33,001,270	36,283,583	36,609,705
Federal revenues	1,157,242	959,130	507,931	104,916	2,601,414	4,182,022	4,633,661	4,668,311	10,651,327	9,119,440
State revenues	6,083,218	5,483,684	5,959,985	6,185,523	39,956,500	42,294,895	44,250,536	47,331,611	51,213,339	52,040,912
Licenses and permits	488,437	673,993	1,343,894	1,142,811	1,105,769	1,214,114	1,379,968	1,253,645	1,384,194	2,249,481
Charges for services	5,252,524	4,603,929	4,699,402	5,199,463	6,495,933	6,867,807	7,019,176	7,091,732	8,007,360	7,586,721
Fines and forfeitures	1,089,340	1,228,708	1,606,461	1,614,532	1,805,847	1,648,154	1,550,030	1,533,202	1,681,612	1,138,127
Interest income	53,902	33,280	36,221	35,908	50,376	294,145	586,687	788,909	1,260,414	949,596
Contributions	212,163	1,207,091	1,588,212	1,845,267	1,787,520	3,945,575	2,660,087	2,600,697	5,387,614	8,994,255
Other revenues	269,505	353,303	171,627	204,750	674,160	800,798	1,234,965	1,450,429	1,502,914	2,739,011
Total revenues	<u>44,150,771</u>	<u>48,685,013</u>	<u>54,038,278</u>	<u>57,249,846</u>	<u>124,007,113</u>	<u>138,026,596</u>	<u>144,518,396</u>	<u>151,164,076</u>	<u>173,962,926</u>	<u>178,921,105</u>
Expenditures										
General government	5,919,236	6,139,869	7,724,217	7,679,053	7,737,130	7,993,550	8,448,948	11,469,642	11,634,601	12,495,035
Roads and public works	5,703,949	6,496,218	6,416,673	6,110,579	6,907,556	6,754,664	7,993,645	7,218,962	7,097,969	7,412,940
Public safety	18,415,319	19,325,879	19,433,648	20,730,180	19,901,835	20,133,085	21,716,419	22,800,268	22,713,476	24,416,715
Sanitation	2,794,347	2,850,986	3,024,158	3,587,473	2,841,297	2,848,570	3,073,667	3,242,701	3,541,278	4,010,659
Culture and recreation	3,789,515	3,810,511	3,953,531	4,215,032	4,385,292	4,449,423	4,715,141	2,096,222	2,014,196	1,841,225
Education	-	-	-	1,363,515	59,826,715	63,743,735	71,058,331	74,709,581	85,753,081	88,840,989
Capital projects ^a	8,942,435	6,675,607	4,885,287	9,950,206	12,719,095	20,163,778	62,091,021	63,899,716	30,669,494	15,130,122
Debt service										
Principal	2,747,910	2,864,489	2,857,900	3,244,725	3,179,569	3,317,054	4,027,964	4,155,000	4,300,000	4,465,000
Interest and fiscal charges	1,401,615	1,320,351	1,036,390	1,070,199	1,076,285	818,771	5,590,261	4,635,974	4,484,213	4,327,331
Bond Issue costs	91,333	103,153	56,018	92,448	-	687,543	-	-	-	-
Total expenditures	<u>49,805,659</u>	<u>49,587,063</u>	<u>49,387,822</u>	<u>58,043,410</u>	<u>118,574,774</u>	<u>130,910,173</u>	<u>188,715,397</u>	<u>194,228,066</u>	<u>172,208,308</u>	<u>162,940,016</u>

(Continued)

Schedule 5 - Continued

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018^c</u>	<u>2019</u>	<u>2020</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (5,654,888)	\$ (902,050)	\$ 4,650,456	\$ (793,564)	\$ 5,432,339	\$ 7,116,423	\$ (44,197,001)	\$ (43,063,990)	\$ 1,754,618	\$ 15,981,089
Other Financing Sources (Uses)										
Capital lease	-	-	-	-	700,000	-	-	-	-	2,043,458
Refunding bonds issued	5,154,702	4,985,000	5,215,000	-	-	-	-	-	-	85,000
Refunding bonds premium	230,373	80,858	190,265	-	-	-	-	-	-	-
Bond discounts	-	-	-	-	-	-	-	-	-	-
Refunded bond payments	(5,284,191)	(4,900,000)	(5,343,793)	-	-	(8,690,181)	-	-	-	-
Issuance proceeds ^d	-	-	-	7,700,000	-	113,705,863	-	2,462,708	2,891,213	-
Premium	-	-	-	154,836	-	-	-	-	-	-
Transfers in	7,622,647	6,003,526	4,218,786	8,892,365	13,004,255	16,988,020	59,126,055	53,073,277	19,176,199	11,053,998
Transfers out	(7,064,874)	(5,238,957)	(3,465,154)	(8,101,872)	(12,214,450)	(16,085,805)	(58,224,445)	(52,253,814)	(18,251,415)	(10,149,710)
Total other financing sources (uses)	<u>658,657</u>	<u>930,427</u>	<u>815,104</u>	<u>8,645,329</u>	<u>1,489,805</u>	<u>105,917,897</u>	<u>901,610</u>	<u>3,282,171</u>	<u>3,815,997</u>	<u>3,032,746</u>
Net change in fund balances	<u>\$ (4,996,231)</u>	<u>\$ 28,377</u>	<u>\$ 5,465,560</u>	<u>\$ 7,851,765</u>	<u>\$ 6,922,144</u>	<u>\$ 113,034,320</u>	<u>\$ (43,295,391)</u>	<u>\$ (39,781,819)</u>	<u>\$ 5,570,615</u>	<u>\$ 19,013,835</u>
Debt service as a percentage of noncapital expenditures ^b	10.2%	9.8%	8.8%	9.0%	4.0%	3.7%	7.6%	6.7%	6.2%	5.9%

^a Capital projects amount consists of major capital project. It does not include capital expenditures reported in the various functional categories of "current expenditures".

^b For fiscal year 2011, the calculation ratio of total debt services expenditures to noncapital expenditures was revised to include only the principal and interest components of debt service expenditures as of the 2012 report. Debt service is calculated using total capital expenditures.

^c In fiscal year 2016 the Town had three General Obligation Bond issuances. The most significant was for \$93,485,000 at a premium of \$6,104,228 for the construction of a new high school.

^d In fiscal year 2018, groupings were re-classified: Court fees into Fines and forfeitures, Legislative & other into General government, Drug fund into Public safety. Previous years reflect the reclassification.

SCHEDULE 6
TOWN OF COLLIERVILLE
TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	In Lieu of	Local Option Sales	Beer & Liquor	Business & Privilege	Motor Vehicle	Park Land Dedication	Historic Preservation	Total
2011	\$ 17,552,246	\$ 207,470	\$ 8,650,793	\$ 743,716	\$ 1,431,981	\$ 967,211	\$ -	\$ 7,724	\$ 29,561,141
2012	21,343,304	273,984	9,146,314	775,664	1,559,193	1,030,078	-	13,360	\$ 34,141,897
2013	21,613,088	462,466	12,351,378	861,913	1,691,183	1,104,074	384,470	40,443	\$ 38,509,015
2014	22,682,126	662,208	13,894,730	841,193	1,718,878	1,101,383	120,960	16,158	\$ 41,037,636
2015 ^a	22,974,480	390,395	14,488,300	842,076	1,925,564	1,126,878	206,640	46,126	\$ 42,000,459
2016	26,902,128	448,705	15,129,725	858,631	2,067,574	1,124,698	580,860	10,882	\$ 47,123,203
2017	27,925,245	460,047	15,336,312	912,525	2,123,508	1,147,116	192,780	62,261	\$ 48,159,794
2018	28,757,196	449,176	16,029,675	964,226	2,298,569	1,142,517	206,640	55,111	\$ 49,903,110
2019	32,620,755	536,827	16,748,812	993,158	2,467,268	1,532,564	286,020	31,567	\$ 55,216,971
2020	33,582,620	463,412	17,128,274	1,100,650	2,334,808	1,511,185	452,340	46,567	56,619,856
Change 2010-2019	91.3%	123.4%	98.0%	48.0%	63.0%	56.2%	N/A	502.9%	91.5%

^a Beginning in 2015 a portion of the Town's taxes are required to be used to support Collierville Municipal Schools and are included as revenue for the General Purpose School Fund instead of the General Fund. For comparative purposes total property taxes continue to be reflected on this schedule.

SCHEDULE 7
TOWN OF COLLIERVILLE
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Multiple Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2011	\$ 9,920	\$ 1,026,505	\$ 319,265	\$ 45,897	\$ 5,240	\$ 57,814	\$ 1,464,641	1.18	\$ 5,298,096	27.645%
2012	9,094	1,024,955	314,227	46,149	5,407	55,882	1,455,714	1.43	5,273,787	27.603
2013	12,553	1,075,944	305,564	45,164	4,968	56,406	1,500,599	1.43	5,467,621	27.445
2014	11,213	1,009,343	323,547	43,304	4,953	54,525	1,446,885	1.53	5,229,589	27.667
2015	10,392	1,018,956	324,199	41,174	4,432	53,375	1,452,528	1.53	5,255,180	27.640
2016	10,370	1,034,551	329,925	40,907	4,799	50,908	1,471,460	1.78	5,324,668	27.635
2017	10,238	1,050,716	338,700	40,569	4,599	60,748	1,505,570	1.78	5,441,895	27.666
2018	11,012	1,210,506	386,225	46,678	4,560	66,063	1,725,044	1.63	6,238,377	27.652
2019	10,813	1,234,316	389,821	47,076	4,565	71,092	1,757,683	1.83	6,359,574	27.638
2020	10,226	1,258,673	393,374	46,970	4,565	60,455	1,774,262	1.83	6,427,812	27.603

Source: Shelby County Assessor's Office

Notes: Property in Shelby County is reassessed every four years. The county assesses property at 25 percent of actual value for residential and farm property, 40 percent for commercial and industrial property, 0 to 40 percent for multiple property and 30 percent for personal property. Tax rates are per \$100 of assessed value.

SCHEDULE 8
TOWN OF COLLIERVILLE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Rate per \$100 of assessed value)

Fiscal Year	Town Direct Rates		Total Direct Rate	Overlapping Rate ^a	
	Basic Rate	Parks Improvement ^b		Shelby County	
2011	\$ 1.10	\$ 0.08	\$ 1.18	\$	4.06
2012	1.43	-	\$ 1.43		4.06
2013	1.43	-	\$ 1.43		4.06
2014	1.53	-	\$ 1.53		4.42
2015	1.53	-	\$ 1.53		4.37
2016	1.78	-	\$ 1.78		4.37
2017	1.78	-	\$ 1.78		4.37
2018	1.63	-	\$ 1.63		4.11
2019	1.83	-	\$ 1.83		4.05
2020	1.83	-	\$ 1.83		4.05

Note: The Town's property tax rate may be increased by a majority vote of the Board of Mayor and Aldermen on three readings, one of which is a public hearing.

^a The overlapping rate is that of the county government that applies to property owners in the Town of Collierville. Source: Shelby County Assessor's office.

^b The Parks Improvement portion of the direct rate is an assignment of funds by the Board of Mayor and Aldermen and not a legal restriction on taxes levied.

SCHEDULE 9
TOWN OF COLLIERVILLE
PRINCIPAL PROPERTY TAX PAYERS
Current year and Nine Years Ago

<u>Taxpayer</u>	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Carrier Corporation	\$ 25,075,750	1	1.66%	\$ 19,428,570	2	1.33%
G&I VII (Carriage Crossing)	22,634,840	2	1.50	27,346,240	1	1.87
AT&T Mobility, LLC	20,622,393	3	1.37	13,977,950	3	0.95
Legacy Farm, LLC	13,220,080	4	0.88	11,400,000	4	0.78
Schilling Farms-Sabina, LLC	12,414,640	5	0.82			
Signature Schilling Farms, LLC	11,062,120	6	0.73			
Schilling Apartment Investors	10,659,520	7	0.71			
Cole MT Collierville TN, LLC	10,501,440	8	0.70	8,341,120	6	0.57
Dogwood Creek Associates, LLC	9,320,800	9	0.62	8,324,160	7	0.57
Westbrook Crossing GP	9,167,000	10	0.61			
G & I IV Madison Apartments				9,881,880	5	0.67
Delta Beverage Group, Inc.				7,888,970	8	0.54
G&I IV Bailey Creek				7,205,160	9	0.49
LTF Real Estate Company				7,118,920	10	0.49
Total	<u>\$ 144,678,583</u>		8.03%	<u>\$ 120,912,970</u>		8.26%

Sources: Shelby County Assessor's Office and State of Tennessee

SCHEDULE 10
TOWN OF COLLIERVILLE
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ^a	Adjustments to Initial Levy ^b	Final Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ^c	Total Collections to Date	
				Amount ^c	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 17,282,758	\$ (268,077)	\$ 17,014,681	\$ 16,579,268	97.44%	\$ 416,703	\$ 16,995,971	99.89%
2012	20,816,706	(289,394)	20,527,312	20,081,479	97.83	404,176	20,485,656	99.80
2013	21,458,562	(199,473)	21,259,089	20,820,857	97.94	395,541	21,216,398	99.80
2014	22,137,343	(237,511)	21,899,832	21,576,099	98.52	285,114	21,861,214	99.82
2015	22,223,670	4,311	22,227,982	21,957,997	98.79	237,605	22,195,602	99.85
2016	26,191,981	41,068	26,232,886	25,845,903	98.52	335,663	26,181,565	99.80
2017	26,799,134	181,005	26,969,796	26,702,124	99.01	208,600	26,910,724	99.78
2018	28,118,218	(95,919)	28,039,023	27,675,032	98.70	213,752	27,888,784	99.46
2019	32,165,608	(146,122)	32,019,486	31,492,883	98.36	-	31,492,883	98.36
2020	32,469,003	90,131	32,559,134	32,044,974	98.42	-	32,044,974	98.42

Source: Shelby County Assessor's Office

^a Initial certified levy before Board of Appeals adjustments and other change orders.

^b Adjustments include change orders and new bills.

^c Beginning with the CAFR for the year ended June 30, 2012, this schedule has been revised to net refunds and returned checks from collections.

SCHEDULE 11
TOWN OF COLLIERVILLE
DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Fiscal Years

Fiscal Year	Town Direct Rate	State of Tennessee^a
2011	2.25	7.00
2012	2.25	7.00
2013	2.75	7.00
2014	2.75	7.00
2015	2.75	7.00
2016	2.75	7.00
2017	2.75	7.00
2018	2.75	7.00
2019	2.75	7.00
2020	2.75	7.00

Note: The town sales tax rate may be changed only with the approval of the state legislature.

^a The overlapping rate is that of the state government that applies to sales within the Town. The state rate was increased by 1% in FY 2004. The rate on food items has had several incremental adjustments, and as of July 1, 2017 is 4%.

SCHEDULE 12
TOWN OF COLLIERVILLE
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(dollars in thousands except per capita)

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Notes Payable	Settlement Obligation	Capital Lease	Water & Sewer Revenue & Tax Bonds	General Obligation Bonds			
2011	\$ 32,235	\$ 1,372	\$ -	\$ -	\$ 31,930	\$ 20	\$ 65,557	3.85%	\$ 1,491
2012	29,315	1,113	-	-	29,631	16	60,075	3.53	1,366
2013	27,924	846	-	-	29,504	12	58,286	3.33	1,326
2014	32,746	572	5,381	-	27,303	7	66,010	3.77	1,501
2015	30,015	290	5,025	465	25,043	5	60,842	3.46	1,384
2016	132,903 ^a	-	4,580	235	22,987	2	160,707	7.73	3,289
2017	128,792	-	4,165	-	20,475	-	153,432	7.33	3,120
2018	124,329	-	3,742	1,660	18,158	-	147,889	6.62	2,941
2019	119,721	-	3,309	2,797	15,471	-	141,298	5.97	2,922
2020	114,948	-	2,866	2,375	12,673	-	132,862	5.31	2,704

Source: 2010 Census Economic Data and US Census Bureau estimated population

^a The Town issued bonds of \$93,485,000 for the construction of a new high school.

SCHEDULE 13
TOWN OF COLLIERVILLE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(dollars in thousands except per capita)

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds ^a	Total		
2011	\$ 32,255	\$ 32,255	0.61%	\$ 734
2012	29,331	29,331	0.56	667
2013	27,936	27,936	0.51	635
2014	32,753	32,753	0.63	745
2015	30,020	30,020	0.57	683
2016	132,905	132,905	2.50	2,720
2017	128,792	128,792	2.37	2,619
2018	124,329	124,329	1.99	2,472
2019	119,721	119,721	1.88	2,365
2020	114,948	114,948	1.79	2,199

Source: 2010 Census Economic Data and US Census Bureau estimated population

^a Starting in the Comprehensive Annual Financial Report for Year Ending June 30, 2011, General Obligation Bonds (for all years) includes general obligation debt for governmental activities and business-type activities.

SCHEDULE 14
TOWN OF COLLIERVILLE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2020
(dollars in thousands)

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Shelby County	\$ 868,633	9.24%	\$ 80,262
Town direct debt	120,190	100%	<u>120,190</u>
Total direct and overlapping debt			<u>\$ 200,452</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Shelby County Assessor's office. Debt outstanding provided by each governmental unit.

Note: Overlapping governments are those that coincide with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Collierville. This process recognizes that, when considering the town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

SCHEDULE 15
TOWN OF COLLIERVILLE
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Water & Sewer Tax & Revenue Bonds			Debt Service		Coverage
	Total	Less:	Net			
	Revenue and Other Sources	Operating Expenses	Available Revenue	Principal	Interest	
2011	\$ 12,269	\$ 6,369	\$ 5,900	\$ 1,784	\$ 1,389	1.86%
2012	12,468	6,886	5,582	1,845	1,319	1.76
2013	11,909	6,810	5,099	1,934	1,083	1.69
2014	12,081	7,050	5,031	2,034	958	1.68
2015	11,830	7,058	4,772	2,093	890	1.60
2016	12,314	7,633	4,681	2,148	741	1.62
2017	12,600	7,938	4,663	2,242	747	1.56
2018	13,021	8,033	4,988	2,045	680	1.83
2019	13,529	8,140	5,389	2,415	589	1.79
2020	13,457	8,493	4,964	2,525	498	1.64

SCHEDULE 16
TOWN OF COLLIERVILLE
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	School Enrollment^d	Unemployment Rate^a
2011	43,965 ^b	1,703,424	38,745 ^b	8,516	7.4
2012	43,965 ^b	1,703,424	38,745 ^b	8,639	6.5
2013	43,965 ^b	1,749,279	39,788 ^b	9,062	6.6
2014	43,965 ^b	1,719,119	39,102 ^b	8,572	6.3
2015	43,965 ^b	1,760,447	40,042 ^b	9,646	5.6
2016	48,863 ^d	2,078,485	42,537 ^d	9,534	4.1
2017	49,177 ^d	2,091,842	42,537 ^d	9,448	4.2
2018	50,286 ^d	2,233,201	44,410 ^d	9,933	4.1
2019	50,616 ^d	2,365,539	46,735 ^d	9,985	3.3
2020	52,264 ^c	2,500,467	47,843 ^d	10,027	3.5

^a Information about unemployment is provided by the Tennessee Department of Labor and Workforce Development.

^b Population and per capita income according to the U. S. Census Economic Data.

^c School enrollment includes statistics for public, private and home schools within the Town's borders. In 2015 Collierville began its own municipal school system and assumed operation of the public schools within the Town formerly operated by Shelby County Schools.

^d Estimated population and per capita income according to the U. S. Census Bureau.

^e Estimated population according to the Town's Development Department.

SCHEDULE 17
TOWN OF COLLIERVILLE
PRINCIPAL EMPLOYERS
Current year and Nine Years Ago

<u>Employer</u>	2019			2010		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment¹</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment¹</u>
FedEx	2,456	1	0.54%	3,000	1	0.65%
Carrier Corporation	1,500	2	0.33	1,700	2	0.37
Collierville Schools	1,178	3	0.26			
Town of Collierville	559	4	0.12	456	4	0.10
Baptist Hospital - Collierville	400	5	0.09	417	6	0.09
Kroger	300	6	0.07	260	9	0.06
Orgill	300	7	0.07			
Helena Chemical	250	8	0.05	212	10	0.05
Juice Plus (NSA)	250	9	0.05			
MCR Safety	250	10	0.05			
Shelby County Schools				585	3	0.13
Wal-Mart				465	5	0.10
Alpha Corporation				350	7	0.08
Pepsi Americas				325	8	0.07
Total	<u>7,443</u>		1.63%	<u>7,770</u>		1.69%

Sources: U. S. Census Bureau, Town of Collierville Economic Development Department

¹Percentage of total Shelby County employment. (TN Dept of Labor & Workforce

SCHEDULE 18
TOWN OF COLLIERVILLE
FULL-TIME TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government										
Administration	12	12	13	12	13	13	15	13	14	15
Morton Museum ^a	-	1	1	2	2	2	2	3	3	3
Library ^b	-	-	-	-	-	8	8	8	8	8
Financial Administration	19	19	19	19	21	21	19	20	20	20
Human Resources	4	4	4	5	6	5	5	6	6	6
Information Technology	5	5	5	5	5	6	6	6	6	6
General Services Administration	13	13	14	15	15	16	18	8	8	8
General Services Parks & Facilities Maintenance ^c	-	-	-	-	-	-	-	48	48	47
Development										
Administration	2	2	2	3	3	3	3	3	3	3
Office of Planning	9	9	9	9	9	10	10	10	9	9
Code Enforcement	12	10	11	13	14	14	15	15	15	15
Office of Engineer	12	11	11	11	11	12	12	12	12	12
Education ^d										
Professional	-	-	-	-	585	642	659	728	690	690
Clerical	-	-	-	-	53	54	55	49	48	48
Other	-	-	-	52	144	174	204	218	443	440
Public Safety										
Animal Services	5	5	4	4	4	5	6	9	9	9
Municipal Court	9	9	9	9	12	12	11	17	17	17
Police Department	137	137	138	141	141	140	149	143	158	163
Fire Department	68	69	69	69	69	71	73	73	73	73
Public Services										
Administration	5	5	7	7	7	7	8	9	9	9
Vehicle Maintenance	8	7	7	9	9	10	11	9	9	9
Streets and Drainage	25	25	29	29	29	29	29	22	27	28
Sanitation	32	27	28	30	30	31	31	30	30	30
Parks and Recreation	44	44	44	46	50	49	50	13	13	13
Public Utilities										
Water Treatment Plant	5	5	5	5	5	5	4	5	5	5
Water Distribution System	13	13	12	14	17	17	19	19	19	19
Wastewater Collection	10	10	10	8	6	7	8	8	8	8
Wastewater Treatment	7	7	7	7	7	7	7	7	7	7
Total	<u>456</u>	<u>449</u>	<u>458</u>	<u>524</u>	<u>1,267</u>	<u>1,370</u>	<u>1,437</u>	<u>1,511</u>	<u>1,717</u>	<u>1,720</u>

Sources: Town of Collierville Human Resources Department.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

^a FY 2012 a new department was created for the Morton Museum with a curator position added.

^b In FY 2016, the Library became a department in the General Fund for the Town

^c Beginning in FY 2018, Parks maintenance staff was transferred to General Services Parks and Facilities Maintenance

^d Administrative employees for the schools were hired in FY 2014, school operations began in FY 2015.

SCHEDULE 19
TOWN OF COLLIERVILLE
OPERATING INDICATORS BY FUNCTION/PROGRAM,
Last Ten Fiscal Years

<i>Function/Program</i>	<u>2011</u>	<u>2012^c</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020^e</u>
Development										
Permits issued	2,610	3,130	4,050	3,893	3,355	3,658	3,597	3,988	3,874	2,268
Inspections conducted	7,280	9,163	12,652	12,395	11,417	8,965	11,084	12,005	11,642	6,372
Police ^a										
Physical arrests	2,392	2,591	2,424	2,745	2,604	2,412	2,404	2,059	N/A	N/A
Traffic citations	9,978	12,001	11,643	12,731	11,459	9,045	10,230	9,742	N/A	N/A
DUI arrests	138	152	125	138	151	102	143	138	N/A	N/A
Fire										
Total responses	2,785	2,799	3,011	3,066	3,207	3,507	3,429	3,828	3,947	3,845
Fires extinguished	105	94	102	93	88	91	72	102	74	77
Inspections	2,659	2,637	2,615	2,789	2,717	2,508	4,112	4,312	3,243	3,222
Sanitation										
Refuse collected (tons) ^b	14,124	13,993	14,344	14,812	14,332	14,469	14,742	14,681	15,103	16,905
Recyclables collected (tons)	1,900	1,927	1,835	1,872	3,071	3,100	3,149	3,300	3,049	2,421
Other public works										
Street resurfacing (lane miles)	12	33	27	24	20	29	24	31	17	20
Sidewalk replacement (linear feet) ^d	240	401	223	235	175	129	-	-	-	-
Curb replacement (linear feet) ^c	-	1,921	3,513	1,521	2,325	1,951	1,226	3,500	1,500	1,090
Pavement repairs	300	238	220	380	502	285	237	3,000	3,000	2,603
Parks and Recreation										
Adult/youth sports participants	5,790	5,546	5,879	5,872	5,989	6,048	6,420	6,484	5,840	1,150
Community center admissions	139,450	140,211	140,536	140,548	140,829	141,533	140,117	141,400	141,500	32,500
Harrell Theatre attendance	32,836	30,112	22,857	22,922	31,412	31,725	32,043	31,433	32,450	1,255
Library										
Volumes in collection	113,785	117,057	122,209	129,452	134,452	125,120	132,545	120,183	124,023	125,364
Total volumes circulated	345,914	350,044	362,498	348,300	340,902	333,478	343,347	343,732	371,677	367,438
Water										
New connections	182	154	212	264	262	259	695	244	233	186
Water main breaks	32	15	39	25	45	39	19	36	22	18
Average daily consumption (thousands of gallons)	6,821	6,803	6,006	5,933	5,586	6,035	6,173	6,157	6,000	5,659
Peak day consumption (thousands of gallons)	11,898	15,472	14,543	10,862	10,601	12,473	11,339	11,471	11,641	10,562
Wastewater										
Average daily sewage treatment (thousands of gallons)	3,868	3,937	4,144	4,233	4,174	4,214	4,069	4,590	4,509	3,322

Sources: Various town departments.

Notes:

^aThe Police Department measures are by calendar year.

^bHousehold garbage only. Junk and yard waste is not included.

^cThe first year for tracking of this data.

^dBeginning in 2017, sidewalk maintenance is the responsibility of the property owner, therefore the Town no longer tracks this number.

^eDue to the ongoing COVID-19 pandemic in 2020, the number of permits issued and inspections conducted are significantly less than previous years. The number of adult/youth sports participants, community center admissions and Harrell Theatre attendance have also been negatively impacted by the health mandates established as a result of the pandemic.

SCHEDULE 20
TOWN OF COLLIERVILLE
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM,
Last Ten Fiscal Years

<i>Function/Program</i>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	75	75	79	79	79	80	79	81	88	87
Fire stations	5	5	5	5	5	5	5	5	5	5
Sanitation										
Refuse collection trucks	24	24	26	26	26	30	31	32	32	29
Recycle Trucks ^a	0	0	0	2	3	3	3	3	5	5
Other public works										
Streets (miles)	278	311	336	340	340	346	350	350	350	370
Streetlights	6,576	6,599	6,599	6,599	6,695	6,716	6,805	6,809	7,001	7,169
Traffic Signals (intersections)	38	39	39	40	40	42	43	46	45	46
Education ^d										
Schools										
High	-	-	-	1	1	1	1	1	1	1
Middle	-	-	-	2	2	2	2	2	2	2
Elementary	-	-	-	5	5	5	5	5	5	5
Parks and Recreation										
Parks	18	18	18	18	20	20	20	20	20	20
Acreage ^b	750	750	750	775	1,025	1,025	1,025	1,025	1,025	1,025
Playgrounds ^c	13	13	13	13	15	15	15	15	15	15
Baseball/softball diamonds	15	15	15	15	15	15	15	15	17	17
Soccer/football fields	11	11	11	11	12	12	12	12	12	12
Community centers	1	1	1	1	1	1	1	1	1	2
Water										
Water mains (miles)	240	240	240	242	248	250	283	283	307	315
Fire hydrants	3,103	3,103	3,103	3,366	3,400	3,457	3,500	3,600	3,600	3,650
Water treatment plants	5	5	5	5	5	5	5	5	5	5
Storage capacity (thousands of gallons)	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Wastewater										
Sewer mains (miles)	228	228	228	230	235	240	270	270	270	274
Wastewater treatment plants	2	2	2	2	2	2	2	2	2	2
Treatment capacity (thousands of gallons)	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500

Sources: Various town departments.

Notes:

^a Recycling operations were contracted out during 2011. The Town resumed operations in FY 2013.

^b Includes Department owned wetlands.

^c Includes new Hinton Park facility.

^d In 2014, the Town received 8 schools from Shelby County in a transfer of operations. The Collierville Schools opened to students in August 2014.

SCHEDULE 21
TOWN OF COLLIERVILLE
INSURANCE COVERAGE
30-Jun-20

Public Entity Partners TMP – 7718-17	Property Insurance	\$199,507,264 Buildings & Personal Property; \$2,256,793 Electronic Data; \$2,041,180 Mobile Equipment, \$197,250,471 Equipment Breakdown; \$5,000 Deductible Buildings, Personal Property, Equipment Breakdown; \$250 Deductible Mobile Equipment; \$250 Deductible Electronic Data Processing Equipment
Public Entity Partners – 0070-17	General Liability and Personal Injury	\$300,000 / \$700,000 Bodily Injury Tort Liability; \$100,000 Property Damage Tort Liability; \$100,000 Fire Damage; \$100,000 Each Impounded Property; \$100,000 Non-Monetary Defense; \$1,000 per Person, \$10,000 per Accident Medical Payments; \$5,000,000 Each Other Loss; \$1,000,000 Catastrophic Medical per occurrence, \$500,000 Catastrophic Medical per person
	Automobile Liability	\$300,000 / \$700,000 Bodily Injury Tort Liability; \$100,000 Property Damage Tort Liability; \$5,000,000 Each Other Loss; \$1,000 per Person, \$10,000 per Accident Medical Payments; \$1,000,000 Catastrophic Medical
	Uninsured Motorist	\$300,000 Per Occurrence Bodily Injury; \$100,000 Property Damage
	Comprehensive, Collision	\$250 Deductible Per Occurrence; \$500 Deductible per Occurrence
	Errors or Omissions Liability	\$5,000,000 Per Occurrence; \$100,000 Non-Monetary Defense; \$1,000,000 Employee Benefits Liability; \$5,000 Deductible

(Continued)

Schedule 21 - Continued

TWC – 0032-17	Worker's Compensation	\$300,000 Bodily Injury Each Accident; \$700,000 Bodily Injury by Policy Limit; \$300,000 Each Employee by Disease
Public Entity Partners Insurance Pool TWC 0-0032-05	Special Risk Volunteer Auxiliary Police Medical	Unlimited - Medical payment only
AIG Life Insurance Company SRG8051362	Special Risk Volunteer Policemen's Accidental Death, Medical and Disability	\$25,000 / \$25,000 / \$200 Weekly Benefit: \$200 Maximum: \$125,000/Accident
Brown & Associates Acct # COLPO	Sheriff's Deputy Bonds	\$50,000
Brown & Associates	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Notary Public Underwriters of TN, Inc.	Notary Bonds	\$10,000
Clay & Land	Notary Bonds	\$10,000
Clay & Land	Notary Bonds	\$10,000
Public Entity Partners – 7718-17	Crime Coverage	\$250,000 Employee Dishonesty; \$250,000 Forgery or Alteration; \$250,000 Theft, Disappearance, Destruction; \$250,000 Computer Fraud; \$250,000 Other - Money Order & Counterfeit Paper Currency \$1,000 Deductible
QBE Insurance Corporation MHH010303	Town of Collierville Volunteers	\$2,500 Principal Sum; \$25,000 Medical Indemnity

GOVERNMENT AUDITING STANDARDS SECTION

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program	CFDA Number	Contract Number	Receivable 6/30/2019	Receipts	Expenditures	Receivable 6/30/2020
U.S. Department of Housing and Urban Development						
<u>State of Tennessee</u>						
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	56427	\$ 1,233,218	\$ 1,285,522	\$ 52,304	\$ -
Total U.S. Department of Housing and Urban Development			1,233,218	1,285,522	52,304	-
U.S. Department of Justice						
<u>Tennessee Governor's Highway Safety Office,</u>						
Bulletproof Vest Partnership Program	16.607	FY20	-	-	7,366	7,366
<u>Direct Award</u>						
Equitable Sharing Program	16.922	TN0790100	-	121,615	121,615	-
Total U.S. Department of Justice			-	121,615	128,981	7,366
U.S. Department of Transportation						
<u>State of Tennessee</u>						
<i>Highway Planning and Construction Cluster</i>						
Highway Planning and Construction	20.205	STP-M-57(66)	8,602	82,185	88,655	15,072
Highway Planning and Construction	20.205	STP-175(23)	34,077	36,342	2,265	-
Highway Planning and Construction	20.205	STP-M-5437(10)	225,886	265,731	39,845	-
Highway Planning and Construction	20.205	STP-M-5437(11)	9,180	44,050	138,196	103,326
Highway Planning and Construction	20.205	STP-M-175(25)	60,833	81,301	20,468	-
Highway Planning and Construction	20.205	STP-EN-9417(9)	783,028	1,113,127	330,099	-
Highway Planning and Construction	20.205	TAP-M-9417(11)	30,160	43,520	38,520	25,160
Highway Planning and Construction	20.205	STP-M-5426(1)	6,471	35,352	36,082	7,201
Total CFDA 20.205			1,158,237	1,701,608	694,130	150,759
<u>Tennessee Governor's Highway Safety Office</u>						
State and Community Highway Safety	20.600	Z-19-THS062	4,822	10,325	5,503	-
Total U.S. Department of Transportation			1,163,059	1,711,933	699,633	150,759
Total Federal Awards			\$ 2,396,277	\$ 3,119,070	\$ 880,918	\$ 158,125

See independent auditor's report and accompanying notes to the schedule.

TOWN OF COLLIERVILLE, TENNESSEE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2020

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state grant activity of the Town of Collierville, Tennessee (the Town) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- 2) Pass-through entity identifying numbers are presented where available.
- 3) There were no federal awards passed through to subrecipients.
- 4) The Town has elected not to use the de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE TO THE FINANCIAL STATEMENTS

The following is a reconciliation of expenditures per the schedule of expenditures of federal awards and state financial assistance to the revenue balances in the Town's financial statements.

Total grant revenue per governmental funds financial statements	\$ 9,119,440
Collierville Schools federal awards and state assistance	(6,591,953)
Change in unavailable revenue	(1,653,841)
Non-federal and non-state grants and awards	7,272
Total federal awards and state financial assistance	<u>\$ 880,918</u>

**INDEPENDENT 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 *GOVERNMENT AUDITING STANDARDS***

To the Mayor and Board of Aldermen of the
Town of Collierville, Tennessee:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the statements of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the Town of Collierville, Tennessee (the “Town”), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated December 11, 2020. Our report includes a reference to other auditors who audited the financial statements of the Board of Education of Collierville Schools, (the “Schools”), as described in our report on the Town’s financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town’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 the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’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 the Town'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 results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Watkins Wilkerson, PLLC". The signature is written in a cursive, flowing style.

Memphis, Tennessee
December 11, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Board of Aldermen of the
Town of Collierville, Tennessee:

Report on Compliance for Each Major Federal Program

We have audited the Town of Collierville, Tennessee's (the "Town") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2020. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Town of Collierville, Tennessee's basic financial statements include the operations of Collierville Schools (the "Schools"), which include the general purpose school fund, each major fund, and the fiduciary funds of the School. The School's expended \$6,263,412 in federal awards and \$44,907,909 in state awards which are not included in the Town of Collierville, Tennessee's schedule of expenditures of federal and state awards during the year ended June 30, 2020. Our audit, described below, did not include the operations of the Schools because the Schools engaged other auditors to perform an audit of compliance.

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 the Town'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 *Governmental 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 the Town'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 the Town's compliance.

Opinion on Each Major Federal Program

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

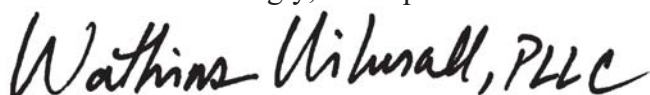
Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the Town'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 the Town'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.

A handwritten signature in black ink that reads "Watkins Wilmall, PLLC". The signature is written in a cursive, flowing style.

Memphis, Tennessee
December 11, 2020

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2020

SECTION I – SUMMARY OF INDEPENDENT AUDITOR’S RESULTS

Financial Statements

Type of auditors report issued on whether financial statements audited
were prepared in accordance with accounting principles generally
accepted in the United State of America Unmodified

Internal control over financial reporting:
Material weakness(es) identified? ___ Yes X No

Significant deficiency(ies) identified not considered
to be material weakness(es)? ___ Yes X None Reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:
Material weakness(es) identified? ___ Yes X No

Significant deficiency(ies) identified not considered
to be material weakness(es)? ___ Yes X None Reported

Type of auditors report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200.516(a) ___ Yes X No

Identification of major programs:

CFDA Number: 20.205 – Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Did auditee qualify as a low-risk auditee? ___ Yes X No

TOWN OF COLLIERVILLE, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended June 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

TOWN OF COLLIERVILLE, TENNESSEE
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020

SECTION I – FINANCIAL STATEMENT FINDINGS

Prior Year Finding Number	Finding Title	Status
2019-001	Record Court Receivables and Associated Allowance for Uncollectibles (Original Finding #2019-001)	Corrected

SECTION II – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.