

TRENTON SPECIAL SCHOOL DISTRICT
Board of Education Regular Meeting
Central Office - 6:00 PM
February 11, 2020

1. **INVOCATION:**

2. **CALL TO ORDER:**

3. **APPROVAL OF DIRECTOR OF SCHOOLS' CONTRACT:**

4. **APPROVE AGENDA:**

1. Approval of February 11th Agenda:

5. **APPROVE MINUTES:**

1. Approval of December 3rd Minutes:

6. **RECOGNITIONS:**

1. TES PBIS Program - Bronze Level:

2. TRMS PBIS Program - Gold Level:

3. Jr. Beta Robotics Team - Placed 3rd at Jr. Beta State Convention:

4. 2019 Class 2A State Football Champions:

7. **REPORTS:**

1. CTE Career Exploration at TRMS - Grades 5 and 6

:

2. CTE STEM Start-up Grant at TRMS - Grades 7 and 8:

3. CTE Early Post-Secondary Expansion for HVAC at PHS:

4. STEM Program Presentation:

5. January DHB Report:

8. **CONSENT AGENDA:**

1. Approval of Central Office Financial Report:

1. November 2019 Financials:
2. December 2019 Financials:
2. Approval of Three Schools Financial Report:
 1. November 2019 Financials:
 2. December 2019 Financials:
3. Approval of PHS Library Surplus:

9. **REGULAR AGENDA:**

1. Approval of Amendment to Director of Schools Current Contract:
2. Approval of 2018-2019 Internal School Audits:
3. Approval of 2018-2019 District Audit:
4. Approval of STEM Club to Attend STEM Expo in Chicago:
5. Approval of Senior Band Trip:
6. Approval of New General Purpose Budget Items:
7. Approval of Resolution to Refinance Bonds:

10. **DIRECTORS REPORT:**

1. Retirement - Patti Wright, ESL Teacher District-wide:
2. School Board Elections - August 6th :
3. Tour HVAC Lab:

11. **ADJOURNMENT:**

A RESOLUTION AUTHORIZING THE ISSUANCE OF LIMITED TAX SCHOOL BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY-ONE MILLION DOLLARS (\$21,000,000) OF THE TRENTON SPECIAL SCHOOL DISTRICT; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

WHEREAS, the Trenton Special School District (the "District") was duly created by Chapter 144 of the 1975 Private Acts of the State of Tennessee, as amended (the "Private Act"); and

WHEREAS, under the provisions of the Private Act, the District is authorized to issue interest bearing bonds for various school purposes; and

WHEREAS, under Section 8 of the Private Act, the District has the power to collect a property tax at a rate established by the Private Act levied on all real and personal property in the District (the "Limited Tax"); and

WHEREAS, the revenues from the Limited Tax may be used for, among other things, the retirement of bonds, including refunding bonds; and

WHEREAS, the District has previously financed or refinanced improvements to its school facilities through the issuance of its Limited Tax School Bonds, Series 2010A, dated August 12, 2010 (the "2010A Bonds"), its Limited Tax School Bonds, Series 2010B (Federally Taxable Build America Bonds), dated August 12, 2010 (the "2010 Bonds"); and its Limited Tax School Refunding Bonds, Series 2012, dated October 30, 2012 (the "2012 Bonds"); and

WHEREAS, the 2010A Bonds, the 2010B Bonds and the 2012 Bonds maturing May 1, 2021 and thereafter (the "Refunded Bonds") can be refinanced at a lower interest cost to the District; and

WHEREAS, the District is authorized to issue, by resolution, bonds to refund, redeem or make principal and interest payments on their previously issued bonds, notes or other obligations; and

WHEREAS, the Board of Trustees of the District has determined that in order to provide the funds necessary to refund the Refunded Bonds, it is necessary to issue limited tax revenue bonds of the District; and

WHEREAS, the Board of Trustees of the District has also heretofore determined that it is necessary and advisable to issue bonds for the purpose of providing funds to acquire improvements, renovations, expansions, furnishings, fixtures and equipment used in school buildings and facilities and leased by the District; and

WHEREAS, on December 3rd, 2019, the Board of Trustees of the District adopted an initial resolution proposing the issuance of not to exceed 4,600,000 in the aggregate principal amount of limited tax revenue bonds, the proceeds of which will be used for the acquisition of the project described above; and

WHEREAS, the initial resolution has been published as required by law; and

WHEREAS, it is the intention of the Board of Trustees of the District to adopt this resolution for the purpose of authorizing not to exceed \$21,000,000 in aggregate principal amount of bonds, providing for the issuance, sale and payment of said bonds, establishing the terms thereof, and the disposition of proceeds therefrom, providing for the pledge of security for and source of payment of said bonds, and providing for the issuance of said bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Trenton Special School District, as follows:

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to Chapter 144 of the 1975 Private Acts of the State of Tennessee, as amended, and other applicable provisions of law.

Section 2. Definitions. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bonds" means the not to exceed \$21,000,000 Limited Tax School Bonds, Series 2020 of the District, to be dated the date of issuance, and having such series designation or other designation and other dated date as shall be determined by the President of the Governing Body pursuant to Section 8 hereof;

(b) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the District or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds;

(c) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder;

(d) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC;

(e) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns;

(f) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System;

(g) "Escrow Agent" means the escrow agent, if any, appointed by the President of the district to act as escrow agent pursuant to the Refunding Escrow Agreement, or its successor;

(h) "Federally Tax-Exempt Bonds" means any emission of Bonds, the interest on which is intended to be excludable from gross income of the holders thereof for federal income tax purposes;

(i) "Governing Body" means the Board of Trustees of the District;

(j) "Municipal Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee;

(k) "Project" mean the acquisition of improvements, renovations, expansions, furnishings, fixtures and equipment used in school buildings and facilities and leased by the District;

(l) "Refunded Bonds" means the Limited Tax School Bonds, Series 2010A, dated August 12, 2010, maturing May 1, 2021 and thereafter, its Limited Tax School Bonds, Series 2010B (Federally Taxable Build America Bonds), dated August 12, 2010, maturing May 1, 2021 and thereafter; and its Limited Tax School Refunding Bonds, Series 2012, dated October 30, 2012, maturing May 1, 2021 and thereafter;

(m) "Refunding Escrow Agreement" shall mean the Refunding Escrow Agreement, dated as of the date of the Bonds, to be entered into by and between the District and the Escrow Agent, pursuant to Section 11 hereof; and

(n) "Registration Agent" means the registration and paying agent appointed by the President pursuant to Section 3 hereof, or any successor designated by the Governing Body.

Section 3. Findings of the Governing Body. It is hereby found and determined by the Governing Body that the refunding of the Refunded Bonds as set forth herein through the issuance of the Bonds will result in debt service saving for the District and assist in acquiring the Project.

Section 4. Authorization and Terms of the Bonds. (a) For the purpose of providing funds (i) to refund the Refunded Bonds, (ii) to finance the cost of the Projects and costs incident thereto; (iii) reimburse the appropriate fund of the District for prior expenditures for the foregoing costs, if applicable; and (iv) pay costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds of the District in the aggregate principal amount of not to exceed \$21,000,000. The Bonds shall be issued in one or more emissions, in fully registered, Book-Entry Form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted under Section 8, shall be known as "Limited Tax School Bonds", shall be dated the date of issuance, and shall have such series designation or other designation and other dated date as shall be determined by the President pursuant to Section 8 hereof. Each emission of Bonds shall bear interest at a rate or rates not to exceed the maximum rate permitted by applicable Tennessee law, payable (subject to the adjustments permitted under Section 8) semi-annually on May 1 and November 1 in each year, commencing November 1, 2020. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. Subject to the adjustments permitted pursuant to Section 8 hereof, each emission of Bonds shall mature serially or be subject to mandatory redemption and shall be payable on November 1 of each year, subject to prior optional redemption as hereinafter provided, either serially or through mandatory redemption, in the years 2021 through 2045, inclusive.

(b) Subject to the adjustments permitted pursuant to Section 8 hereof, Bonds shall be subject to redemption prior to maturity at the option of the District on May 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date. If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

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

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

(c) Pursuant to Section 8 hereof, the President is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the President. In the event any or all the Bonds are sold as Term Bonds, the District shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to Section 7 hereof for each redemption date, as such maturity amounts may be adjusted pursuant to Section 7 hereof, at a price of par plus accrued interest thereon to the date of redemption. The Term Bonds to be redeemed within a single maturity shall be selected in the manner described in subsection (b) above.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the District may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the District on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The District shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

(d) Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the District not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the District nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the District pursuant to written instructions from an authorized representative of the District (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for

redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the District to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(e) The Governing Body hereby authorizes and directs the President to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the District at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The President is hereby authorized to execute and the Secretary is hereby authorized to attest such written agreement between the District and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(f) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the District in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(g) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the District to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the District shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the District shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when

deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the District of such Special Record Date and, in the name and at the expense of the District, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the District to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(h) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment included therein completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the District to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the District nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(i) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the District with the manual or facsimile signature of the President and attested by the manual or facsimile signature of the Secretary or her designee.

(j) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Bond Registrar is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or

through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co. as provided in the Letter of Representation relating to the Bonds from the District and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The District and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds, or (2) to the extent permitted by DTC's policies, the District determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, then the District shall discontinue the Book-Entry System with DTC or, upon request of such original purchaser, deliver the Bonds to the original purchaser in the form of fully registered Bonds, as the case may be. If the District fails to identify another qualified securities depository to replace DTC, the District shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. If the purchaser(s) certifies that it intends to hold the Bonds for its own account and has no present intent to reoffer the Bonds, then the District may issue the Bonds fully registered certificated Bonds in lieu of using DTC.

THE DISTRICT AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

(k) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect

to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds, provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this section.

(l) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the District of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(m) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the District, in its discretion, shall issue, and the Registration Agent, upon written direction from the District, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be about to mature, instead of issuing a substituted Bond the District may pay or authorize payment of such Bond without surrender thereof. In every case the applicant shall furnish evidence satisfactory to the District and the Registration Agent of the destruction, theft or loss of such Bond, and indemnity satisfactory to the District and the Registration Agent; and the District may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the District for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Bonds shall be payable primarily from and secured by a continuing annual tax, the rate of which has been set by the Act, as such rate may hereafter be adjusted from time to time by the General Assembly of the State of Tennessee, to be levied on all taxable property within the boundaries of the District, as more fully set forth in Section 7 hereof. In the event the revenues derived from said tax are insufficient to pay principal of and interest on the Bonds when due, any such deficiency shall be payable from and, to the extent permitted by law, secured by funds received by the District under the Tennessee Basic Education Program available to be used for capital outlay expenditures, as set forth in Section 49-3-351, et seq., Tennessee Code Annotated, and related sections, and its share of the Local Option Sales and Use Tax now or hereafter levied and collected in Gibson County, Tennessee, pursuant to Section 67-6-712, Tennessee Code Annotated. In the event said property taxes and other funds hereinabove described shall not be sufficient to pay principal of and interest on the Bonds when due, the District will apply any other available funds of the District for the payment thereof when due.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriately completed when the Bonds are prepared and delivered:

(Form of Face of Bond)

REGISTERED Number _____	UNITED STATES OF AMERICA STATE OF TENNESSEE COUNTY OF GIBSON TRENTON SPECIAL SCHOOL DISTRICT LIMITED TAX SCHOOL BOND, SERIES 2020	REGISTERED \$ _____
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Interest Rate: Maturity Date: Date of Bond: CUSIP No.:

Registered Owner: CEDE & CO.

Principal Amount:

FOR VALUE RECEIVED, Trenton Special School District, a special school district lawfully created by Chapter 144 of the 1975 Private Acts of the State of Tennessee, as amended, and validly existing in Gibson County, Tennessee (the "District") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on [November 1, 2020], and semi-annually thereafter on the first day of [May] and [November] in each year until this Bond matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of _____, _____, _____, as registration agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the District to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody or a custodian of DTC. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the District and the Registration Agent shall treat Cede & Co., as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the District nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as

securities depository for the Bonds or (2) to the extent permitted by DTC's policies, the District determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the District may discontinue the book-entry system with DTC. If the District fails to identify another qualified securities depository to replace DTC, the District shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. Neither the District nor the Registration Agent shall have any responsibility or obligations to any DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners, (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds shall be subject to redemption prior to maturity at the option of the District on May 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of Trustees of the District, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

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

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

[Subject to the credit hereinafter provided, the District shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC, or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent in the same manner as is described above for optional redemptions. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

Final
Maturity

Redemption
Date

Principal
Amount
of Bonds
Redeemed

*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the District may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the District on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The District shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the District nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the District to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the District nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the District to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$_____ and issued by the District for the purpose of providing funds for (i) refunding the District's outstanding its Limited Tax School Bonds, Series 2010A, dated August 12, 2010, its Limited Tax School Bonds, Series 2010B (Federally Taxable Build America Bonds), dated August 12, 2010, maturing May 1, 2021 and thereafter, and its Limited Tax School Refunding Bonds, Series 2012, dated October 30, 2012 maturing May 1, 2021 and thereafter (the "2012 Bonds"); (ii) the acquisition of improvements, renovations, expansions, furnishings, fixtures and equipment used in school buildings and facilities and presently leased by the District; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing (collectively, the "Project"); and (iv) the payment of costs incident to the issuance of the bonds of which this Bond is one, pursuant to and in full compliance with the constitution and statutes of the State of Tennessee, including Chapter 144 of the 1975 Private Acts of the State of Tennessee, as amended (the "Private Act") and pursuant to a resolution duly adopted by the Board of Trustees of the District on the 11th day of February, 2020 (the "Resolution").

This Bond is payable primarily from and secured by a continuing annual tax levied on all taxable property within the boundaries of the District, the rate of which has been established by the General Assembly of the State of Tennessee pursuant to Chapter 157 of the 2002 Private Acts of the State of Tennessee, as such rate may hereafter be adjusted from time to time by the General Assembly. In the event the revenues derived from said tax are insufficient to pay principal of and interest on the Bonds when due, any such deficiency shall be payable from and, to the extent permitted by law, secured by funds received by the District under the Tennessee Basic Education Program available to be used for capital outlay expenditures, as set forth in Section 49-3-351, et seq., Tennessee Code Annotated, and related sections, and its share of the Local Option Sales and Use Tax now or hereafter levied and collected in Gibson County, Tennessee, pursuant to Section 67-6-712, Tennessee Code Annotated. In the event said property taxes and other funds hereinabove described shall not be sufficient to pay principal of and interest on the Bonds when due, the District will apply any available funds of the District for the payment thereof when due. For a more complete statement of the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the

inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Board of Trustees of the District has caused this Bond to be signed by its President with his/her manual signature and attested by its Secretary with his/her manual or signature, all as of the date hereinabove set forth.

TRENTON SPECIAL SCHOOL DISTRICT

BY: _____
President

ATTESTED:

Secretary

Transferable and payable at the
principal corporate trust office of: _____
_____, _____

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

Registration Agent

By: _____

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of the Trenton Special School District, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

Section 7. Levy of Tax.

(a) For the prompt payment of the principal of, premium, if any, and interest on the Bonds, there is hereby pledged to the payment thereof all amounts received by the District from a continuing annual tax levied on all taxable property within the boundaries of the District established by the General Assembly pursuant to the Act, as such rate may hereafter be adjusted from time to time by the General Assembly of the State of Tennessee. The District will take no action to rescind or reduce the aforesaid tax or seek to have it rescinded or reduced or the legislation authorizing such tax repealed or amended in such a way as to abolish the tax or reduce the annual tax to an amount less than that necessary to maintain funds, together with other funds hereinafter described, sufficient to pay principal of and interest on the Bonds when due. The rate hereinabove established may be adjusted from time to time in accordance with the procedures set forth in Section 67-5-1704, Tennessee Code Annotated, relating to county-wide reappraisal and any other applicable provisions of law. Nothing herein contained is intended to impair and shall not impair the right of the District to certify pursuant to Section 49-3-1007, Tennessee Code Annotated, and any amendments thereto hereafter enacted, a tax rate to the Trustee of Gibson County of less than the rate set forth in the Act.

(b) The payment of said principal of and premium, if any, and interest on the Bonds is further payable from the funds received by the District under the Tennessee Basic Education Program available to be used for capital outlay expenditures, as set forth in Section 49-3-351, et seq., Tennessee Code Annotated, and related sections and its share of the Local Option Sales and Use Tax now or hereafter levied and collected in Gibson County, Tennessee, pursuant to Section 67-6-712, Tennessee Code Annotated, and, to the extent permitted by law, such funds are hereby pledged to such payment.

(c) In the event of a deficiency in said revenues and funds for the purposes herein provided, the District shall apply funds from any available funds of the District to the payment thereof.

(d) To the extent of the pledge of funds herein described, and to the extent required to pay debt service on the Bonds and other obligations of the District, said funds, when so received, shall be deposited to the debt service fund of the District and used for the purposes hereinabove set forth. Principal and interest falling due at any time when there are insufficient funds on hand from the sources described above shall be paid from the current funds of the District and reimbursement therefor shall be made out of said funds and taxes as provided herein when the same shall have been collected.

(e) The tax herein provided may be reduced to the extent of any appropriations from any other funds, taxes and revenues of the District to the payment of debt service on the Bonds.

(f) In the event any of the Refunded Bonds are not refunded at the time of issuance of the Bonds, the pledges provided in subsections (b) and (c) above shall be subordinate to any existing pledges of such funds securing the Refunded Bonds that remain outstanding. The District may hereafter issue bonds or other obligations of the District on a parity of lien with the pledges provided herein without the consent of any holders of the Bonds,

Section 8. Sale of Bonds. (a) The Bonds shall be offered for competitive public sale in one or more series, at a price of not less than 98.0% of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the President, in consultation with the Municipal Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an Internet bidding service as shall be determined by the County Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one emission, the President is authorized to cause to be sold in each emission an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each emission, and to make corresponding adjustments to the maturity schedule of each emission designated in Section 4 hereof, so long as the total aggregate principal amount of all emissions issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The President is further authorized with respect to each emission of Bonds to:

(1) change the dated date to a date other than the date of issuance;

(3) specify the series designation or change the designation of the Bonds other than "Limited Tax School Bonds";

(4) change the first interest payment date to a date other than November 1, 2020, provided that such date is not later than twelve months from the dated date of such emission of Bonds;

(5) establish and adjust the principal and interest payment dates and determine maturity or mandatory redemption amounts of the Bonds or any emission thereof, provided that (A) the total principal amount of all emissions of the Bonds does not exceed the total amount of Bonds authorized herein, (B) the final maturity date of each emission shall be not later than the end of the thirty (30th) fiscal year following the fiscal year of its emission, and (3) the average life of such emission shall not exceed 20 years;

(6) adjust or remove the optional redemption provisions, provided that the premium amount to be paid does not exceed two percent (2%) of the principal amount thereof;

(7) sell the Bonds, or any emission thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements as determined by the President, as she shall deem most advantageous to the District;

(8) cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the District and to enter into agreements with such insurance company to the extent not inconsistent with this Resolution; and

(9) refund less than all of the Refunded Bonds and designate the maturities of the Refunded Bonds to be refunded.

(d) The President is authorized to sell the Bonds, or any emission thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The President is further authorized to sell the Bonds, or any emission thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more emissions or series as she shall deem to be advantageous to the District and in doing so, the President is authorized to change the designation of the Bonds to a designation other than "Limited Tax School Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The President is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the District, provided the rate or rates on the Bonds does not exceed the maximum rate prescribed by Section 4 hereof. The award of the Bonds by the County Mayor to the lowest bidder shall be binding on the District, and no further action of the Governing Body with respect thereto shall be required.

(f) The President and the Secretary, or either of them, are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the original purchaser and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds.

Section 9. Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be disbursed as follows:

(a) accrued interest, if any, shall be deposited to the appropriate fund of the District to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds;

(b) an amount, which together with investment earnings thereon and legally available funds of the District, if any, will be sufficient to pay principal of, premium, if any, and interest on the Refunded Bonds (subject to adjustments permitted by Section 8 above) shall be transferred to the Escrow Agent under the Refunding Escrow Agreement to be deposited to the Escrow Fund established thereunder to be held and applied as provided therein, or if the services of an Escrow Agent are not used, shall be held by the District and applied to the payment of the Refunded Bonds; and

(c) the remainder of the proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar federal agency in a special fund known as the 2020 Project Fund, or such other designation as shall be determined by the President, (the "Project Fund") to be kept separate and apart from all other funds of the District. The District shall

disburse funds in the Project Fund to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds. The remaining funds in the Project Fund shall be disbursed solely to pay the costs of the Projects. Money in the Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in said Project Fund. Money in the Project Fund shall be expended only for the purposes authorized by this resolution. Moneys in the Project Fund shall be invested at the direction of the District's President in such investments as shall be permitted by applicable law. Earnings from such investments shall be, at the discretion of the President, (i) deposited in the Project Fund to the extent needed for the Projects or (ii) transferred to the District's debt service fund. After completion of the Projects, any funds remaining in the Project Fund, including earnings from such investments, shall be deposited to the District's debt service fund, to the extent permitted by applicable law, subject to any modification by the Governing Body.

Section 10. Official Statement. The President and the Secretary, or either of them, working with the Municipal Adviser, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the officers of the District, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The officers of the County, or any of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The President is authorized, on behalf of the District, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the District except for the omission in the Preliminary Official Statement of such pricing and other information.

Notwithstanding the foregoing, no Official Statement is required to be prepared if the Bonds are purchased by a purchaser that certifies that such purchaser intends to hold the Bonds for its own account and has no present intention to reoffer the Bonds.

Section 11. Refunding Escrow Agreement. For the purpose of providing for the payment of the principal of, premium, if any, and interest on the Refunded Bonds, the President is hereby authorized and directed to execute and the Secretary to attest on behalf of the District the Refunding Escrow Agreement with the Escrow Agent and to deposit with the Escrow Agent the amounts to be used by the Escrow Agent to purchase Government Securities as provided therein. The Refunding Escrow Agreement shall be in such form as is approved by the President and the Secretary and the President and the Secretary are hereby authorized and directed to execute and deliver the same on behalf of the District. The Escrow Agent is hereby authorized and directed to hold and administer all funds deposited in trust for the payment when due of principal of and interest on the Refunded Bonds and to exercise such duties as set forth in the Refunding Escrow Agreement. The President may dispense with the use of the Refunding

Escrow Agreement if such agreement is not needed to provide for the defeasance of the Refunded Bonds or to maximize the savings with respect to the refunding of the Refunded Bonds.

Section 12. Tax Matters. The District expects that the Bonds will be issued as Federally Tax-Exempt Bonds, and if so issued, the District agrees that it shall take no action which may cause the interest on any Federally Tax-Exempt Bonds to be included in gross income for federal income taxation. It is the reasonable expectation of the Governing Body of the District that the proceeds of the Bonds will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and to this end the said proceeds of the Bonds and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Governing Body further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay any investment proceeds of the Bonds to the United States government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Federally Tax-Exempt Bonds from becoming taxable. The President and Secretary, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bonds as Federally Tax-Exempt Bonds as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the District.

Section 13. Discharge and Satisfaction of Bonds. If the District shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways, to wit:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

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

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

and if the District shall also pay or cause to be paid all other sums payable hereunder by the District with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the District to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the District shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any

such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the District as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the District, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or obligations of any agency or instrumentality of the United States, which obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 14. Continuing Disclosure. The District hereby covenants and agrees that it will provide annual financial information and material event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The President is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the District to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the District to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 15. Reasonably Expected Economic Life. The "reasonably expected economic life" of the Projects within the meaning of Sections 9-21-101 et seq., Tennessee Code Annotated, is greater than twenty-five (25) years.

Section 16. Qualified Tax-Exempt Obligations. The Governing Body hereby authorizes its President to designate any Bonds, or any emission thereof, as "qualified tax-exempt obligations", to the extent the Bonds, or any emission thereof, may be so designated, within the meaning of and pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

Section 17. Resolution a Contract. The provisions of this resolution shall constitute a contract between the District and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 18. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 19. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Adopted and approved this 11th day of February, 2020.

President

Secretary

STATE OF TENNESSEE)

COUNTY OF GIBSON)

I, Tim Haney, certify that I am the duly qualified and acting Secretary of the Trenton Special School District, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of February 11, 2020 of the governing body of the District; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to not to exceed \$21,000,000 Limited Tax School Bonds, Series 2020 of said District.

WITNESS my official signature of said District this 11th day of February, 2020.

Secretary

Application for Approval of an Educational Trip

Band
Trade or Subject Area

February 2, 2020
Date

<u>St. Louis, MO</u>	<u>March 27 - March 29, 2020</u>	<u>3:00 PM (3/27)</u>	<u>6:00 PM (3/29)</u>
<i>Place to be visited</i>	<i>Trip Date</i>	<i>Departure Time</i>	<i>Return Time</i>

Parental permission forms have been or will be secured. YES NO (if no, explain)

Have arrangements been made with the host? YES NO UNNECESSARY

Plans for supervising students: Mr. Westbrook, Mrs. Westbrook, Mr. Doyle, and Mrs. Kim Holmes
will be chaperoning the students, and will all be together for the entirety of the trip.

Type of transportation to be used: vehicles driven by Mr. Westbrook, Mrs. Westbrook, and Mr. Doyle

<u>17</u>	<u>0</u>	<u><i>Steven B Westbrook</i></u>	<u><i>Ricky H...</i></u>
<i># of Students</i>	<i># of Buses</i> <small>(List specific bus numbers if possible)</small>	<i>Teacher Signature</i> <small>(If other instructors involved, list names)</small>	<i>Approved by Principal</i>

<u>Estimated Cost of Bus Service</u>	<u>\$100 for food and souvenirs</u>
	<i>Planned Total Student Contribution, if any</i>

Substitute needed? YES NO

Teacher Evaluation of the Trip
(Please fill out the following form and return)

Rate Value of the Trip:

_____ Very High	Did the experience relate to or enhance the unit objective? Yes No
_____ Good	Did the students respond positively to the experience?
	Poor 1 2 3 4 5 Excellent
_____ Satisfactory	Would you consider conducting this trip again? Yes No
_____ Poor	Would you recommend this trip for others in related fields? Yes No

Teacher's Comments on Trip: _____

Steven Westbrook
Peabody High School
2069 Hwy 45 Bypass
Trenton, TN 38382

Trenton Special School District
School Board Members

February 3rd, 2020

Dear Board Members,

I write this letter requesting permission to leave the state with my senior band members for a trip to St. Louis, MO during Spring Break. We will leave at 3:00 PM on Friday, March 27th and eat at Lambert's Café on the way to St. Louis. We will check in the hotel that evening. We will go to Six Flags on Saturday, and the St. Louis Zoo on Sunday. We will leave at 1:00 pm and hopefully be in Trenton by 6:00 PM. We plan on having the students bring \$100 for their food and personal expenses, with the remainder of the trip cost paid for by the boosters. We will be traveling in vehicles driven by myself, Lana Westbrook, and Mr. Brandon Doyle. Mrs. Kim Holmes will also be chaperoning. I feel this trip helps with student retention through their years at Peabody, as well as reward seniors for their hard work and dedication to the band program. Thank you for your consideration

Musically yours,

Steven Westbrook
Peabody High School

Senior Trip Tentative Itinerary

Friday, March 27th

2:30 PM – Meet @ Peabody and load

3:00 PM – Depart for St. Louis

5:00 PM – Arrive at Lambert's Café, 2305 E Malone Ave, Sikeston, MO 63801

7:00 PM – Depart for hotel

9:00 PM – Arrive at Hampton Inn St. Louis Southwest,
9 Lambert Drury Dr, Valley Park, MO 63088
Phone: (636) 529-9020

Saturday, March 28th

9:00 AM – Breakfast at hotel

9:45 AM - Depart for @ Six Flags, Six Flags Rd, Eureka, MO 63025

10:10 AM – Arrive at St. Louis Zoo

6:00 PM – Leave for hotel

6:45 PM – Dinner and "Senior Moments"

Sunday, March 29th

8:30 AM – Breakfast at hotel

9:00 AM - Depart for St. Louis Zoo, 1 Government Dr, St. Louis, MO 63110

9:30 – Arrive at St. Louis Zoo

1:00 PM - Depart for Peabody High School

6:00 PM – Arrive at Peabody High School

TRENTON SPECIAL SCHOOL DISTRICT
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
JUNE 30, 2019

**TRENTON SPECIAL SCHOOL DISTRICT
TABLE OF CONTENTS**

Introductory Section

Directory 1

Financial Section

Independent Auditor’s Report 2
 Management’s Discussion and Analysis 5

Basic Financial Statements:

District-wide Financial Statements:

Statement of Net Position 12
 Statement of Activities 13

Fund Financial Statements:

Balance Sheet - Governmental Funds 15
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position . 16
 Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds 17
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities 18
 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and
 Actual - General Purpose School Fund 19

Notes to the Financial Statements 30

Required Supplementary Information Section:

Schedule of the District’s Proportionate Share of the Net Pension Liability (Asset)–
 Teacher Legacy Pension Plan of TCRS 65

Schedule of the District’s Contributions – Teacher Legacy Pension Plan of TCRS 66

Schedule of the District’s Proportionate Share of the Net Pension Liability (Asset)–
 Teacher Retirement Plan of TCRS 67

Schedule of the District’s Contributions – Teacher Retirement Plan of TCRS 68

Schedule of Changes in Trenton Special School District’s Net Position Liability (Asset) and
 Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS 69

Schedule of Trenton Special School District’s Contributions Based on Participation
 in the Public Employee Pension Plan of TCRS 70

Schedule of Changes in the Net OPEB Liability and Related Ratios –
 Trenton Special School District OPEB Plan 71

Schedule of Notes to OPEB Required Supplementary Information –
 Trenton Special School District OPEB Plan 72

Schedule of Changes in the Net OPEB Liability and Related Ratios –
 The Tennessee Plan 73

Schedule of Notes to OPEB Required Supplementary Information –
 The Tennessee Plan 74

Supplementary and Other Information Section

Combining and Individual Fund Statements:

Combining Balance Sheet - Nonmajor Governmental Funds 75

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds 76

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and
 Actual - Public Law Fund 77

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and
 Actual - Cafeteria Fund 78

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and
 Actual - Gibson County School Bus Garage Fund 79

Schedule of Principal and Interest Requirements - General Obligation Debt	80
Schedule of Changes in Long-Term Debt by Individual Issue	81
Schedule of Property Tax Rates and Assessments - Last Ten Years	82
Notes to the Schedule of Expenditures of Federal Awards And Schedule of State Financial Assistance	83
Schedule of Expenditures of Federal Awards	84
Schedule of State Financial Assistance	86

Internal Control and Compliance Section

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 <i>Government Auditing Standards</i>	87
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	89
Schedule of Findings and Questioned Costs	91
Summary Schedule of Prior Findings and Questioned Costs	92

**TRENTON SPECIAL SCHOOL DISTRICT
DIRECTORY**
June 30, 2019

ELECTED OFFICIALS

Dr. Mark Harper, Chairman
Justin Weaver, Vice Chairman
Dee Ann McEwen, Treasurer/Fiscal Agent
Doug Smith, Board Liaison
Clint Hickerson, Board Secretary

APPOINTED OFFICIALS

Tim Haney, Director of Schools
Tamela Smith, General Accounting Finance Director
Lisa Seiber, Bookkeeper - Public Law and Cafeteria

COUNSEL

J. Mark Johnson, Attorney

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Alexander Thompson Arnold PLLC
Jackson, Tennessee

FINANCIAL SECTION



Independent Auditor's Report

To the Board of Education
Trenton Special School District
Trenton, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Trenton Special School District (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Trenton Special School District, as of June 30, 2019, and the respective changes in financial position thereof and the respective budgetary comparison for the general purpose school fund 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 the 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 Trenton Special School District's basic financial statements. The introductory section and supplementary and other information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards *Title 2 U.S. Code of Federal Regulations Part 200*, and is also not a required part of the basic financial statements.

The supplementary and other information section including the schedule of expenditures of federal awards 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, supplementary and other information section including the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2019, on our consideration of the Trenton Special School District'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 Trenton Special School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Trenton Special School District's internal control over financial reporting and compliance.

Alexander Thompson Arnold PLLC

Jackson, Tennessee
December 12, 2019

Management's Discussion and Analysis

As management of the Trenton Special School District (the District), we offer readers of the financial statements for the District this narrative overview and analysis of the financial activities for the year ended June 30, 2019. We encourage the readers to consider the information here in conjunction with the Independent Auditor's Report and the District's financial statements. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2019 by \$18,894,292. Of this amount, \$5,578,692 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the District reported combined ending fund balances of \$7,831,836. Approximately 49.00% of this total amount, \$3,837,353 is unassigned in the general purpose fund.
- At the end of the current fiscal year, unassigned fund balance for the general purpose fund was \$3,837,353 or 26.20% of total general purpose fund expenditures.
- The District's total debt increased by \$2,911,489. This increase is due to the issuance of the School Energy Lease, Series 2018 in current year.
- The District's total capital assets increased by \$1,372,018. The increase was due to current year's capital improvement projects, including the HVAC unit replacement and the LED lighting upgrade at the individual schools.

Overview of the Financial Statements

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

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

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows 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 District is improving or deteriorating.

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

Both of the district-wide financial statements distinguish functions of the District 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. The District's governmental activities include general administration, finance and education. The District has no business-type

activities to report.

Please refer to the Table of Contents to locate the district-wide financial statements.

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 District, 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 District can be grouped into one category: governmental funds.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board.

At June 30, 2019, the District's governmental funds reported combined fund balances of \$7,831,836, an increase of \$1,592,263 in comparison with the prior year. Approximately 49.00% of this amount, \$3,837,353 constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form \$129,387, 2) legally required to be maintained intact \$0, 3) restricted for particular purposes \$1,165,536, 4) committed for particular purposes \$0, or 5) assigned for particular purposes \$2,699,560.

The District maintains four 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 purpose fund and the nonmajor funds. The general purpose fund is considered a major fund, while the public law, cafeteria, and bus garage are considered nonmajor funds.

The District adopts an annual appropriated budget for its general purpose, public law, cafeteria, and bus garage funds. The District adopts a public law program, and the budgets for the public law fund are determined by the grantor of each grant. A budgetary comparison statement has been provided as a basic financial statement for the general purpose fund to demonstrate compliance with this budget. In addition, budgetary comparisons are presented as supplementary and other information for the public law, cafeteria, and bus garage funds as nonmajor funds.

Please refer to the Table of Contents to locate the basic governmental fund financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. Please refer to the Table of Contents to locate the notes to the financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This required supplementary information has been presented in the required supplementary information section of this report. The nonmajor funds' statements of revenues, expenditures, and changes in fund balances are presented as supplementary and other information as well other additional information.

District-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 District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,894,292 at the close of the fiscal year ended June 30, 2019.

A large portion of the District's net position reflects its net investment in capital assets (e.g., buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District'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.

The District's Net Position	Governmental Activities June 30, 2019	Governmental Activities June 30, 2018
Assets		
Current and other	\$ 12,107,748	\$ 9,800,096
Capital assets - net of accumulated depreciation	<u>30,729,009</u>	<u>29,356,991</u>
Total assets	<u>42,836,757</u>	<u>39,157,087</u>
Deferred outflows of resources	<u>1,072,773</u>	<u>1,086,449</u>
Liabilities		
Long-term liabilities	20,441,968	17,530,479
Other liabilities	<u>793,666</u>	<u>793,496</u>
Total liabilities	<u>21,235,634</u>	<u>18,323,975</u>
Deferred inflows of resources	<u>3,779,604</u>	<u>3,896,623</u>
Net position		
Net investment in capital assets	11,003,901	12,543,372
Restricted	2,311,699	806,976
Unrestricted	<u>5,578,692</u>	<u>4,672,590</u>
Total net position	<u>\$ 18,894,292</u>	<u>\$ 18,022,938</u>

The above provides a summary of the District's net position for 2019 and 2018.

During the current fiscal year, the District's total net position increased by \$871,354.

The following summary shows the changes in net position for fiscal years 2019 and 2018.

The District's Changes in Net Position	Governmental Activities June 30, 2019	Governmental Activities June 30, 2018
Revenues		
Program revenues		
Charges for services	\$ 272,522	\$ 293,924
Operating grants and contributions	2,966,854	3,073,925
Capital grants and contributions	-	30,000
General revenues		
Property taxes	2,655,634	2,630,943
Sales taxes	942,514	906,574
Interstate telecommunications tax	8,501	7,950
Licenses and permits	341	387
Grants and contributions not restricted to specific programs:		
Basic Education Program	7,925,900	7,492,000
Other	86,601	88,213
Interest	69,812	40,561
Other miscellaneous revenues	249,030	256,565
Total revenues	<u>15,177,709</u>	<u>14,821,042</u>
Expenses		
Instruction	5,547,246	5,649,077
Support Services	4,859,220	4,770,973
Non-instructional services	3,899,889	3,776,350
Total expenses	<u>14,306,355</u>	<u>14,196,400</u>
 Increase (decrease) in net position	 <u>871,354</u>	 <u>624,642</u>
 Net position, beginning	 18,022,938	 17,746,461
Restatement of net position - implementation of GASB No. 75	-	(348,165)
Net position, beginning - restated	<u>18,022,938</u>	<u>17,398,296</u>
 Net position, ending	 <u>\$ 18,894,292</u>	 <u>\$ 18,022,938</u>

Governmental activities. Governmental activities increased the District's net position by \$871,354.

Total governmental activities' revenue for the fiscal year was \$15,177,709. The largest single revenue source was state revenues in the form of Basic Education Program payments.

Expense and Program Revenues - Governmental Funds

Certain revenues are generated that are specific to governmental program activities. Among the major fund, the general purpose had \$12,278,959 in revenues and \$14,648,157 in expenditures. In the non-major funds, the public law fund had \$959,271 in revenues and \$960,951 in expenditures, the cafeteria fund had \$1,027,213 in revenues and \$985,320 in expenditures, and the bus garage fund had \$387,875 in revenues and \$386,307 in expenditures.

Revenue by Source - Governmental Funds

Total governmental revenues allocated by each revenue type.

	June 30, 2019		June 30, 2018	
	Amount	Percent	Amount	Percent
Program revenues				
Charges for services	\$ 272,522	1.80%	\$ 293,924	1.98%
Operating grants and contributions	2,966,854	19.55%	3,073,925	20.74%
Capital grants and contributions	-	0.00%	30,000	0.20%
General revenues				
Property taxes	2,655,634	17.50%	2,630,943	17.75%
Sales taxes	942,514	6.21%	906,574	6.12%
Interstate telecommunications tax	8,501	0.06%	7,950	0.05%
Licenses and permits	341	0.01%	387	0.01%
Grants and contributions not restricted to specific programs	8,012,501	52.78%	7,580,213	51.15%
Interest	69,812	0.46%	40,561	0.27%
Other local revenue	249,030	1.64%	256,565	1.73%
Total revenues	<u>\$ 15,177,709</u>	<u>100.01%</u>	<u>\$ 14,821,042</u>	<u>100.00%</u>

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirement.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflow, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as 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 District's governmental funds reported combined ending fund balances of \$7,831,836. Of this amount, \$3,837,353 constitutes *unassigned fund balance*, which is available for spending at the District's discretion. The remainder is not available for new spending and has been classified as nonspendable, restricted, committed or assigned.

The general purpose fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance was \$3,837,353.

As a measure of the general purpose fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 26.20% of the total general purpose fund expenditures, while total fund balances represents 50.49% of that same amount.

General Purpose Fund Budgetary Highlights

Differences between the original budget and the final amended budget are briefly summarized as follows:

General Purpose Fund	June 30, 2019		
	Original	Final	Difference
Revenues			
Taxes	\$ 3,436,330	\$ 3,436,330	\$ -
Intergovernmental	8,753,775	8,813,525	59,750
Miscellaneous	153,000	183,666	30,666
Total revenues	<u>12,343,105</u>	<u>12,433,521</u>	<u>90,416</u>
Expenses			
Instruction	6,145,944	6,076,799	(69,145)
Support Services	4,686,132	4,762,953	76,821
Non-instructional services	2,078,427	5,550,660	3,472,233
Total expenditures	<u>12,910,503</u>	<u>16,390,412</u>	<u>3,479,909</u>
Other financing sources (uses):			
Proceeds on issuance of debt	-	3,389,493	3,389,493
Total other financing sources (uses)	<u>-</u>	<u>3,389,493</u>	<u>3,389,493</u>
Net change in fund balance	<u>\$ (567,398)</u>	<u>\$ (567,398)</u>	<u>\$ -</u>

In 2019, the major increase in revenues and expense were due to the issuance of the School Energy Lease, Series 2018.

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental funds as of June 30, 2019 and 2018, amounts to \$30,729,009 and \$29,356,991 (net of accumulated depreciation), respectively. This investment in capital assets includes land, construction in progress, buildings and improvements, and other capital assets (including equipment)

Long-term debt. As of June 30, 2019, the District had total bonded debt and a capital lease outstanding of \$19,850,763. The outstanding balances of long-term debts at June 30, 2019 and 2018 are as follows:

	June 30, 2019	June 30, 2018
School Bonds, Series 2010A	\$ 4,375,000	\$ 4,770,000
School Bonds, Series 2010B	11,100,000	11,100,000
School Bonds, Series 2012	1,065,000	1,090,000
School Energy Lease, Series 2018	3,310,763	-
	<u>\$ 19,850,763</u>	<u>\$ 16,960,000</u>

The specifics on these bonds and the capital lease are located in the notes to the financial statements. Please refer to the Table of Contents to locate the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

The unemployment rate for Gibson County is currently 4.9%. This compares unfavorably to the

State's average unemployment rate of 3.4% and the national average unemployment rate of 3.7%. All of the rates are from labor statistics released for June 2019. All of these factors were considered in preparing the District's budget for the 2019-2020 fiscal year

Request for Information

This financial report is designed to provide a general overview of the District'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 Trenton Special School District, 201 West Tenth Street, Trenton, TN 38382.

TRENTON SPECIAL SCHOOL DISTRICT
DISTRICT-WIDE STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities
Assets	
Cash	\$ 6,769,548
Cash - restricted	754,618
Receivables	
Accounts	149,516
Grant	625,385
Property taxes	2,618,344
Due from other governments	28,037
Inventories	129,387
Stabilization reserve trust - restricted	16,137
Net pension asset	1,016,776
Capital assets, not being depreciated	
Land	266,057
Capital assets, net of accumulated depreciation	
Infrastructure	3,796
Buildings and improvements	29,797,357
Other capital assets	661,799
Total assets	42,836,757
Deferred Outflows of Resources	
Pension related deferred outflows	1,072,773
Total deferred outflows of resources	1,072,773
Liabilities	
Accounts payable	122,888
Salaries payable	327,809
Insurance payable	190,095
Accrued interest payable	152,874
Noncurrent liabilities:	
Portion due or payable within one year:	
Bonds payable	413,274
Capital lease payable	67,038
Portion due or payable after one year:	
OPEB liability	716,860
Bonds payable	16,001,071
Capital lease payable	3,243,725
Total liabilities	21,235,634
Deferred Inflows of Resources	
Pension related deferred inflows	1,161,260
Unavailable - property taxes	2,618,344
Total deferred inflows of resources	3,779,604
Net Position	
Net investment in capital assets	11,003,901
Restricted for:	
Other local education	394,781
Capital projects	754,618
Net pension asset	1,016,776
Stabilization reserve trust	16,137
Inventory	129,387
Unrestricted	5,578,692
Total net position	\$ 18,894,292

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
DISTRICT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
				<u>Governmental Activities</u>
Governmental activities:				
Instruction				
Regular education	\$ 4,500,178	\$ -	\$ 425,863	\$ (4,074,315)
Alternate education	222,507	-	2,635	(219,872)
Special education	613,609	-	239,630	(373,979)
Vocational education	213,095	-	16,331	(196,764)
Student body education	(2,143)	-	-	2,143
Support services				
Attendance	122,426	-	-	(122,426)
Health services	143,918	-	-	(143,918)
Other student support	389,798	-	16,844	(372,954)
Regular instruction	816,792	-	362,682	(454,110)
Special education	134,816	-	36,760	(98,056)
Vocational education	38,199	-	1,157	(37,042)
Instructional technology	245,135	-	-	(245,135)
Board of Education	147,207	-	70	(147,137)
Office of Superintendent	147,554	-	1,317	(146,237)
Office of Principal	619,423	-	2,766	(616,657)
Fiscal services	65,309	-	-	(65,309)
Human services	96,886	-	-	(96,886)
Operation and maintenance of plant	1,139,519	-	-	(1,139,519)
Student transportation	716,893	7,196	387,066	(322,631)
Central and other	35,345	-	-	(35,345)
Non-instructional services				
Food service	958,063	123,266	903,463	68,666
Community services	156,242	142,060	148,558	134,376
Early Childhood Education	385,008	-	421,712	36,704
Education capital outlay	1,415,979	-	-	(1,415,979)
Education debt service	984,597	-	-	(984,597)
	<u>\$ 14,306,355</u>	<u>\$ 272,522</u>	<u>\$ 2,966,854</u>	<u>(11,066,979)</u>

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
DISTRICT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
General revenues				
Property taxes				2,655,634
Sales taxes				942,514
Interstate telecommunications tax				8,501
Licenses and permits				341
Grants and contributions not restricted to certain programs				
Basic Education Program				7,925,900
Other				86,601
Interest				69,812
Other miscellaneous revenues				249,030
Total general revenues				11,938,333
Change in net position				871,354
Net position, beginning				18,022,938
Net position, ending				\$ 18,894,292

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	<u>General Purpose School Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash	\$ 6,526,239	\$ 243,309	\$ 6,769,548
Cash - restricted	754,618	-	754,618
Accounts receivable	148,301	1,215	149,516
Accounts receivable - grant	352,729	272,656	625,385
Property taxes receivable	2,618,344	-	2,618,344
Due from other funds	180,487	250	180,737
Due from other governments	-	28,037	28,037
Inventories	-	129,387	129,387
Stabilization reserve trust - restricted	16,137	-	16,137
	<u>10,596,855</u>	<u>674,854</u>	<u>11,271,709</u>
Total assets	\$ 10,596,855	\$ 674,854	\$ 11,271,709
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities			
Accounts payable	\$ 64,955	\$ 57,933	\$ 122,888
Salaries payable	327,809	-	327,809
Insurance payable	190,095	-	190,095
Due to other funds	250	180,487	180,737
Total liabilities	<u>583,109</u>	<u>238,420</u>	<u>821,529</u>
Deferred Inflows of Resources			
Unavailable property taxes	<u>2,618,344</u>	<u>-</u>	<u>2,618,344</u>
Fund balance			
Nonspendable			
Inventory	-	129,387	129,387
Restricted			
Education	182,956	-	182,956
Instruction	4,778	-	4,778
Capital projects	754,618	-	754,618
Stabilization reserve trust	16,137	-	16,137
Operation of non-instructional services	-	207,047	207,047
Assigned			
Instruction - textbooks	100,000	-	100,000
Capital outlay	1,697,682	-	1,697,682
Debt service	39,644	-	39,644
Other purposes	180,993	100,000	280,993
Fiscal year 2020 budget	581,241	-	581,241
Unassigned	<u>3,837,353</u>	<u>-</u>	<u>3,837,353</u>
Total fund balance	<u>7,395,402</u>	<u>436,434</u>	<u>7,831,836</u>
Total liabilities, deferred inflows of resources and fund balance	\$ 10,596,855	\$ 674,854	\$ 11,271,709

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2019

Amounts reported for the governmental activities in the statement of net position (Page 12) are different because:

Fund balance - total governmental funds (Page 15)		\$ 7,831,836
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in funds.		30,729,009
Some payables are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued interest		(152,874)
Deferred outflows of resources related to pensions in which the consumption of net position will occur in future periods, therefore, it is not reported in the funds		1,072,773
Deferred inflows of resources related to pensions in which the acquisition of net position will occur in future periods, therefore, it is not reported in the funds		(1,161,260)
Net pension asset (liability) is not a financial resource (use) in the current period and, therefore, are not reported as an asset (liability) in the funds		
Net pension asset		1,016,776
Long-term liabilities are not due in the the current period and, therefore, are not reported in the funds:		
Bond premium and discount	125,655	
OPEB	(716,860)	
Bonds and capital lease payable	<u>(19,850,763)</u>	
		<u>(20,441,968)</u>
Net position - governmental activities (Page 12)		<u>\$ 18,894,292</u>

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	<u>General Purpose School Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Local taxes	\$ 3,606,649	\$ -	\$ 3,606,649
Current charges for education services	130,602	-	130,602
Licenses and permits	341	-	341
Charges for services	-	123,266	123,266
Other local revenues	82,270	386,496	468,766
Federal and state funds	8,895,769	1,784,579	10,680,348
Commodities	-	78,155	78,155
Interest	69,328	484	69,812
Other income	-	1,379	1,379
Total revenues	<u>12,784,959</u>	<u>2,374,359</u>	<u>15,159,318</u>
Expenditures			
Current			
Instruction	5,615,722	399,480	6,015,202
Support services	4,266,178	797,540	5,063,718
Non-instructional services	441,713	1,135,558	1,577,271
Education capital outlay	2,861,942	-	2,861,942
Education debt service			
Principal	498,730	-	498,730
Interest	963,872	-	963,872
Total expenditures	<u>14,648,157</u>	<u>2,332,578</u>	<u>16,980,735</u>
Excess revenues over expenditures	(1,863,198)	41,781	(1,821,417)
Other financing sources (uses)			
Proceeds on issuance of debt	<u>3,389,493</u>	-	<u>3,389,493</u>
Total other financing sources (uses)	<u>3,389,493</u>	-	<u>3,389,493</u>
Net change in fund balance	1,526,295	41,781	1,568,076
Fund balance - beginning	5,869,107	370,466	6,239,573
Increase (decrease) in inventory	<u>-</u>	<u>24,187</u>	<u>24,187</u>
Fund balance - ending	<u>\$ 7,395,402</u>	<u>\$ 436,434</u>	<u>\$ 7,831,836</u>

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

Amounts reported for the governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (Page 17)	\$ 1,568,076
<p>Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:</p>	
Capital outlays	2,682,005
Depreciation	(1,309,987)
<p>The repayment of the principal of long-term debt consumes the current financial resources of governmental funds; however, these repayments have no effect on net position.</p>	
	498,730
<p>Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The amount is the net effect of these differences in the treatment.</p>	
	(20,726)
<p>The issuance of long-term debt provides current financial resources to governmental funds; however, the issuance increases the liability on the statement of activities.</p>	
	(3,389,493)
<p>The actuarially determined expense does not consume current financial resources and, therefore, is not reported in the governmental funds. It is reported as expenses in the statement of activities.</p>	
(Pension expense)/negative pension expense	224,331
OPEB expense	(18,392)
<p>The payment of pension contributions consumes current financial resources in the governmental funds. These transactions do not have any effect on the net position, but are considered deferred outflows of resources.</p>	
	594,231
<p>Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:</p>	
State's share of OPEB expense	18,392
<p>The increase (decrease) in inventory is reported as a direct change to beginning fund balance. However, in the statement of activities this increase is reported as an expense based on the consumption method.</p>	
	24,187
Change in net position of governmental activities (Page 14)	<u>\$ 871,354</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Revenues				
Local taxes				
Property tax - current	\$ 2,448,205	\$ 2,448,205	\$ 2,516,818	\$ 68,613
Property tax - prior	100,000	100,000	123,799	23,799
Interest and penalty on delinquent tax	10,000	10,000	12,234	2,234
Payment in lieu of taxes	2,500	2,500	2,783	283
County sales tax	875,000	875,000	942,514	67,514
Interstate telecommunications tax	625	625	8,501	7,876
Total local taxes	<u>3,436,330</u>	<u>3,436,330</u>	<u>3,606,649</u>	<u>170,319</u>
Current charges for education services				
Receipts from individual schools	30,000	30,000	-	(30,000)
Community service fees	2,000	2,000	-	(2,000)
Transportation	6,000	6,000	7,196	1,196
Other charges for services	100,000	100,000	123,406	23,406
Total current charges for education services	<u>138,000</u>	<u>138,000</u>	<u>130,602</u>	<u>(7,398)</u>
Licenses and permits	<u>300</u>	<u>300</u>	<u>341</u>	<u>41</u>
Other local revenues				
Interest on temporary investments	15,000	15,000	69,328	54,328
Rent for use of school facilities	-	-	18,654	18,654
E-Rate funding	-	-	1,033	1,033
Sale of equipment	-	-	2,007	2,007
Insurance recovery	-	-	300	300
Contributions and gifts	-	30,666	30,701	35
Miscellaneous	-	-	29,575	29,575
Total other local revenues	<u>15,000</u>	<u>45,666</u>	<u>151,598</u>	<u>105,932</u>
State funds and federal passed through state				
Basic education program	7,850,000	7,850,000	7,925,900	75,900
Driver education funds	4,000	4,000	-	(4,000)
Early childhood education funds	417,861	421,711	421,712	1
Career ladder program	24,000	24,000	28,303	4,303
School food service	6,000	6,000	6,560	560
Child handicapped	-	-	2,700	2,700
Other state education funds	231,440	231,440	232,622	1,182
Other state grants	-	55,900	55,900	-
Total state funds and federal passed through state	<u>8,533,301</u>	<u>8,593,051</u>	<u>8,673,697</u>	<u>80,646</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Federal funds received directly				
Bond interest rebate	220,174	220,174	222,072	1,898
Total federal funds received directly	<u>220,174</u>	<u>220,174</u>	<u>222,072</u>	<u>1,898</u>
Total revenues	<u>12,343,105</u>	<u>12,433,521</u>	<u>12,784,959</u>	<u>351,438</u>
Expenditures				
Instruction				
Regular Education Program				
Teachers	3,443,524	3,354,384	3,256,300	(98,084)
Career ladder program	12,000	12,000	11,000	(1,000)
Homebound teachers	3,000	3,000	687	(2,313)
Educational assistants	92,445	92,445	78,633	(13,812)
Other salaries and wages	-	250	250	-
Certified substitute teachers	50,000	50,000	49,100	(900)
Non-certified substitute teachers	50,000	56,000	55,813	(187)
Social security taxes	226,050	218,550	186,446	(32,104)
State retirement	365,879	381,879	306,149	(75,730)
Medical insurance	596,260	551,205	460,252	(90,953)
Unemployment	8,000	8,000	4,753	(3,247)
Medicare taxes	52,867	52,867	46,109	(6,758)
Other fringe benefits	6,500	6,500	730	(5,770)
Instructional supplies	155,903	155,403	132,474	(22,929)
Electronic textbooks	50,000	50,000	45,496	(4,504)
Textbooks	50,000	50,000	50,843	843
Other supplies and materials	3,000	3,000	601	(2,399)
Fee waivers	6,000	6,000	1,584	(4,416)
Other charges	20,500	27,000	22,483	(4,517)
Capital outlay - equipment	17,629	26,629	26,334	(295)
Total regular education program	<u>5,209,557</u>	<u>5,105,112</u>	<u>4,736,037</u>	<u>(369,075)</u>
Alternate Instruction Program				
Teachers	148,475	148,675	148,619	(56)
Career Ladder Program	2,000	2,000	2,000	-
Educational assistants	36,768	36,788	36,783	(5)
Substitute teachers	-	200	195	(5)
Social security taxes	11,609	11,609	10,475	(1,134)
State retirement	17,586	17,586	17,601	15
Medical insurance	38,256	37,836	27,153	(10,683)
Medicare taxes	2,715	2,715	2,450	(265)
Instructional supplies	300	300	-	(300)
Other supplies and materials	500	500	-	(500)
Total alternate instruction program	<u>258,209</u>	<u>258,209</u>	<u>245,276</u>	<u>(12,933)</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Special Education Program				
Teachers	247,149	253,449	253,367	(82)
Career ladder program	-	185	185	-
Educational Assistants	54,962	63,762	63,720	(42)
Social security taxes	18,731	17,731	17,722	(9)
State retirement	28,611	28,611	29,173	562
Medical insurance	29,779	46,560	45,938	(622)
Medicare taxes	4,380	4,145	4,145	-
Other Fringe Benefits	1,179	48	48	-
Contracts with Other Schools	7,365	7,365	7,527	162
Instructional supplies	-	100	100	-
Total special education program	<u>392,156</u>	<u>421,956</u>	<u>421,925</u>	<u>(31)</u>
Vocational Education Program				
Teachers	174,212	174,212	151,028	(23,184)
Certified substitute teachers	2,000	2,000	150	(1,850)
Non-certified substitute teachers	2,000	2,400	2,340	(60)
Social security taxes	11,049	11,049	8,766	(2,283)
State retirement	18,641	17,007	15,786	(1,221)
Medical insurance	15,735	15,735	12,720	(3,015)
Medicare taxes	2,584	2,584	2,051	(533)
Contracts with other school systems	7,366	7,366	7,527	161
Maintenance and repair - equipment	500	500	272	(228)
Instructional supplies	6,500	12,000	6,362	(5,638)
Other supplies and materials	-	34	34	-
Other charges	6,000	6,000	4,277	(1,723)
Vocational instruction equipment	-	1,200	1,171	(29)
Total vocational education program	<u>246,587</u>	<u>252,087</u>	<u>212,484</u>	<u>(39,603)</u>
Student Body Education Program				
Other salaries and wages	35,000	35,000	-	(35,000)
Social security taxes	2,170	2,170	-	(2,170)
State retirement	1,757	1,757	-	(1,757)
Medicare taxes	508	508	-	(508)
Total student body education program	<u>39,435</u>	<u>39,435</u>	<u>-</u>	<u>(39,435)</u>
Total Instruction	<u>6,145,944</u>	<u>6,076,799</u>	<u>5,615,722</u>	<u>(461,077)</u>
Support Services				
Students				
Attendance				
Supervisor/director	38,940	41,340	41,298	(42)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Clerical personnel	62,653	62,653	62,027	(626)
Social security taxes	6,299	6,299	6,192	(107)
State retirement	7,218	7,218	7,349	131
Medical insurance	16,465	13,992	10,282	(3,710)
Medicare taxes	1,473	1,473	1,454	(19)
Travel	2,500	2,500	2,319	(181)
Other supplies and materials	600	673	672	(1)
In service/ staff development	500	500	340	(160)
Total attendance	<u>136,648</u>	<u>136,648</u>	<u>131,933</u>	<u>(4,715)</u>
Health Services				
Medical personnel	82,071	74,504	64,094	(10,410)
Other salaries and wages	14,180	12,423	11,843	(580)
Social security taxes	5,968	5,085	4,069	(1,016)
State retirement	6,340	5,437	3,727	(1,710)
Medical insurance	21,151	18,045	15,896	(2,149)
Medicare taxes	1,396	1,189	952	(237)
Communications	2,300	2,305	1,996	(309)
Postal charges	50	55	55	-
Travel	3,500	3,035	2,559	(476)
Other contracted services	9,500	12,669	8,815	(3,854)
Drugs and medical supplies	3,500	3,500	1,586	(1,914)
Other supplies and materials	17,159	33,734	32,877	(857)
In-service/staff development	900	900	270	(630)
Total health services	<u>168,015</u>	<u>172,881</u>	<u>148,739</u>	<u>(24,142)</u>
Other Student Support				
Career ladder program	500	500	500	-
Guidance personnel	141,292	142,392	142,365	(27)
Social workers	36,375	37,100	37,100	-
Clerical personnel	10,300	13,600	13,514	(86)
Other Salaries and Wages	41,099	41,099	41,016	(83)
Social security taxes	14,234	14,234	12,047	(2,187)
State retirement	22,935	22,935	23,115	180
Medical insurance	41,293	36,168	35,892	(276)
Medicare taxes	3,328	3,328	3,014	(314)
Communication	400	400	377	(23)
Contracts with government agencies	38,000	38,000	38,158	158
Evaluation and testing	32,500	32,500	28,853	(3,647)
Travel	3,500	3,500	2,352	(1,148)
Other supplies and materials	500	1,745	662	(1,083)
In-service/staff development	500	11,758	11,258	(500)
Other charges	6,000	6,000	5,945	(55)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over</u> <u>(Under)</u>
Other equipment	4,000	11,239	7,346	(3,893)
Total other student support	<u>396,756</u>	<u>416,498</u>	<u>403,514</u>	<u>(12,984)</u>
Total students	<u>701,419</u>	<u>726,027</u>	<u>684,186</u>	<u>(41,841)</u>
Instructional Staff				
Regular Instruction Program				
Supervisor/director	80,439	83,039	83,018	(21)
Career ladder program	3,500	4,700	4,700	-
Librarians	155,028	155,028	105,866	(49,162)
Instructional computer personnel	41,099	41,099	41,016	(83)
Other salaries and wages	183,075	173,305	150,892	(22,413)
Social security taxes	28,715	28,715	22,760	(5,955)
State retirement	48,445	48,445	40,322	(8,123)
Medical insurance	40,288	40,288	32,777	(7,511)
Medicare taxes	6,715	6,715	5,323	(1,392)
Communications	6,000	6,000	5,422	(578)
Travel	31,500	31,500	9,935	(21,565)
Library books/media	17,434	17,434	17,375	(59)
In-service/staff development	48,500	48,500	18,774	(29,726)
Other charges	7,000	7,000	4,111	(2,889)
Other Equipment	-	5,970	5,970	-
Total regular instruction program	<u>697,738</u>	<u>697,738</u>	<u>548,261</u>	<u>(149,477)</u>
Special Education Program				
Supervisor/director	23,758	23,913	23,912	(1)
Social security taxes	1,473	1,473	1,461	(12)
State retirement	2,485	2,485	2,501	16
Medicare taxes	346	346	342	(4)
Other fringe benefits	93	93	-	(93)
Travel	1	1	-	(1)
Other contracted services	<u>60,000</u>	<u>75,200</u>	<u>75,198</u>	<u>(2)</u>
Total special education program	<u>88,156</u>	<u>103,511</u>	<u>103,414</u>	<u>(97)</u>
Vocational Education Program				
Supervisor/director	35,000	35,000	34,210	(790)
Medicare taxes	508	508	496	(12)
Travel	<u>3,000</u>	<u>3,000</u>	<u>2,336</u>	<u>(664)</u>
Total vocational education program	<u>38,508</u>	<u>38,508</u>	<u>37,042</u>	<u>(1,466)</u>
Instructional Technology Program				
Supervisor/director	58,500	58,800	58,767	(33)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Other salaries and wages	27,640	27,640	27,640	-
Social security taxes	5,341	5,341	4,934	(407)
State retirement	4,324	4,324	4,338	14
Medical insurance	14,583	14,583	14,188	(395)
Medicare taxes	1,249	1,249	1,154	(95)
Maintenance and repair services	30,000	30,000	15,624	(14,376)
Internet Connectivity	55,000	55,000	32,268	(22,732)
In-Service/Staff Development	6,000	6,000	3,213	(2,787)
Other charges	-	9,350	9,312	(38)
Travel	5,000	5,000	1,800	(3,200)
Cabling	10,000	10,000	1,970	(8,030)
Software	44,000	44,000	46,459	2,459
Other equipment	50,000	40,350	29,079	(11,271)
Total instructional technology program	<u>311,637</u>	<u>311,637</u>	<u>250,746</u>	<u>(60,891)</u>
 Total Instructional staff	 <u>1,136,039</u>	 <u>1,151,394</u>	 <u>939,463</u>	 <u>(211,931)</u>
 General Administration				
Board of Education				
Other fringe Benefits	500	500	-	(500)
Audit services	20,682	20,682	20,682	-
Dues and memberships	7,500	7,500	5,351	(2,149)
Legal services	7,500	7,500	5,296	(2,204)
Travel	7,000	7,000	6,117	(883)
Other contracted services	4,000	4,500	4,500	-
Other supplies and materials	10,000	9,500	3,119	(6,381)
Liability insurance	10,167	10,167	10,442	275
Corporate surety bonds	782	782	782	-
Trustee commissions	65,000	65,000	61,878	(3,122)
Workers' compensation insurance	34,320	34,320	21,876	(12,444)
In-service/staff development	6,500	6,500	10	(6,490)
Refund to applicant for criminal investigation	5,000	5,000	2,034	(2,966)
Other charges	10,000	10,000	5,050	(4,950)
Total board of education	<u>188,951</u>	<u>188,951</u>	<u>147,137</u>	<u>(41,814)</u>
 Office of Superintendent				
Administrative officer	105,060	105,785	105,785	-
Career ladder program	1,000	1,000	1,000	-
Other salaries and wages	7,200	7,200	7,200	-
Social security taxes	7,022	7,022	6,495	(527)
State retirement	11,847	11,847	11,923	76
Medical insurance	14,339	14,339	12,062	(2,277)
Medicare taxes	1,642	1,642	1,519	(123)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over</u> <u>(Under)</u>
Communication	3,000	3,000	2,729	(271)
Dues and memberships	5,500	5,500	4,499	(1,001)
Travel	6,000	3,217	3,185	(32)
Office supplies	2,000	2,000	406	(1,594)
In-service/staff development	900	900	-	(900)
Administrative Equipment	-	2,058	2,058	-
Total office of superintendent	<u>165,510</u>	<u>165,510</u>	<u>158,861</u>	<u>(6,649)</u>
Total general administration	<u>354,461</u>	<u>354,461</u>	<u>305,998</u>	<u>(48,463)</u>
School Administration				
Office of Principal				
Principal(s)	231,604	231,604	231,269	(335)
Career ladder program	2,000	2,100	2,100	-
Assistant principal(s)	192,617	192,517	188,833	(3,684)
Accountants/Bookkeepers	82,365	82,365	82,178	(187)
Social security taxes	31,532	31,532	29,159	(2,373)
State retirement	48,717	48,717	48,288	(429)
Medical insurance	63,378	63,378	48,124	(15,254)
Other Fringe Benefits	7,375	7,375	6,820	(555)
Communications	13,000	13,000	12,497	(503)
Dues and memberships	1,500	1,500	839	(661)
Operating lease payments	6,000	6,000	2,880	(3,120)
Postal charges	2,150	2,150	1,152	(998)
Travel	13,500	7,500	2,138	(5,362)
Other contracted services	5,067	5,067	3,867	(1,200)
Data processing supplies	800	800	-	(800)
Office supplies	7,000	7,000	6,289	(711)
In-service/staff development	-	6,000	937	(5,063)
Other charges	17,500	17,500	14,518	(2,982)
Total office of principal	<u>726,105</u>	<u>726,105</u>	<u>681,888</u>	<u>(44,217)</u>
Business Administration				
Fiscal Services				
Supervisor/director	32,333	32,333	32,333	-
Accountants/bookkeepers	2,882	2,887	2,887	-
Clerical Personnel	6,481	6,482	6,482	-
Social security taxes	2,585	2,585	2,209	(376)
State retirement	3,852	3,852	3,852	-
Medical insurance	8,409	8,403	8,114	(289)
Medicare taxes	605	605	517	(88)
Advertising	2,500	2,500	2,030	(470)
Data processing	700	700	452	(248)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Dues and memberships	200	200	80	(120)
Operating lease payments	850	850	784	(66)
Postal charges	2,000	2,000	1,808	(192)
Travel	650	650	676	26
Data processing supplies	500	500	96	(404)
Office supplies	3,500	3,500	3,262	(238)
In-service/staff development	500	500	345	(155)
Other charges	4,000	4,000	4,365	365
Total fiscal services	<u>72,547</u>	<u>72,547</u>	<u>70,292</u>	<u>(2,255)</u>
Human Services				
Supervisor/director	51,431	51,431	51,430	(1)
Clerical personnel	22,757	22,757	22,756	(1)
Social security taxes	4,600	4,600	3,840	(760)
State retirement	3,724	3,724	3,724	-
Medical insurance	18,333	18,333	13,249	(5,084)
Employer medicare	1,076	1,076	898	(178)
Dues and memberships	150	150	40	(110)
Travel	2,500	2,500	1,460	(1,040)
In-service/staff development	550	550	370	(180)
Other charges	3,600	3,600	3,937	337
Total human services	<u>108,721</u>	<u>108,721</u>	<u>101,704</u>	<u>(7,017)</u>
Total business administration	<u>181,268</u>	<u>181,268</u>	<u>171,996</u>	<u>(9,272)</u>
Operation and Maintenance of Plant				
Operation of Plant				
Maintenance and repair	500	500	-	(500)
Other contracted services	400,000	400,000	388,495	(11,505)
Electricity	355,000	355,000	314,163	(40,837)
Natural gas	66,000	66,000	65,549	(451)
Water and sewer	82,300	82,300	63,251	(19,049)
Other supplies and materials	2,000	2,000	687	(1,313)
Boiler insurance	2,503	2,503	2,503	-
Building and contents insurance	45,600	45,600	45,600	-
Other charges	3,750	3,750	2,472	(1,278)
Total operation of plant	<u>957,653</u>	<u>957,653</u>	<u>882,720</u>	<u>(74,933)</u>
Maintenance of Plant				
Maintenance personnel	82,738	82,738	82,574	(164)
Social security taxes	5,130	5,130	4,747	(383)
State retirement	4,153	4,153	4,145	(8)
Medical insurance	5,868	5,868	4,964	(904)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Medicare taxes	1,200	1,200	1,110	(90)
Communication	1,600	1,600	1,499	(101)
Laundry Service	1,500	1,500	1,475	(25)
Maintenance and repair - buildings	10,000	-	-	-
Maintenance and repair - equipment	3,000	1,500	47	(1,453)
Maintenance and repair - vehicles	3,000	3,000	-	(3,000)
Travel	1,000	1,000	-	(1,000)
Other contracted services	67,000	67,000	56,230	(10,770)
Equipment and machinery parts	5,500	5,500	1,055	(4,445)
Other supplies and materials	46,000	46,000	31,530	(14,470)
Vehicle and equipment insurance	1,200	1,200	1,200	-
In-service/staff development	400	400	200	(200)
Other charges	34,365	34,365	22,270	(12,095)
Administration equipment	-	48,358	48,215	(143)
Total maintenance of plant	<u>273,654</u>	<u>310,512</u>	<u>261,261</u>	<u>(49,251)</u>
Total operation and maintenance of plant	<u>1,231,307</u>	<u>1,268,165</u>	<u>1,143,981</u>	<u>(124,184)</u>
Student Transportation				
Transportation				
Supervisor/director	23,818	23,820	23,820	-
Mechanics	14,221	14,222	14,221	(1)
Bus drivers	82,131	87,131	83,991	(3,140)
Clerical personnel	1,779	1,779	1,778	(1)
Other salaries and wages	54,000	59,000	58,637	(363)
Social security taxes	10,909	10,909	8,857	(2,052)
State retirement	7,734	7,734	8,368	634
Medical insurance	1,061	1,061	988	(73)
Medicare taxes	2,551	2,551	2,652	101
Fringe benefits	4,311	4,311	4,346	35
Communication	2,591	2,591	2,692	101
Contracts with other school systems	-	390	390	-
Laundry service	292	292	299	7
Medical and dental	4,070	4,070	3,889	(181)
Postal	47	47	26	(21)
Travel	1,217	1,217	-	(1,217)
Other contracted services	1,037	1,037	612	(425)
Diesel fuel	39,000	39,000	38,300	(700)
Garage Supplies	2,818	818	457	(361)
Lubricants	2,754	2,754	1,814	(940)
Tires and tubes	8,144	10,644	10,582	(62)
Vehicle parts	25,275	18,775	18,611	(164)
Other supplies and materials	844	844	562	(282)

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Vehicle and equipment insurance	9,830	9,830	9,830	-
In-service/staff development	1,000	1,450	1,442	(8)
Other charges	8,092	4,092	3,959	(133)
Administrative Equipment	3,507	2,664	2,198	(466)
Total transportation	<u>313,033</u>	<u>313,033</u>	<u>303,321</u>	<u>(9,712)</u>
Other				
Central and Other				
Operating lease payments	6,500	6,500	5,051	(1,449)
Other contracted services	30,000	30,000	27,038	(2,962)
Data processing supplies	2,000	1,700	677	(1,023)
Other supplies and materials	2,000	2,000	554	(1,446)
Other charges	1,000	1,000	731	(269)
Other equipment	1,000	1,300	1,294	(6)
Total central and other	<u>42,500</u>	<u>42,500</u>	<u>35,345</u>	<u>(7,155)</u>
Total support services	<u>4,686,132</u>	<u>4,762,953</u>	<u>4,266,178</u>	<u>(496,775)</u>
Community Services				
Supervisor/director	2,023	2,023	-	(2,023)
Social security taxes	126	126	-	(126)
Medicare taxes	31	31	-	(31)
Other supplies and materials	1,000	20,889	20,000	(889)
Total community services	<u>3,180</u>	<u>23,069</u>	<u>20,000</u>	<u>(3,069)</u>
Early Childhood Education				
Supervisor/director	49,235	49,056	49,056	-
Teachers	167,391	167,047	167,046	(1)
Clerical personnel	12,838	12,962	12,961	(1)
Educational assistants	54,046	53,184	53,183	(1)
Other salaries and wages	25,732	25,732	25,731	(1)
Non-certified substitute teachers	5,000	7,430	7,398	(32)
Social security taxes	19,173	18,832	18,909	77
State retirement	26,857	28,375	28,374	(1)
Medical insurance	32,452	15,959	15,959	-
Medicare taxes	4,484	4,413	4,432	19
Other fringe benefits	1,206	1,650	1,633	(17)
Maintenance and repair - equipment	1,650	1,650	1,558	(92)
Travel	1,000	4,047	4,099	52
Other Contracted Services	1	10,122	10,121	(1)
Instructional supplies	16,797	21,254	21,253	(1)
Total Early Childhood Education	<u>417,862</u>	<u>421,713</u>	<u>421,713</u>	<u>-</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
GENERAL PURPOSE SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Total operation of non-instructional services	421,042	444,782	441,713	(3,069)
Education Capital Outlay				
Regular capital outlay				
Contracted services	-	3,389,493	2,634,875	(754,618)
Building improvements	253,402	253,402	227,067	(26,335)
Total regular capital outlay	253,402	3,642,895	2,861,942	(780,953)
Education Debt Service				
Principal on bonds	420,000	420,000	420,000	-
Principal on other loans	105,000	164,000	78,730	(85,270)
Interest on bonds	878,983	878,983	963,872	84,889
Total education debt service	1,403,983	1,462,983	1,462,602	(381)
Total expenditures	12,910,503	16,390,412	14,648,157	(1,742,255)
Revenues over (under) expenditures	(567,398)	(3,956,891)	(1,863,198)	2,093,693
Other financing sources (uses)				
Proceeds on issuance of debt	-	3,389,493	3,389,493	-
Total other financing sources (uses)	-	3,389,493	3,389,493	-
Net change in fund balance	\$ (567,398)	\$ (567,398)	1,526,295	\$ 2,093,693
Fund balance - beginning			5,869,107	
Fund balance - ending			<u>\$ 7,395,402</u>	

The accompanying notes are an integral part of the financial statements.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Reporting Entity - The Trenton Special School District is a public municipal corporation governed by a five- member board. It operates three schools: Trenton Elementary School, Trenton Rosenwald Middle School, and Trenton Peabody High School. The District's general purpose financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

Based on the aforementioned criteria, the Trenton Special School District has no component units.

The financial statements of the Trenton Special School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

B. District-wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are the only activities of the District. The District does not maintain any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of the 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.

C. Measurement Focus, Basis of Accounting, and Financial Statements Presentation

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The General Purpose School Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Amounts reported as program revenues include: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

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

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

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with a term of less than three months. State statutes authorize the District to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations guaranteed by the U.S. government or its agencies, repurchase agreements and the state's investment pool.

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

A portion of the property taxes collected each year by Gibson County is specifically earmarked for the Trenton Special School District. The County collects the property taxes and sends the District its portion once a month. Property taxes attach as an enforceable lien on property as of January 1.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

Taxes are levied and mailed on October 1. The payment due dates are October 1 through February 28 and become delinquent on March 1. The property taxes are collected by the Trustee of Gibson County and remitted to the District. District property tax revenues are recognized in the period for which they were levied.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by non-current receivables is deferred in the governmental fund statements until they become current receivables.

Inventory

Inventory for the Gibson County School Bus Garage consists of repair parts and oil and is reported using the purchases method. An annual physical inventory count is performed at the end of each fiscal year and used to adjust inventory to actual. The Cafeteria Fund maintains an inventory consisting of food supplies using the purchases method and expenses inventory when purchased throughout the year. At year-end, the actual cost of the items in inventory is used to capitalize the inventory, with a corresponding entry to nonspendable fund balance in the Cafeteria Fund. For the government-wide statements, inventory is reported using the consumption approach.

Capital Assets

Capital assets, including property, plant, and equipment, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$15,000 for equipment, vehicles, building improvements and buildings and an estimated useful life in excess of three years. The remaining capital outlay expenditures will be expensed. All land, construction in progress, and works of art will be included. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Capital assets of the District are depreciated using the straight line method over their estimated useful lives, summarized as follows:

Infrastructure, buildings and improvements	20 - 40 years
Machinery and equipment	7 - 15 years
Furniture and fixtures	5 years
Vehicles	5 - 10 years

Compensated Absences

Certified employees of the Trenton Special School District are entitled to one day of sick leave for each month employed and two personal days a year. Sick leave days are accumulated from year to year, with no maximum total. Personal days are not accumulated, but the remaining amount at the end of each year is added to the sick leave accumulation. An accrual is not required since all sick and personal days that are not used are added to the length of service for each employee at retirement. Therefore, there are no monetary values associated with accumulated sick leave or personal leave.

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2019

Non-certified employees are entitled to one-half of one day of sick leave for each month employed. Sick leave days are accumulated from year to year, with no maximum total. Upon retirement non-certified employees' unused sick leave is added to length of service for each employee. Non-certified employees receive \$20 per unused sick day upon discontinued employment. A reserve for unused sick days has been apportioned for this purpose. Noncertified employees receive two personal days per year.

Long-term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. 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 in the year incurred.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The items that qualify for reporting in this category as of June 30, 2019 are pension related deferred outflows as identified on page 12.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The items that qualify for reporting in this category as of June 30, 2019 are unavailable revenue as identified on pages 12 and 15 and pension related deferred inflows as listed on page 12.

Pensions and OPEB

For purposes of measuring the net pension liability, net OPEB 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 of the pension plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as the plans. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the plans. Investments are reported at fair value.

Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide, a flow

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Equity

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

Nonspendable fund balance

This classification includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted fund balance

This classification includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted with the consent of resource providers.

Committed fund balance

This classification includes amounts that can only be used for the specific purposes determined by a formal action of the District's highest level of decision-making authority, the Board of Education of the Trenton Special School District. Commitments may be changed or lifted only by the District taking the same formal action that imposed the constraint originally (for example: resolution).

Assigned fund balance

This classification includes amounts intended to be used by the District for specific purposes that are neither restricted nor committed. The Board and its designees (the Director of Schools) have the authority to assign amounts to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) that are not classified as nonspendable, restricted, or committed.

Unassigned fund balance

This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Fund balance flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

Impact of Recently Issued Accounting Pronouncements

In March 2018, the GASB issued Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for financial statements for periods beginning after June 15, 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. Management has implemented this statement in the current financial statements.

NOTE 2 - RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the District-wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$20,441,968) difference are as follows:

School Bonds, Series 2012	\$	(1,065,000)
School Bonds, Series 2010A		(4,375,000)
School Bonds, Series 2010B		(11,100,000)
School Energy Lease, Series 2018		(3,310,763)
		(19,850,763)
OPEB		(716,860)
Bond Premium (Discount)		125,655
		\$ (20,441,968)

Another element of that reconciliation explains that “capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$30,729,009 are as follows:

Land	\$	266,057
Infrastructure		3,796
Buildings and improvements		29,797,357
Other capital assets		661,799
Total capital assets, net of accumulated depreciation		\$ 30,729,009

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the District-wide Statement of Activities

The reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities includes a reconciliation between net changes in

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

fund balances - total governmental funds and changes in net position of governmental activities as reported in the district-wide statement of activities. One element of that reconciliation states that, "the repayment of the principal of long-term debt consumes the current financial resources of governmental funds; however, these repayments have no effect on net position." The details of this \$498,730 are as follows:

Principal repayments:	
School Bonds, Series 2012	\$ 25,000
School Bonds, Series 2010A	395,000
School Energy Lease, Series 2018	78,730
	\$ 498,730
	\$ 498,730

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
2. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds.
3. Budgets are adopted on a basis consistent with generally accepted accounting principles.
4. The District's policy is to not allow expenditures to exceed budgetary amounts at the total function level. During the fiscal year 2019, the Other Student Support function in the Public Law Fund exceeded their budgetary amounts by \$258.

NOTE 4 - DETAILED NOTES ON ACCOUNTS

A. Deposits and Investments

At June 30, 2019, the District's deposits with local banks were covered by federal depository insurance or collateralized by securities held by the District's agent in the District's name. The District has also invested \$3,145,649 in the Tennessee Local Government Investment Pool (TLGIP). The TLGIP is collateralized by the State of Tennessee. Therefore, all funds deposited in the TLGIP are secured.

Custodial Credit Risk - The District's policies limit deposits and investments to those instruments allowed by applicable state laws as described in Note 1. State statute requires that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105% of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the Board's agent in the Board's name, or by the Federal Reserve Banks acting as third party agents. State statutes also authorize the District to invest in bonds, notes or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, and the state pooled investment fund. Statutes also require that securities underlying repurchase agreements must have a market value

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

of at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2019, all deposits met the District's policy.

B. Receivables

Receivables at year end for the District's individual major fund and non-major funds in the aggregate, are shown on the statement of net position and the balance sheet for governmental funds. As of June 30, 2019, there were no allowances for uncollectible accounts.

Property tax receivable is unavailable (fund statements and statement of net position) due to the 2019 tax levy not being due and payable until October 2019. Therefore, the funds are not available to the District as of June 30, 2019.

C. Interfund Balances

Interfund balances consist of amounts owed to the General Purpose Fund from the Public Law Fund to be in compliance with the State to prevent negative cash balance, as well as to reimburse General Purpose Fund expenses paid on behalf of Public Law Fund. The Public Law Fund has repaid the General Purpose Fund \$133,704 as of September 12, 2019.

The amounts owed to the General Purpose Fund from the Cafeteria Fund and the Bus Garage Fund were to reimburse the General Purpose Fund for the expenses paid on behalf of the Cafeteria Fund and the Bus Garage Fund. These amounts were repaid as of July 19, 2019.

The amount owed from the General Purpose Fund to the Public Law Fund was to reimburse the Public Law Fund for expenses that should have been paid out of the General Purpose Fund. This amount will be repaid during the fiscal year 2020.

At June 30, 2019, interfund balances consisted of the following:

Due from:	Due to:		Total
	General Purpose Fund	Public Law Fund	
Public Law Fund	\$ 133,704	\$ -	\$ 133,704
Cafeteria Fund	41,783	-	41,783
Bus Garage Fund	5,000	-	5,000
General Purpose Fund	-	250	250
	\$ 180,487	\$ 250	\$ 180,737

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

D. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 266,057	\$ -	\$ -	\$ 266,057
Capital assets being depreciated:				
Infrastructure	26,575	-	-	26,575
Buildings and Improvements	41,393,380	2,583,523	-	43,976,903
Other capital assets	1,481,961	98,482	10,000	1,570,443
Total capital assets being depreciated	<u>42,901,916</u>	<u>2,682,005</u>	<u>10,000</u>	<u>45,573,921</u>
Less accumulated depreciation for:				
Infrastructure	(18,982)	(3,797)	-	(22,779)
Buildings and Improvements	(12,987,381)	(1,192,165)	-	(14,179,546)
Other capital assets	(804,619)	(114,025)	(10,000)	(908,644)
Total accumulated depreciation	<u>(13,810,982)</u>	<u>(1,309,987)</u>	<u>(10,000)</u>	<u>(15,110,969)</u>
Total capital assets being depreciated	<u>29,090,934</u>	<u>1,372,018</u>	<u>-</u>	<u>30,462,952</u>
Governmental activities capital assets, net	<u>\$ 29,356,991</u>	<u>\$ 1,372,018</u>	<u>\$ -</u>	<u>\$ 30,729,009</u>

Depreciation expense was charged to functions/programs of the District as follows:

Support services	\$ 64,395
Non-instructional services	<u>1,245,592</u>
	<u>\$ 1,309,987</u>

E. TCRS Stabilization Trust

Legal Provisions. The District is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The District has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the District.

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

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019

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

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2019, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable

Investments using the Net Asset Value ("NAV") per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

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

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

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

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

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

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

At June 30, 2019, the District had the following investments held by the trust on its behalf.

Investment	Fair Value
Investments at Fair Value:	
U.S. Equity	\$ 5,004
Developed Market International Equity	2,259
Emerging Market International Equity	645
U.S. Fixed Income	3,227
Real Estate	1,614
Short-term Securities	161
Investments at Amortized Cost using the NAV:	
Private Equity and Strategic Lending	3,227
 Total	 \$ 16,137

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

Investment by Fair Value Level	Fair Value 6/30/19	Fair Value Measurements Using			Amortized Cost
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
U.S. Equity Developed Market	\$ 5,004	\$ 5,004	\$ -	\$ -	\$ -
International Equity Emerging Market	2,259	2,259	-	-	-
International Equity	645	645	-	-	-
U.S. Fixed Income	3,227	-	3,227	-	-
Real Estate	1,614	-	-	1,614	-
Short-term Securities	161	-	161	-	-
Private Equity and Strategic Lending	<u>3,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,227</u>
Total	<u>\$ 16,137</u>	<u>\$ 7,908</u>	<u>\$ 3,388</u>	<u>\$ 1,614</u>	<u>\$ 3,227</u>

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

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District 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 District’s investment in a single issuer. District places no limit on the amount the trust may invest in one issuer.

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

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

For further information concerning the District's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at:

<https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2019/aq18092.pdf>

F. General Long-Term Debt

Bonds Payable

The 2012 Limited Tax School Refunding Bonds were issued in the amount of \$1,265,000 with interest rates ranging from 1.00% to 2.00%. Interest payments are due semi-annually on November 1 and May 1, with principal payments due annually on May 1. Final maturity is May 1, 2023. There was no economic gain or loss resulting from the transaction.

The 2010A Limited Tax School Bonds were issued in the amount of \$6,670,000 with interest rates ranging from 2.00% to 4.13%. Interest payments are due semi-annually on November 1 and May 1, with principal payments due annually on November 1 for the years 2012 thru 2021 and for the years 2024 thru 2029. Final maturity is May 1, 2029.

The 2010B Limited Tax School Bonds were issued in the amount of \$11,100,000 with interest rates ranging from 5.93% to 6.13%. Interest payments are due semi-annually on November 1 and May 1, with principal payments due annually on November 1 for the years 2029 thru 2040. Final maturity is May 1, 2040. This is a Build America Bond. The District is responsible for the full amount of the interest payment; however, if the District completes and sends a form to the Internal Revenue Service timely, the Internal Revenue Service will pay 35% of the District's interest. Therefore, the District is recognizing revenue for the Internal Revenue Service's portion.

Capital Lease Payable

On September 26, 2018, Trenton Special School District entered into a master lease purchase agreement with Pinnacle Public Finance, Inc., a Delaware corporation (the Lessor), to finance the District's Energy Efficiency Project which includes capital improvements made to the buildings of the three schools of the District (the Improvements). The lease is collateralized by the Improvements. The amount of the master lease purchase agreement is \$3,389,493, and payments are due annually, starting on June 1, 2019, at 3.68% interest rate, with the last payment due date of June 1, 2037. The District has the option to purchase the Lessor's interest in all of the improvements covered by the agreement upon giving a written notice to the Lessor at least 60 days before the date of the purchase, plus an amount equaling to a) 101% of the outstanding principal balance plus accrued interest to the prepayment date, if the prepayment date is on or prior to September 26, 2023, or b) 100% of the outstanding principal balance plus accrued interest to the prepayment date if the prepayment date is after September 26, 2023. The lease agreement contains an event of default that allows the Lessor to change the timing of repayment of outstanding amounts to become immediately due if the District is unable to make payment, and/or retake possession of any and all collateralized Improvements.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

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

	Beginning Balance	Additions	Deductions	Ending Balance	Due in One Year
2010A Bonds	\$ 4,770,000	\$ -	\$ 395,000	\$ 4,375,000	\$ 415,000
2010B Bonds	11,100,000	-	-	11,100,000	-
2012 Bonds	1,090,000	-	25,000	1,065,000	25,000
School Energy Lease, Series 2018	-	3,389,493	78,730	3,310,763	67,038
Bond discount	(148,049)	-	(21,097)	(126,952)	(27,097)
Bond premium	1,668	-	371	1,297	371
Total obligation debt	\$ 16,813,619	\$ 3,389,493	\$ 478,004	\$ 19,725,108	\$ 480,312

A summary of estimated annual debt service requirements for the District is shown below.

June 30,	Bonds		Capital Lease		Total
	Principal	Interest	Principal	Interest	
2020	\$ 440,000	\$ 866,633	\$ 67,038	\$ 121,836	\$ 1,495,507
2021	460,000	853,164	86,151	119,369	1,518,684
2022	500,000	838,602	94,452	116,199	1,549,253
2023	515,000	830,102	116,702	112,723	1,574,527
2024	555,000	821,089	126,937	108,428	1,611,454
2025-2029	3,245,000	3,746,186	810,471	463,736	8,265,393
2030-2034	4,200,000	2,826,145	1,171,336	289,517	8,486,998
2035-2039	5,375,000	1,401,096	837,676	60,060	7,673,832
2040	1,250,000	76,563	-	-	1,326,563
	\$ 16,540,000	\$ 12,259,580	\$ 3,310,763	\$ 1,391,868	\$ 33,502,211

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

G. Designations of Fund Equity

The following funds had nonspendable, restricted, or assigned fund balances as of June 30, 2019:

	General Purpose	Public Law	Cafeteria	Bus Garage	Total
Nonspendable					
Inventory	\$ -	\$ -	\$ 71,024	\$ 58,363	\$ 129,387
Restricted					
Education	182,956	-	-	-	182,956
Instruction	4,778	-	-	-	4,778
Capital projects	754,618	-	-	-	754,618
Stabilization reserve trust	16,137	-	-	-	16,137
Operation of non- instructional services	-	-	198,753	8,294	207,047
Assigned					
Instruction - textbooks	100,000	-	-	-	100,000
Capital outlay	1,697,682	-	-	-	1,697,682
Debt service	39,644	-	-	-	39,644
Fiscal year 2020 budget	581,241	-	-	-	581,241
Other purposes	180,993	100,000	-	-	280,993
	<u>\$ 3,558,049</u>	<u>\$ 100,000</u>	<u>\$ 269,777</u>	<u>\$ 66,657</u>	<u>\$ 3,994,483</u>

The \$180,993 fund balance assigned for other purposes in the General Purpose Fund were for the purposes of technology, chromebooks, a bus, unemployment, accrued leave, band, insurance, speech, STEM, and backpack program. The \$100,000 fund balance assigned for other purposes in the Public Law Fund was for the purpose of preventing a negative cash balance in this fund.

NOTE 5 – OTHER INFORMATION

A. Insurance Coverage

The System is exposed to various risks related to workers' compensation, general liability, automobile liability, and property. The System felt it was more economically feasible to join public entity risk pools as opposed to purchasing commercial insurance for these areas. The System is a member of the Tennessee Risk Management Trust (TNRMT), which is a public entity risk pool. The System pays an annual premium to this pool for coverage under the above areas. The Pool provides the specified coverage and pays all claims from its member premiums charged or through its reinsurance policies. The System's premiums are calculated based on its claims history. The System continues to carry commercial insurance for all other risks of loss, including public officials' bond. Settled claims from these losses have not exceeded commercial insurance coverage in any of the past three fiscal years.

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

B. Pensions

I. Teacher Legacy Pension Plan of Tennessee Consolidated Retirement System

Plan description

The Tennessee Consolidated Retirement System (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 all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at: <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by Trenton Special School District with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees.

Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

Benefits provided

Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit, or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's service credit. A reduced early retirement benefit is available at age 55 if vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 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.

Contributions

Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Trenton Special School District for the year ended June 30, 2019 to the Teacher Legacy Pension Plan were \$509,018 which is 10.46 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension liability

At June 30, 2019, Trenton Special School District reported an asset of \$488,177 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial value as of that date. Trenton Special School District's proportion of the net pension liability was based on Trenton Special School District's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2018 Trenton Special School District's proportion was 0.138729 percent. The proportion measured as of June 30, 2017 was 0.142372 percent.

Pension expense

For the year ended June 30, 2019, Trenton Special School District recognized a negative pension expense of \$(147,354).

Deferred outflows of resources and deferred inflows of resources

For the year ended June 30, 2019, Trenton Special School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 98,677	\$ 658,590
Changes in assumptions	288,320	-
Net difference between projected and actual earnings on pension plan investments	-	106,248
Changes in proportion of Net Pension Liability (Asset)	23,275	32,727
Contributions subsequent to the measurement date of June 30, 2018	<u>509,018</u>	<u>-</u>
Total	<u>\$ 919,290</u>	<u>\$ 797,565</u>

Trenton Special School District employer contributions of \$509,018, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

<u>Year Ended June 30:</u>	
2020	\$ 93,024
2021	(163,512)
2022	(269,188)
2023	(47,617)
2023	-
Thereafter	-

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

Actuarial assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

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

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

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

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

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

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate

The following presents Trenton Special School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what Trenton Special School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Trenton Special School District's proportionate share of the net pension liability (asset)	\$ 3,763,178	\$ (488,177)	\$ (4,005,581)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

At June 30, 2019, Trenton Special School District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2019.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

II. Teacher Retirement Plan of Tennessee Consolidated Retirement System

Plan description

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 all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at: <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by Trenton Special School District with memberships in TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

Teacher Retirement Plan is also known as the Hybrid Retirement Plan for State Employees and Teachers, or the "Hybrid Plan". There are two components to the Hybrid Plan, a defined benefit component and a defined contribution component. Details of each component are described below:

a. Defined Benefit Component of the Hybrid Plan

Benefits provided

Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan 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. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 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 Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

Contributions

Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Trenton Special School District for the year ended June 30, 2019 to the Teacher Retirement Plan were \$14,854 which is 1.94 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension liabilities (assets)

At June 30, 2019, Trenton Special School District reported an asset of \$37,653 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial value as of that date. Trenton Special School District's proportion of the net pension asset was based on Trenton Special Schools' share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2018, Trenton Special School District's proportion was 0.083023 percent. The proportion measured as of June 30, 2017 was 0.070478 percent.

Pension Expense

For the year ended June 30, 2019, Trenton Special Schools recognized pension expense of \$12,815.

Deferred outflows of resources and deferred inflows of resources

For the year ended June 30, 2019, Trenton Special School District reported deferred outflows of resources related to pensions from the following sources:

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,133	\$ 1,500
Net difference between projected and actual earnings on pension plan investments	-	2,127
Changes in assumptions	1,776	-
Changes in proportion of Net Pension Liability (Asset)	3,701	3,986
Contributions subsequent to the measurement date of June 30, 2018	14,854	-
Total	\$ 22,464	\$ 7,613

Trenton Special School District's employer contributions of \$14,854 reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as a reduction in net pension liability in the year ended June 30, 2020.

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

<u>Year Ended June 30:</u>	
2020	\$ (318)
2021	(386)
2022	(689)
2023	(133)
2024	150
Thereafter	1,373

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

Actuarial assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

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

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

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

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

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

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

Discount rate

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

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate

The following presents Trenton Special School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what Trenton Special School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1- percentage-point higher (8.25 percent) than the current rate:

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Trenton Special School District's proportionate share of the net pension liability (asset)	\$ 5,821	\$ (37,653)	\$ (69,684)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

At June 30, 2019, Trenton Special School District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2019.

b. Defined Contribution Component of the Hybrid Plan

Upon first becoming a public-school teacher in the Hybrid Plan, 2% of the employee's compensation will be deferred automatically into the defined contribution component of the Hybrid Plan unless the employee makes an affirmative election not to contribute. The System will make a contribution to the defined contribution component of the plan on behalf of each member which equals to 5% of the member's compensation, regardless of whether the member makes any employee contribution. The 5% employer contribution rate is established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees immediately vest in the employee and employer contributions to the defined contribution portion of the Hybrid Plan.

During the fiscal year 2019, the System contributed a total of \$37,648 in the defined contribution portion of the Hybrid Plan. There were no forfeitures during the year ended June 30, 2019 and the District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at June 30, 2019.

III. Political Subdivision Pension Plan

Plan description

Employees of Trenton Special School District are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. 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 publically available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits provided

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. 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. Benefits are determined by a formula using the member's highest five consecutive year average compensation

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. 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.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	53
Inactive employees entitled to but not yet receiving benefits	94
Active employees	59
	206
	206

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Trenton Special School District makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2019, the employer contributions for Trenton Special School District were \$70,359 based on a rate of 5.02 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Trenton Special School District's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Trenton Special School District's net pension liability (asset) was measured as of June 30, 2018, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability as of June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expense including inflation
Cost-of-Living Adjustment	2.25 percent

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

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

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

<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 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 Trenton Special School District will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 6/30/17	\$ 4,836,772	\$ 5,087,023	\$ (250,251)
Changes for the year:			
Service cost	135,842	-	135,842
Interest	350,818	-	350,818
Differences between expected and actual experience	(182,282)	-	(182,282)
Changes in assumptions	-	-	-
Contributions- employer	-	67,179	(67,179)
Contributions- employees	-	66,913	(66,913)
Net investment income	-	416,488	(416,488)
Benefit payments, including refunds of employee contributions	(267,492)	(267,492)	-
Administrative expense	-	(5,507)	5,507
Net changes	<u>36,886</u>	<u>277,581</u>	<u>(240,695)</u>
Balance at 6/30/18	<u>\$ 4,873,658</u>	<u>\$ 5,364,604</u>	<u>\$ (490,946)</u>

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

The following presents the net pension liability (asset) of Trenton Special School District calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's net pension liability (asset)	\$ 115,572	\$ (490,946)	\$ (996,705)

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

Pension expense

For the year ended June 30, 2019, Trenton Special School District recognized a negative pension expense of \$(89,795).

Deferred outflows of resources and deferred inflows of resources

For the year ended June 30, 2019, Trenton Special School District reported deferred outflows of

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,281	\$ 337,133
Net difference between projected and actual earnings on pension plan investments	-	18,949
Changes in assumptions	57,379	
Contributions subsequent to the measurement date of June 30, 2018	70,359	-
Total	\$ 131,019	\$ 356,082

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

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

<u>Year Ended June 30:</u>	
2020	\$ (65,241)
2021	(86,693)
2022	(132,947)
2023	(10,541)
2024	-
Thereafter	-

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

Payable to the Pension Plan

At June 30, 2019, Trenton Special School District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2019.

C. Postemployment Healthcare Plans

Trenton Special School District OPEB Plan

Plan Description

The District contracted with CIGNA to provide a fully-insured, single-employer, defined benefit OPEB plan known as the Trenton Special School District OPEB Plan. The Plan provides medical, dental, and vision benefits to eligible retirees and their covered dependents. The obligation for payment of benefits has been effectively transferred from Trenton Special School District to CIGNA. The District has not guaranteed benefits in the event CIGNA becomes insolvent. Benefits are established and amended by the Trenton Special School District’s Board of Education.

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

Starting on January 1, 2019, the District terminated the Trenton Special School District's OPEB Plan and joined the state-administered Local Education Health Insurance Plan (TGOP). Due to the change in the OPEB plan, the measurement date of the District's Net OPEB Liability was also changed. In prior year, the measurement date of the District's Net OPEB Liability was the same as the District's fiscal year end date. However, with the change of OPEB Plan, the measurement date of the District's Net OPEB Liability is now 12-month earlier than the District's most recent fiscal year end date. For fiscal year ended June 30, 2019, the measurement date is June 30, 2018.

Funding Policy

The premium requirements of plan members are established and may be amended by CIGNA.

Annual OPEB Cost and Net OPEB Obligation

Changes in the District's Net OPEB Liability. Changes in the Utility's net OPEB liability measured at June 30, 2018 is detailed in the following table. The table below shows the net OPEB liability as of June 30, 2018, which is what is reported in the financial statements in accordance with GASB Statement No. 75. Total OPEB Liability was rolled forward to June 30, 2018 in order to be in compliance with GASB Statement No. 75.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
July 1, 2017	\$ 742,675	\$ -	\$ 742,675
Changes for the year:			
Service cost	31,907	-	31,907
Interest	28,383	-	28,383
Differences between expected and actual experience	-	-	-
Changes in assumptions	-	-	-
Contributions- employer	-	-	-
Net investment income	-	-	-
Benefit payments,	(86,105)	-	(86,105)
Administrative expense	-	-	-
Net change in total OPEB liability	<u>(25,815)</u>	<u>-</u>	<u>(25,815)</u>
June 30, 2018	<u>\$ 716,860</u>	<u>\$ -</u>	<u>\$ 716,860</u>

Actuarial Methods and Assumptions

The valuation was based on information provided by the District as of June 30, 2018.

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

Plan Demographic Information

The following table summarizes active and retiree demographic information for the medical plan.

Status	Employee Only	Employee & Dependents
Active (100)	40	60
Retired - receiving benefits (14)	12	2
Continuing Spouse (4)	4	-
	56	62

Benefits Provided

For medical benefits, all active employees who retire directly from the District and are age 60 with 5 years of service or have 30 years of service without regard to age can participate. Surviving spouses of eligible retirees may be eligible to continue coverage. Provided coverage continues to age 65. The retirees contribute a percentage of the monthly contribution based on years of service at retirement. These percentages are 75% for years of service less than 20; 65% for years of service 20-29; and 55% for years of service equal or greater than 30. The District pays the remaining percentage of the monthly contribution for each eligible retiree.

For dental and vision benefits, all active employees who retire directly from the District may participate with the retirees paying 100% of the contribution.

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Method	Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary
Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination.
Total OPEB Liability	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.
Average Per Capita Claim Cost	

Age	Medical
50	7,189
51	7,405
52	7,627
53	7,856
54	8,092
55	8,334

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2019

	56	8,585
	57	8,842
	58	9,107
	59	9,381
	60	9,662
	64	10,875
Healthcare Cost Trend Rates	Level 5.50%	
Effect of ACA	The excess coverage excise tax penalty of the Affordable Care Act has been postponed until the plan year beginning in 2022 and was not included in the projection of benefits. This plan has current medical costs well under the limits in current law. Current legislative discussions include both repeal of the excise tax and postponement beyond 2022.	
Mortality Turnover	RPH-2014 Total Table with Projection MP-2017 Rates varying based on unisex age and select and ultimate at 3 years. Rates based on the TCRS actuarial assumptions from the 2017 retirement plan valuation report.	
Disability Retirement Age	None assumed The retirement rates were developed from the assumption used in the 2017 actuarial report for the TCRS retirement plans.	
Coverage	100% of all retirees who currently have healthcare coverage will continue under the coverage at retirement. 65% of all actives who currently have healthcare coverage will continue with coverage upon retirement. 35% will continue with individual and spouse coverage and the remainder with individual coverage.	

Discount rate

The discount rate used to measure the total OPEB liability was 3.88 percent. Since there were no plan assets held in a qualifying trust, the Bond Buyer GO Bond 20 Index was used for determining the discount rate.

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following represents the Net OPEB Liability calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1-percentage point higher than the assumed trend rate:

A. Net OPEB liability at current trend rate (5.50%)	\$716,860
B. Net OPEB liability at with 1% decrease (4.50%)	\$663,044
C. Net OPEB liability at with 1% increase (6.50%)	\$778,884

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following represents the Net OPEB Liability calculated using the stated discount rate, as well as what the Net OPEB liability 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:

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

A. Net OPEB liability at current discount rate (3.88%)	\$716,860
B. Net OPEB liability at with 1% decrease (2.88%)	\$761,368
C. Net OPEB liability at with 1% increase (4.88%)	\$675,158

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended June 30, 2019, the District recognized OPEB expense of \$0. At June 30, 2019, the District reported no deferred outflows or inflows of related to OPEB liability related to this plan.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to discount, trend rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Payment of Benefits. Benefits are recorded when the participant has met all of the Plan requirements to receive a benefit. At June 30, 2019 no benefits were payable and not paid.

Administrative Expenses. Qualified Plan administrative expenses are paid by the Plan. During the year ended June 30, 2019 administrative expenses paid were \$0.

ii. The Tennessee Plan

Plan Description

Employees of the District, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible post-65 retired teachers and disability participants of local education agencies, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits provided

The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TN plan does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNP are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The District do not provide direct subsidy for post-65 retiree insurance coverage. The state, as a governmental nonemployer contributing entity contributes to the premiums of eligible retirees of local education agencies based on years of service. Therefore, retirees with 30 years of service receive \$50 per month; 20 but less than 30 years, \$37.50; and 15 but less than 20 years, \$25. The TNP is funded on a pay-as-you-go basis

**TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019**

and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees covered by benefit terms

At July 1, 2018, the following employees of the District was covered by the benefit terms of the TNP:

Inactive employees or beneficiaries currently receiving benefits	49
Inactive employs entitled to but not yet receiving benefits	13
Active employees	51
	113
	113

In accordance with TCA 8-27-209, the state insurance committees established by TCAs 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the District did not make any payments to the TNP for OPEB benefits as they came due.

Total OPEB Liability

Actuarial assumptions

The collective total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25 percent
Salary increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4.00 percent
Healthcare cost trend rate	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection, therefore trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2017, valuations were the same as those employed in the July 1, 2017 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2% load for males and a -3% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

Discount rate

The discount rate used to measure the total OPEB liability was 3.62 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Fidelity 20-Year Municipal GO AA index.

Changes in Collective Total OPEB Liability

	Total OPEB liability
Balance at June 30, 2017	\$ <u>475,701</u>
Changes for the year	
Service cost	5,488
Interest	16,687
Changes of benefit terms	-
Differences between expected and actual experience	9,932
Changes of assumptions	(3,458)
Benefit payments	<u>(24,884)</u>
Net change	3,765
Balance at June 30, 2018	\$ <u><u>479,466</u></u>
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 479,466
Employer's proportionate share of the collective total OPEB liability	\$ -
Employer's proportion of the collective total OPEB liability	0.00%

The District has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNP. The District's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefits paid through the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The District's proportion of 0% did not change from the prior measurement date. The District recognized \$18,392 in revenue for support provided by nonemployer contributing entities for benefits paid to the TNP for the District's retired employees.

Changes in assumptions

The discount rate was changed from 3.56% as of the beginning of the measurement period to 3.62% as of June 30, 2018. This change in assumption decreased the total OPEB liability.

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

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$18,392. At June 30, 2019, the District reported no deferred outflows or inflows of related to OPEB liability related to

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

this plan.

E. Leases

Operating Leases

The District has entered into three lease agreements as a lessee for copiers on two agreements and a postage machine on the third agreement. These lease agreements qualify as operating leases for accounting purposes. The first copier lease is for a forty-eight month period with monthly payments of \$435. The second copier lease is for a sixty month period with monthly payments of \$417. The postage machine lease is for a forty-eight month period with monthly payments of \$65.

The future minimum lease payments as of June 30, 2019, were as follows:

<u>Year Ended June 30,</u>	
2020	\$ 3,739
2021	<u>653</u>
	<u>4,392</u>

The lease expenses for the year ended June 30, 2019 was \$10,484.

REQUIRED SUPPLEMENTARY INFORMATION

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET
TEACHER LEGACY PENSION PLAN OF TCRS

Last Fiscal Year Ended June 30

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District's proportion of the net pension liability (asset)	0.137686%	0.137853%	0.136653%	0.142372%	0.138729%
District's proportionate share of the net pension liability (asset)	\$ (22,373)	\$ 56,469	\$ 854,005	\$ (46,581)	\$ (488,177)
District's covered payroll	\$ 5,404,168	\$ 5,160,524	\$ 4,932,895	\$ 5,032,794	\$ 4,857,855
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-0.41%	1.09%	17.31%	-0.93%	-10.05%
Plan fiduciary net position as a percentage of the total pension liability	100.08%	99.81%	97.14%	100.14%	101.49%

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHER LEGACY PENSION PLAN OF TCRS**

Last Fiscal Year Ending June 30

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required contribution	\$ 479,890	\$ 466,511	\$ 445,934	\$ 454,964	\$ 441,093	\$ 509,018
Contributions in relation to the contractually required contribution	<u>479,890</u>	<u>466,511</u>	<u>445,934</u>	<u>454,964</u>	<u>441,093</u>	<u>509,018</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,404,168	\$ 5,160,524	\$ 4,932,895	\$ 5,032,794	\$ 4,857,855	\$ 4,866,314
Contributions as a percentage covered payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

Changes of 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.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET
TEACHER RETIREMENT PLAN OF TCRS
Fiscal Year Ended June 30*

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
District's proportion of the net pension asset	0.066070%	0.106690%	0.070478%	0.083023%
District's proportionate share of the net pension asset	\$ (2,714)	\$ (11,107)	\$ (18,595)	\$ (37,653)
District's covered employee payroll	\$ 140,166	\$ 469,447	\$ 462,577	\$ 725,527
District's proportionate share of the net pension asset as a percentage of its covered-employee payroll	-1.94%	-2.37%	-4.02%	-5.19%
Plan fiduciary net position as a percentage of the total pension liability	127.46%	121.88%	126.81%	126.97%

* The amounts presented were determined as of June 30 of the prior fiscal year.

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHER RETIREMENT PLAN OF TCRS
Fiscal Year Ending June 30**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution (ADC)	\$ 3,504	\$ 11,751	\$ 18,503	\$ 11,831	\$ 14,854
Contributions in relation to the actuarially determined contributions	<u>5,607</u>	<u>18,778</u>	<u>18,503</u>	<u>29,021</u>	<u>14,854</u>
Contribution deficiency (excess)	<u>\$ (2,103)</u>	<u>\$ (7,027)</u>	<u>\$ -</u>	<u>\$ (17,190)</u>	<u>\$ -</u>
Covered-employee payroll	\$ 140,166	\$ 469,447	\$ 462,577	\$ 725,527	\$ 765,632
Contributions as a percentage covered-employee payroll	4.00%	4.00%	4.00%	4.00%	1.94%

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

Changes of 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.

Note: In FY 2019, Trenton Special School District placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06 percent of covered payroll into the Pension Stabilization Reserve Trust.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN TRENTON SPECIAL SCHOOL DISTRICT'S
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
Last Fiscal Year Ending June 30

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total pension liability					
Service cost	\$ 117,392	\$ 121,946	\$ 131,534	\$ 134,593	\$ 135,842
Interest	316,153	329,745	341,791	360,355	350,818
Changes in benefit terms	-	-	-	-	-
Difference between actual & expected experience	(70,100)	(93,634)	8,201	(302,826)	(182,282)
Change of assumptions	-	-	-	95,633	-
Benefit payments, including refunds of employee contributions	(191,347)	(182,189)	(231,882)	(242,249)	(267,492)
Net change in total pension liability	172,098	175,868	249,644	45,506	36,886
Total pension liability - beginning	4,193,656	4,365,754	4,541,622	4,791,266	4,836,772
Total pension liability - ending (a)	<u>\$ 4,365,754</u>	<u>\$ 4,541,622</u>	<u>\$ 4,791,266</u>	<u>\$ 4,836,772</u>	<u>\$ 4,873,658</u>
Plan fiduciary net position					
Contributions - employer	\$ 35,010	\$ 55,553	\$ 57,682	\$ 70,088	\$ 67,179
Contributions - employee	66,056	70,144	72,830	70,088	66,913
Net investment income	657,370	139,984	122,076	523,276	416,488
Benefit payments, including refunds of employee contributions	(191,347)	(182,189)	(231,882)	(242,249)	(267,492)
Administrative expense	(2,320)	(3,319)	(4,955)	(5,066)	(5,507)
Net change in plan fiduciary net position	564,769	80,173	15,751	416,137	277,581
Plan fiduciary net position - beginning	4,010,193	4,574,962	4,655,135	4,670,886	5,087,023
Plan fiduciary net position - ending (b)	<u>\$ 4,574,962</u>	<u>\$ 4,655,135</u>	<u>\$ 4,670,886</u>	<u>\$ 5,087,023</u>	<u>\$ 5,364,604</u>
Net Pension Liability (Asset) - ending (a) - (b)	<u>\$ (209,208)</u>	<u>\$ (113,513)</u>	<u>\$ 120,380</u>	<u>\$ (250,251)</u>	<u>\$ (490,946)</u>
Plan fiduciary net position as a percentage of total pension liability	104.79%	102.50%	97.49%	105.17%	110.07%
Covered - employee payroll	\$ 1,321,093	\$ 1,402,860	\$ 1,456,593	\$ 1,401,736	\$ 1,338,227
Net pension liability (asset) as a percentage of covered-employee payroll	-15.84%	-8.09%	8.26%	-17.85%	-36.69%

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

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

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF TRENTON SPECIAL SCHOOL DISTRICT'S CONTRIBUTIONS
BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
Last Fiscal Year Ending June 30

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution	\$ 35,010	\$ 55,553	\$ 57,682	\$ 55,509	\$ 67,179	\$ 70,359
Contributions in relation to the actuarially determined contributions	<u>35,010</u>	<u>55,553</u>	<u>57,682</u>	<u>70,088</u>	<u>67,179</u>	<u>70,359</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(14,579)</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 1,321,093	\$ 1,402,860	\$ 1,456,593	\$ 1,401,736	\$ 1,338,227	\$ 1,401,559
Contributions as a percentage covered-employee payroll	2.65%	3.96%	3.96%	5.00%	5.02%	5.02%

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

Notes to Schedule:

Valuation Date : Actuarially determined contribution rates for fiscal year 2019 were calculated based on the June 30, 2017 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation	10-year smoothed within a 20 percent corridor to market value
Inflation	2.50 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of living adjustments	2.25 percent

Changes of 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.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
For the Years Ended June 30,

Trenton Special School District OPEB Plan

Total OPEB Liability	2019
Service cost	\$ 31,907
Interest	28,383
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Contribution - employer	-
Benefits Payments and Refunds	<u>(86,105)</u>
Net Change in Total OPEB Liability	(25,815)
Total OPEB Liability - beginning	<u>742,675</u>
Total OPEB Liability - ending	<u>\$ 716,860</u>
Covered Employee Payroll	\$ 6,609,359
Total OPEB Liability as a % of covered-employee payroll	10.85%

Notes to Schedule

There are no assets accumulating, in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF NOTES TO OPEB REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ending June 30, 2019

Trenton Special School District OPEB Plan

Notes to OPEB Required Supplementary Information

Valuation date June 30, 2018
Measurement date June 30, 2018

Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Method Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary

Service Cost Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination.

Total OPEB Liability The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.

Discount Rate 3.88% (0.88% real rate of return plus 3.00% inflation)

Average Per Capita Claim Cost

Age	Medical
50	7,189
51	7,405
52	7,627
53	7,856
54	8,092
55	8,334
56	8,585
57	8,842
58	9,107
59	9,381
60	9,662
64	10,875

Healthcare Cost Trend Rates Level 5.50%

Effect of ACA The excess coverage excise tax penalty of the Affordable Care Act has been postponed until the plan year beginning in 2022 and was not included in the projection of benefits. This plan has current medical costs well under the limits in current law. Current legislative discussions include both repeal of the excise tax and postponement beyond 2022.

Mortality RPH-2014 Total Table with Projection MP-2017

Turnover Rates varying based on unisex age and select and ultimate at 3 years. Rates based on the TCRS actuarial assumptions from the 2017 retirement plan valuation report.

Disability None assumed

Retirement Age The retirement rates were developed from the assumption used in the 2017 actuarial report for the TCRS retirement plans.

Coverage 100% of all retirees who currently have healthcare coverage will continue under the coverage at retirement.

65% of all actives who currently have healthcare coverage will continue with coverage upon retirement. 35% will continue with individual and spouse coverage and the remainder with individual coverage.

Other Information:

Notes There were no benefit changes during the measurement period.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
For the Years Ended June 30,

The Tennessee (Medicare Supplement) Plan

Total OPEB Liability	2018	2019
Service cost	\$ 6,745	\$ 5,488
Interest	14,963	16,687
Changes of benefit terms	-	-
Differences between expected and actual experience	-	9,932
Changes of assumptions	(39,407)	(3,458)
Contribution - employer	-	-
Benefits Payments and Refunds	<u>(24,600)</u>	<u>(24,884)</u>
Net Change in Total OPEB Liability	(42,299)	3,765
Total OPEB Liability - beginning	518,000	475,701
Total OPEB Liability - ending	<u>\$ 475,701</u>	<u>\$ 479,466</u>
Covered Employee Payroll	\$ 6,511,048	\$ 6,609,359
Total OPEB Liability as a % of covered-employee payroll	7.31%	7.25%

Notes to Schedule

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

The amounts reported for each fiscal year were determined as of the prior fiscal year-end.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF NOTES TO OPEB REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ending June 30, 2019

The Tennessee (Medicare Supplement) Plan

Notes to OPEB Required Supplementary Information

Valuation date June 30, 2018
Measurement date June 30, 2018

Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Discount Rate	3.62%
Salary Increases	Salary increase rates used in the July 1, 2018 actuarial valuation of the Tennessee Consolidated Retirement System (TCRS); 3.44%-8.72%, including inflation
Retirement Age	Retirement rates used in the July 1, 2018 actuarial evaluation of the Tennessee Consolidated Retirement System (TCRS). They are based on the results of a statewide experience study (undertaken on behalf of TCRS).
Mortality	Mortality tables used in the July 1, 2018 actuarial evaluation of the Tennessee Consolidated Retirement System (TCRS). They are based on the results of a statewide experience study (undertaken on behalf of TCRS).
Healthcare Cost Trend Rates	None, premium subsidies provided by the State and the Employer are assumed to remain unchanged for the entire projection.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Administrative expense are included in the per capita health costs

Other Information:

Notes See the Actuarial Valuation Report as of July 1, 2018

Changes in assumptions and other inputs include the change in the discount rate from 3.56% as of the beginning of the measurement period to 3.62% as of June 30, 2018. This change is reflected in the Schedule of Changes in Total OPEB Liability.

There were no benefit changes during the measurement period.

SUPPLEMENTARY AND OTHER INFORMATION SECTION

**TRENTON SPECIAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**
June 30, 2019

	<u>Special Revenue</u>			<u>Total</u>
	<u>Public Law Fund</u>	<u>Cafeteria Fund</u>	<u>Bus Garage Fund</u>	
Assets				
Cash	\$ 36,442	\$ 189,468	\$ 17,399	\$ 243,309
Accounts receivable	-	1,215	-	1,215
Accounts receivable - grant	210,521	62,135	-	272,656
Due from other funds	250	-	-	250
Due from other governments	-	-	28,037	28,037
Inventories	-	71,024	58,363	129,387
Total assets	<u>\$ 247,213</u>	<u>\$ 323,842</u>	<u>\$ 103,799</u>	<u>\$ 674,854</u>
Liabilities and Fund Balance				
Liabilities				
Accounts payable	\$ 13,509	\$ 12,282	\$ 32,142	\$ 57,933
Due to other funds	133,704	41,783	5,000	180,487
Total liabilities	<u>147,213</u>	<u>54,065</u>	<u>37,142</u>	<u>238,420</u>
Fund Balance				
Nonspendable				
Inventory	-	71,024	58,363	129,387
Restricted				
Operation of non-instructional services	-	198,753	8,294	207,047
Assigned				
Assigned for other purposes	100,000	-	-	100,000
Total fund balance	<u>100,000</u>	<u>269,777</u>	<u>66,657</u>	<u>436,434</u>
Total liabilities fund balance	<u>\$ 247,213</u>	<u>\$ 323,842</u>	<u>\$ 103,799</u>	<u>\$ 674,854</u>

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	Special Revenue			Total
	Public Law Fund	Cafeteria Fund	Bus Garage Fund	
Revenues				
Local revenue	\$ -	\$ -	\$ 386,496	\$ 386,496
Charges for services	-	123,266	-	123,266
Federal and state funds	959,271	825,308	-	1,784,579
Commodities	-	78,155	-	78,155
Interest	-	484	-	484
Other income	-	-	1,379	1,379
Total revenues	<u>959,271</u>	<u>1,027,213</u>	<u>387,875</u>	<u>2,374,359</u>
Expenditures				
Current				
Instruction				
Regular instruction	146,463	-	-	146,463
Special education	236,686	-	-	236,686
Vocational education	16,331	-	-	16,331
Support services				
Other student support	16,185	-	-	16,185
Regular instruction	356,491	-	-	356,491
Special education	36,760	-	-	36,760
Vocational education	1,157	-	-	1,157
Board of education	70	-	-	70
Transportation	570	-	386,307	386,877
Non-instructional services				
Food service	-	985,320	-	985,320
Community Services	150,238	-	-	150,238
Total expenditures	<u>960,951</u>	<u>985,320</u>	<u>386,307</u>	<u>2,332,578</u>
Net change in fund balance	(1,680)	41,893	1,568	41,781
Fund balance - beginning	101,680	207,457	61,329	370,466
Increase (decrease) in reserves	-	20,427	3,760	24,187
Fund balance - ending	<u>\$ 100,000</u>	<u>\$ 269,777</u>	<u>\$ 66,657</u>	<u>\$ 436,434</u>

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
PUBLIC LAW FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<u>Budget</u>		<u>Actual</u>	Variance Over
	<u>Original</u>	<u>Final</u>		(Under)
Revenues				
Federal and State funds	\$ 1,044,175	\$ 1,088,334	\$ 959,271	\$ (129,063)
Total Revenues	<u>1,044,175</u>	<u>1,088,334</u>	<u>959,271</u>	<u>(129,063)</u>
Expenditures				
Current				
Instruction				
Regular instruction	115,830	168,092	146,463	(21,629)
Special education	313,432	304,389	236,686	(67,703)
Vocational education	25,545	25,049	16,331	(8,718)
Support services				
Other student support	13,211	15,927	16,185	258
Regular instruction	377,200	381,512	356,491	(25,021)
Special education	40,591	43,120	36,760	(6,360)
Vocational education	1,157	1,157	1,157	-
Board of education	-	70	70	-
Transportation	592	570	570	-
Food service	1,120	-	-	-
Community Services	153,712	150,238	150,238	-
Total expenditures	<u>1,042,390</u>	<u>1,090,124</u>	<u>960,951</u>	<u>(129,173)</u>
Net change in fund balance	<u>\$ 1,785</u>	<u>\$ (1,790)</u>	<u>(1,680)</u>	<u>\$ 110</u>
Fund balance - beginning			<u>101,680</u>	
Fund balance - ending			<u>\$ 100,000</u>	

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
CAFETERIA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<u>Budget</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Over (Under)
Revenues				
Student lunches	128,641	128,641	97,440	\$ (31,201)
Adult lunches	30,000	30,000	24,982	(5,018)
Breakfast sales	748	748	844	96
State matching	32,271	32,271	7,289	(24,982)
USDA lunch funds	470,000	470,000	538,694	68,694
USDA breakfast funds	210,000	210,000	241,013	31,013
USDA other	65,000	65,000	78,155	13,155
Interest earned	100	100	484	384
Other state grants	30,000	35,000	34,633	(367)
Other revenues	5,707	5,707	3,679	(2,028)
Total revenues	<u>972,467</u>	<u>977,467</u>	<u>1,027,213</u>	<u>49,746</u>
Expenditures				
Supervisor/director	27,042	27,042	27,038	(4)
Clerical personnel	2,853	2,853	2,853	-
Cafeteria personnel	233,900	233,900	230,489	(3,411)
Other salaries	5,000	11,202	11,202	-
Employee benefits	79,222	80,382	74,817	(5,565)
Communication	450	450	44	(406)
Equipment maintenance	6,000	7,901	7,901	-
Travel and transportation	5,200	3,200	5,126	1,926
Other contracted services	13,500	6,315	6,318	3
Food services	436,000	431,000	428,647	(2,353)
Commodities	65,000	75,601	75,601	-
Uniforms	2,300	2,300	2,201	(99)
Utilities	25,000	25,097	25,097	-
In-service training	6,000	7,214	6,099	(1,115)
Supplies	45,000	43,009	38,476	(4,533)
Other charges	20,000	20,000	8,778	(11,222)
Capital outlay - equipment	65,000	65,000	34,633	(30,367)
Total expenditures	<u>1,037,467</u>	<u>1,042,466</u>	<u>985,320</u>	<u>(57,146)</u>
Net change in fund balance	<u>\$ (65,000)</u>	<u>\$ (64,999)</u>	<u>41,893</u>	<u>\$ 106,892</u>
Fund Balance - beginning			207,457	
Increase (Decrease) in Reserve for Inventory			<u>20,427</u>	
Fund Balance - ending			<u>\$ 269,777</u>	

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
GIBSON COUNTY SCHOOL BUS GARAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Over
				(Under)
Revenues				
Local revenues	\$ 432,760	\$ 432,760	\$ 386,496	\$ (46,264)
Other revenues	-	-	1,379	1,379
Total Revenues	<u>432,760</u>	<u>432,760</u>	<u>387,875</u>	<u>(44,885)</u>
Expenditures				
Salaries - mechanics	121,652	121,652	121,651	(1)
Salaries - other	22,216	22,216	22,214	(2)
Employee benefits	32,796	32,796	31,138	(1,658)
Travel	1,000	1,000	-	(1,000)
Communications	4,200	4,200	3,634	(566)
Laundry service	2,500	2,500	2,558	58
Medical and dental services	600	600	-	(600)
Other contracted services	4,596	4,596	4,597	1
Postal charges	400	400	220	(180)
Garage supplies	7,000	7,000	3,909	(3,091)
Fuel and lubricants	15,000	15,000	15,516	516
Other supplies and materials	3,800	3,800	2,197	(1,603)
Tires and tubes	44,000	44,000	43,285	(715)
Repair parts for vehicles	105,000	105,000	93,504	(11,496)
Insurance on vehicles	3,000	3,000	3,000	-
Other charges	35,000	35,000	20,079	(14,921)
Capital Outlay - Administrative Equipment	30,000	30,000	18,805	(11,195)
Total expenditures	<u>432,760</u>	<u>432,760</u>	<u>386,307</u>	<u>(46,453)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,568</u>	<u>\$ 1,568</u>
Fund balance - beginning			61,329	
Increase (decrease) in reserve for inventory			<u>3,760</u>	
Fund balance - ending			<u>\$ 66,657</u>	

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS
GENERAL OBLIGATION DEBT**

June 30, 2019

Year Ending June 30,	Refunded Bonds - Series 2012		2010A School Bonds		2010B School Bonds		School Energy Lease, Series 2018		Total Requirements		
	Principal	Interest	Principal	Interest	Principal	Interest*	Principal	Interest	Principal	Interest	Total
2020	\$ 25,000	\$ 18,438	\$ 415,000	\$ 170,319	\$ -	\$ 677,876	\$ 67,038	\$ 121,836	\$ 507,038	\$ 988,469	\$ 1,495,507
2021	25,000	17,938	435,000	157,350	-	677,876	86,151	119,369	546,151	972,533	1,518,684
2022	500,000	17,513	-	143,213	-	677,876	94,452	116,199	594,452	954,801	1,549,253
2023	515,000	9,013	-	143,213	-	677,876	116,702	112,723	631,702	942,825	1,574,527
2024	-	-	555,000	143,213	-	677,876	126,937	108,428	681,937	929,517	1,611,454
2025	-	-	580,000	121,013	-	677,876	137,776	103,757	717,776	902,646	1,620,422
2026	-	-	620,000	97,813	-	677,876	149,250	98,687	769,250	874,376	1,643,626
2027	-	-	645,000	73,012	-	677,876	161,392	93,194	806,392	844,082	1,650,474
2028	-	-	675,000	46,406	-	677,876	174,236	87,255	849,236	811,537	1,660,773
2029	-	-	450,000	18,562	275,000	677,876	187,817	80,843	912,817	777,281	1,690,098
2030	-	-	-	-	750,000	661,569	202,173	73,932	952,173	735,501	1,687,674
2031	-	-	-	-	800,000	617,094	217,344	66,492	1,017,344	683,586	1,700,930
2032	-	-	-	-	835,000	568,094	233,369	58,493	1,068,369	626,587	1,694,956
2033	-	-	-	-	890,000	516,950	250,292	49,905	1,140,292	566,855	1,707,147
2034	-	-	-	-	925,000	462,438	268,158	40,695	1,193,158	503,133	1,696,291
2035	-	-	-	-	975,000	405,781	287,015	30,826	1,262,015	436,607	1,698,622
2036	-	-	-	-	1,025,000	346,063	306,910	20,264	1,331,910	366,327	1,698,237
2037	-	-	-	-	1,075,000	283,282	243,751	8,970	1,318,751	292,252	1,611,003
2038	-	-	-	-	1,125,000	217,438	-	-	1,125,000	217,438	1,342,438
2039	-	-	-	-	1,175,000	148,532	-	-	1,175,000	148,532	1,323,532
2040	-	-	-	-	1,250,000	76,563	-	-	1,250,000	76,563	1,326,563
	<u>\$ 1,065,000</u>	<u>\$ 62,902</u>	<u>\$ 4,375,000</u>	<u>\$ 1,114,114</u>	<u>\$ 11,100,000</u>	<u>\$ 11,082,564</u>	<u>\$ 3,310,763</u>	<u>\$ 1,391,868</u>	<u>\$ 19,850,763</u>	<u>\$ 13,651,448</u>	<u>\$ 33,502,211</u>

*If the District follows the proper steps, the Internal Revenue Service will pay 35% of the noted interest for the District. See Note 4F for additional information

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
June 30, 2019

Description of Indebtness	Original amount of issue	Interest rate	Date of issue	Last maturity date	Outstanding 7/1/18	Issued during period	Paid and/or matured during period	Refunded during period	Outstanding 6/30/19
Bonds payable									
Payable through general fund									
Refunded Bonds - Series 2012	\$ 1,265,000	1.00% - 2.00%	October 30, 2012	May 1, 2023	\$ 1,090,000	\$ -	\$ 25,000	\$ -	\$ 1,065,000
2010A School Bonds	6,670,000	2.00% - 4.13%	May 1, 2011	May 1, 2029	4,770,000	-	395,000	-	4,375,000
2010B School Bonds	11,100,000	5.93% - 6.13%	May 1, 2011	May 1, 2040	11,100,000	-	-	-	11,100,000
Total bonds payable through general fund					<u>\$ 16,960,000</u>	<u>\$ -</u>	<u>\$ 420,000</u>	<u>\$ -</u>	<u>\$ 16,540,000</u>
Capital lease payable									
Payable through general fund									
School Energy Lease, Series 2018	3,389,493	3.68%	September 26, 2018	June 1, 2037	-	3,389,493	78,730	-	3,310,763
Total capital lease payable through general fund					<u>\$ -</u>	<u>\$ 3,389,493</u>	<u>\$ 78,730</u>	<u>\$ -</u>	<u>\$ 3,310,763</u>

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF PROPERTY TAX RATES AND ASSESSMENTS -
LAST TEN YEARS
For the Year Ended June 30, 2019

TEN YEAR SCHEDULE OF PROPERTY TAX RATES AND ASSESSMENTS

<u>Year Ended June 30,</u>	<u>Assessed Valuation</u>	<u>Tax Rate Per \$100</u>	<u>Levy</u>
2019	\$ 120,577,493	\$2.1600	\$ 2,604,474
2018	120,256,969	\$2.1600	2,597,551
2017	118,699,578	\$2.1600	2,563,911
2016	115,882,381	\$2.1600	2,503,059
2015	114,499,949	\$2.0874	2,390,072
2014	111,816,013	\$2.1300	2,381,681
2013	112,362,220	\$2.1300	2,393,315
2012	106,265,554	\$2.1300	2,263,456
2011	104,619,721	\$2.1300	2,228,400
2010	104,451,432	\$1.8900	1,974,132
2009	92,550,884	\$2.0400	1,888,038

The following tax was levied on January 1, 2019:

2020	\$ 124,062,742	\$2.1105	\$ 2,618,344
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See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND SCHEDULE OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2019

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the SEFA) and schedule of state financial assistance (the SSFA) include the federal and state award activity of Trenton Special School District (the District) under programs of the federal and state governments for the year ended June 30, 2019. The information in the SEFA is presented in accordance with the 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). Because these schedules present only a selected portion of the operations of the District, they are not intended to and do not present the statement of net position, statement of activities, or cash flows of the District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the SEFA and SSFA are reported on the modified 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. Negative amounts shown on the SEFA and SSFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Grantor Agency/ Pass-through Agency Program Name and Number	CFDA Number	Contract Number	Expenditures
U.S. Department of Agriculture			
<i>Tennessee Department of Agriculture</i>			
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	\$ <u>29,633</u>
Child Nutrition Cluster:			
National School Lunch Program - Commodities	10.555*	N/A	75,601
School Breakfast Program	10.553*	N/A	241,013
National School Lunch Program	10.555*	N/A	538,694
Commodity rebate	10.555*	N/A	<u>2,554</u>
			<u>857,862</u>
Total Department of Agriculture			<u>887,495</u>
U.S. Department of Education			
<i>Tennessee Department of Education</i>			
Career and Technical Education - Basic Grants to States			
Carl Perkins	84.048	V048A180042	23,132
Carl Perkins IV Reserve Grant	84.048A	V048A180042	<u>7,419</u>
			<u>30,551</u>
Title I, Grants to Local Education Agencies			
Title I	84.010	S010A180042	<u>336,543</u>
Special Education Cluster (IDEA)			
Special Education - Grants to States			
IDEA	84.027	H027A180052	288,259
IDEA Discretionary	84.027A	H027A180052	<u>1,453</u>
			<u>289,712</u>
Special Education - Preschool Grants			
High Cost Grant	84.173	H027A180052	2,700
IDEA Preschool	84.173	H027A180052	<u>2,697</u>
Total Special Education Cluster (IDEA)			<u>295,109</u>
Twenty-First Century Community Learning Center	84.287C	S287C180043	<u>157,500</u>
Rural and Low-Income School Program			
Title VI, Rural Educator	84.358	S358B180042	<u>23,462</u>

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Grantor Agency/ Pass-through Agency/ Program Name and Number	CFDA Number	Contract Number	Expenditures
English Language Acquisition Grants Title III, Part A	84.365	S365A180042	<u>14,453</u>
Supporting Effective Instruction State Gran Title II, Part A Training	84.367	S367A180040	<u>41,634</u>
Student Support and Academic Enrichment Program Title IV, Part A	84.424A	S424A180044	<u>2,400</u>
Total Department of Education			<u>901,652</u>
U.S. Department of Health and Human Services			
<i>Tennessee Department of Health and Human Services</i>			
Child Care and Development Fund Cluste			
Child Care and Development Block Grant	93.575	G1801TNCCDF	<u>50,316</u>
Total Federal Awards			<u>\$ 1,839,463</u>

NOTE: Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and issued.

* Major federal program.

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2019

Grantor Agency/ Program Name	Contract Number	Expenditures
Tennessee Department of Education		
Child Nutrition State Match	577100	\$ 7,289
Breakfast After the Bell	unknown	5,000
Early Childhood Grant - Pilot	911400	421,712
School Security	unknown	802
Safe Schools	5030000	55,098
Portfolio Review Stipend	unknown	1,181
Read to be Ready Literacy Coach	140104	10,000
Coordinated School Health	545300	105,000
Career Ladder	500700	28,303
Family Resource Center	911900	<u>29,612</u>
Total State Financial Assistance		<u>\$ 663,997</u>

See independent auditor's report.



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 Board of Education
Trenton Special School District
Trenton, 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 major fund, and the aggregate remaining fund information of Trenton Special School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Trenton Special School District's basic financial statements as listed in the table of contents and have issued our report thereon dated December 12, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Trenton Special School District'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 Trenton Special School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Trenton Special School District'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 Trenton Special School District's financial statements are free of 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 is required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Alexander Thompson Arnold PLLC

Jackson, Tennessee
December 12, 2019



Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Education
Trenton Special School District
Trenton, Tennessee

Report on Compliance for Each Major Federal Program

We have audited Trenton Special School District compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Trenton Special School District's major federal programs for the year ended June 30, 2019. Trenton Special School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with 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 Trenton Special School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Trenton Special School District'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 Trenton Special School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Trenton Special School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

Alexander Thompson Arnold PLLC

Jackson, Tennessee
December 12, 2019

**TRENTON SPECIAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019**

SECTION I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiencies identified?	_____ yes	_____ <u>X</u> none reported

Type of auditor's 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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.553	Child Nutrition Cluster:
10.555	School Breakfast Program
	National School Lunch Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ X yes _____ no

SECTION II – Financial Statement Findings

None reported.

SECTION III – Federal Award Findings and Questioned Costs

None reported.

TRENTON SPECIAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

FINANCIAL STATEMENTS FINDINGS

None reported.

FEDERAL AWARD FINDINGS AND QUESTION COSTS

None reported.

January DHB

1. DHB met to discuss a classroom disruption caused by an 8th grade student at TRMS. The student brought several “fart bombs” to school. He placed one of them in the garbage can that was near an 8th grade teacher’s desk. The bomb went off and caused such a disruption the teacher was forced to stop class until the room could be aired out and the students brought back under control. The package had 3 “bombs”, this student set one off and gave one to another student to set off in another classroom, which they did. The student who purchased and brought the bombs to school was caught trying to dispose of the package, which still contained 1 bomb. He admitted to buying, bringing and engaging the fart bomb. The student was given ISS at the middle school from January 8- January 22, 2020.
2. A PHS student was brought before the DHB for disrespect to an authority figure and disobeying school rules. The student was extremely disrespectful to Coach Hooker. He was breaking a school rule and was told to go to ISS. He cursed Coach Hooker and ignored the order. He was disrespectful throughout the DHB hearing as well. The board placed the student in alternative school from 1/17 – 2/3/2020. He will serve his time in the ISS room with Coach Vowell. All alternative school rules will apply.
3. A 7th grade TRMS student was seen for repeated offenses, mainly outbursts to teachers. The student was given alternative school from 1/21/2020 – 3/16/2020.
4. A 6th grade TRMS student was brought before the board for repeated offenses. The administration had exhausted all means of behavior modification with this student. After a meeting with the parent, the parent asked that the student be given a “wake up” call. The student was placed in alternative school from 1/21/2020 – 3/2/2020.
5. A 5th grade student was brought before the DHB for repeated explosive outbursts, refusal to obey authority figures, combative behavior with adults, and self harm. The student was placed in the behavior school at TES to be supervised by Greg Vinson. This student is a very small 5th grader and the board felt that they would respond better in a smaller environment with more one to one attention. The student will be at TES behavior school from 1/27/2020 – 3/30/2020.
6. An 8th grade TRMS student was brought before the board for an accumulation of offenses. This was the student’s 5th major referral. This referral was for blatant disrespect and defiance to an authority figure. The student was placed in alternative school from 1/23/2020 – 3/9/2020
7. An 11th grade PHS student was brought before the board for having a gun on school property. The student was given alternative school on a Zero Tolerance offense. 1/30/20 – 1/30/21.

141 General Purpose School		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
40210	Local Option Sales Tax	900,000.00	(423,318.02)	47.04 %	75,000.00	(82,386.94)	109.85 %
40350	Interstate Telecommunications Tax	5,000.00	(3,659.54)	73.19 %	416.67	(783.23)	187.98 %
40610	Current Property Tax	2,461,244.00	(393,550.63)	15.99 %	205,103.67	(330,667.41)	161.22 %
40620	Prior Year's Property Tax	100,000.00	(67,581.22)	67.58 %	8,333.33	(5,924.74)	71.10 %
40630	Interest And Penalty	10,000.00	(4,792.60)	47.93 %	833.33	(797.61)	95.71 %
40650	Payments In Lieu Of Taxes	2,500.00	(1,157.00)	46.28 %	208.33	(231.40)	111.07 %
41110	Marriage Licenses	300.00	(165.62)	55.21 %	25.00	(40.36)	161.44 %
43531	Transportation - Other State Systems	6,000.00	(635.40)	10.59 %	500.00	0.00	0.00 %
43570	Receipts From Individual Schools	30,000.00	(11,457.08)	38.19 %	2,500.00	(1,794.79)	71.79 %
43581	Community Service Fees - Children	2,000.00	0.00	0.00 %	166.67	0.00	0.00 %
43990	Other Charges For Services	22,000.00	(40.00)	0.18 %	1,833.33	0.00	0.00 %
44110	Investment Income	25,000.00	(32,602.58)	130.41 %	2,083.33	(4,661.39)	223.75 %
44120	Lease/Rentals	4,000.00	(9,475.00)	236.88 %	333.33	(1,400.00)	420.00 %
44170	Miscellaneous Refunds	0.00	(258.91)	0.00 %	0.00	(14.56)	0.00 %
44570	Contributions & Gifts	2,842.19	(1,350.00)	47.50 %	236.85	0.00	0.00 %
46511	Basic Education Program	8,130,000.00	(4,065,000.00)	50.00 %	677,500.00	(813,000.00)	120.00 %
46515	Early Childhood Education	407,958.00	(73,958.33)	18.13 %	33,996.50	0.00	0.00 %
46520	School Food Service	6,000.00	0.00	0.00 %	500.00	0.00	0.00 %
46590	Other State Education Funds	231,440.00	(183,816.65)	79.42 %	19,286.67	(110,858.18)	574.79 %
46610	Career Ladder Program	24,000.00	(11,488.24)	47.87 %	2,000.00	0.00	0.00 %
46850	Mixed Drink Tax	0.00	(77.85)	0.00 %	0.00	(36.64)	0.00 %
46980	Other State Grants	31,970.00	(11,820.34)	36.97 %	2,664.17	(11,820.34)	443.68 %
47715	Tax Credit Bond Rebate	220,174.00	0.00	0.00 %	18,347.83	0.00	0.00 %
49700	Insurance Recovery	0.00	(102,165.74)	0.00 %	0.00	(102,165.74)	0.00 %
49800	Transfers In	5,000.00	0.00	0.00 %	416.67	0.00	0.00 %
	Total Revenues	12,627,428.19	(5,398,370.75)	42.75 %	1,052,285.68	(1,466,583.33)	139.37 %
Expenditures							
71100	Regular Instruction Program	(5,256,397.19)	2,106,724.51	40.08 %	(438,033.10)	402,248.58	91.83 %
71150	Alternative Instruction Program	(255,279.00)	105,374.01	41.28 %	(21,273.25)	20,144.10	94.69 %
71200	Special Education Program	(433,311.00)	178,150.36	41.11 %	(36,109.25)	41,177.29	114.04 %
71300	Career and Technical Education	(233,771.00)	103,462.50	44.26 %	(19,480.92)	32,025.55	164.39 %
71400	Student Body Education Program	(39,435.00)	18,682.59	47.38 %	(3,286.25)	6,343.43	193.03 %
72110	Attendance	(136,447.00)	55,625.40	40.77 %	(11,370.58)	10,977.54	96.54 %
72120	Health Services	(165,909.00)	65,085.86	39.23 %	(13,825.75)	11,541.72	83.48 %
72130	Other Student Support	(430,479.89)	188,633.78	43.82 %	(35,873.32)	30,942.91	86.26 %
72210	Regular Instruction Program	(594,445.07)	253,713.80	42.68 %	(49,537.09)	43,241.17	87.29 %
72220	Special Education Program	(88,451.00)	48,035.32	54.31 %	(7,370.92)	9,379.94	127.26 %

141 General Purpose School		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
72230	Career and Technical Education	(39,120.00)	15,170.87	38.78 %	(3,260.00)	6,901.83	211.71 %
72250	Instructional Technology	(307,132.00)	140,019.32	45.59 %	(25,594.33)	5,924.14	23.15 %
72310	Board Of Education	(180,001.00)	105,756.81	58.75 %	(15,000.08)	17,629.60	117.53 %
72320	Director Of Schools	(167,049.00)	82,160.61	49.18 %	(13,920.75)	14,912.62	107.13 %
72410	Office Of The Principal	(724,053.00)	336,467.38	46.47 %	(60,337.75)	57,170.63	94.75 %
72510	Fiscal Services	(72,655.00)	35,568.66	48.96 %	(6,054.58)	6,655.59	109.93 %
72520	Human Services/Personnel	(104,422.00)	53,257.07	51.00 %	(8,701.83)	12,654.83	145.43 %
72610	Operation Of Plant	(966,972.00)	460,207.02	47.59 %	(80,581.00)	77,478.35	96.15 %
72620	Maintenance Of Plant	(307,324.04)	161,012.85	52.39 %	(25,610.34)	8,507.21	33.22 %
72710	Transportation	(333,828.00)	152,350.05	45.64 %	(27,819.00)	34,968.56	125.70 %
72810	Central And Other	(42,500.00)	23,669.61	55.69 %	(3,541.67)	670.74	18.94 %
73300	Community Services	(3,180.00)	1,000.00	31.45 %	(265.00)	1,000.00	377.36 %
73400	Early Childhood Education	(407,958.00)	172,045.92	42.17 %	(33,996.50)	32,628.08	95.97 %
76100	Regular Capital Outlay	(1,177,662.00)	3,602,942.70	305.94 %	(98,138.50)	(55,958.12)	-57.02 %
82130	Education	(507,038.00)	0.00	0.00 %	(42,253.17)	0.00	0.00 %
82230	Education	(988,469.00)	433,316.26	43.84 %	(82,372.42)	0.00	0.00 %
	Total Expenditures	(13,963,288.19)	8,898,433.26	63.73 %	(1,163,607.35)	829,166.29	71.26 %
Total	141 General Purpose School	(1,335,860.00)	3,500,062.51	262.01 %	(111,321.67)	(637,417.04)	-572.59

142 School Federal Projects		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
44110	Investment Income	0.00	(25.84)	0.00 %	0.00	(2.34)	0.00 %
46980	Other State Grants	240,975.00	(40,900.63)	16.97 %	20,081.25	(20,078.94)	99.99 %
47131	Vocational Educ - Basic Grants To	31,040.93	(8,779.80)	28.28 %	2,586.74	(1,478.12)	57.14 %
47141	Title 1 Grants To Local Educ Agencies	394,819.45	(126,876.82)	32.14 %	32,901.62	(32,619.28)	99.14 %
47143	Special Education - Grants To States	427,851.50	(143,850.60)	33.62 %	35,654.29	(48,873.88)	137.08 %
47145	Special Education Preschool Grants	19,534.92	(3,705.48)	18.97 %	1,627.91	(690.45)	42.41 %
47146	English Language Acquisition Grants	13,812.74	(3,861.38)	27.96 %	1,151.06	0.00	0.00 %
47148	Rural Education	26,675.98	(8,712.34)	32.66 %	2,223.00	(2,903.09)	130.59 %
47189	Eisenhower Prof Development State	43,900.93	(11,742.18)	26.75 %	3,658.41	(1,705.89)	46.63 %
47590	Other Federal Through State	9,697.72	(9,496.72)	97.93 %	808.14	0.00	0.00 %
	Total Revenues	1,208,309.17	(357,951.79)	29.62 %	100,692.43	(108,351.99)	107.61 %
Expenditures							
71100	Regular Instruction Program	(304,341.34)	129,420.90	42.52 %	(25,361.78)	22,325.38	88.03 %
71200	Special Education Program	(391,462.67)	159,172.31	40.66 %	(32,621.89)	24,648.50	75.56 %
71300	Career and Technical Education	(22,131.61)	14,066.84	63.56 %	(1,844.30)	(27.15)	-1.47 %
72130	Other Student Support	(20,900.88)	6,953.26	33.27 %	(1,741.74)	3,376.59	193.86 %
72210	Regular Instruction Program	(160,802.92)	61,845.29	38.46 %	(13,400.24)	10,031.66	74.86 %
72220	Special Education Program	(55,922.75)	19,901.19	35.59 %	(4,660.23)	3,416.54	73.31 %
72230	Career and Technical Education	(1,252.00)	1,248.10	99.69 %	(104.33)	561.76	538.43 %
73300	Community Services	(240,975.00)	60,345.62	25.04 %	(20,081.25)	16,825.73	83.79 %
99100	Transfers Out	(10,520.00)	0.00	0.00 %	(876.67)	0.00	0.00 %
	Total Expenditures	(1,208,309.17)	452,953.51	37.49 %	(100,692.43)	81,159.01	80.60 %
Total	142 School Federal Projects	0.00	95,001.72	100.00 %	0.00	(27,192.98)	0.00 %

143 Central Cafeteria		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
43521	Lunch Payments - Children	128,641.00	(48,801.74)	37.94 %	10,720.08	(8,014.06)	74.76 %
43522	Lunch Payments - Adults	30,000.00	(12,031.25)	40.10 %	2,500.00	(756.50)	30.26 %
43523	Income From Breakfast	748.00	(78.00)	10.43 %	62.33	0.00	0.00 %
44110	Investment Income	100.00	(229.61)	229.61 %	8.33	(32.97)	395.64 %
46520	School Food Service	32,271.00	0.00	0.00 %	2,689.25	0.00	0.00 %
46980	Other State Grants	30,000.00	(16,000.00)	53.33 %	2,500.00	0.00	0.00 %
47111	USDA School Lunch Program	470,000.00	(155,546.23)	33.09 %	39,166.67	(54,457.88)	139.04 %
47112	Account No Longer In Use	73,766.00	0.00	0.00 %	6,147.17	0.00	0.00 %
47113	Breakfast	210,000.00	(91,397.61)	43.52 %	17,500.00	(32,961.02)	188.35 %
47114	USDA - Other	10,000.00	(21,621.22)	216.21 %	833.33	(9,890.68)	1,186.88 %
	Total Revenues	985,526.00	(345,705.66)	35.08 %	82,127.17	(106,113.11)	129.21 %
Expenditures							
73100	Food Service	(1,050,526.00)	626,416.86	59.63 %	(87,543.83)	(10,217.38)	-11.67 %
	Total Expenditures	(1,050,526.00)	626,416.86	59.63 %	(87,543.83)	(10,217.38)	-11.67 %
Total	143 Central Cafeteria	(65,000.00)	280,711.20	431.86 %	(5,416.67)	(116,330.49)	-2,147.64

144 School Transportation		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
43531	Transportation - Other State Systems	419,987.00	(195,121.85)	46.46 %	34,998.92	(34,097.99)	97.43 %
44990	Other Local Revenues	0.00	(150.00)	0.00 %	0.00	(150.00)	0.00 %
	Total Revenues	419,987.00	(195,271.85)	46.49 %	34,998.92	(34,247.99)	97.85 %
Expenditures							
72710	Transportation	(419,987.00)	215,116.85	51.22 %	(34,998.92)	34,097.99	97.43 %
	Total Expenditures	(419,987.00)	215,116.85	51.22 %	(34,998.92)	34,097.99	97.43 %
Total	144 School Transportation	0.00	19,845.00	100.00 %	0.00	(150.00)	0.00 %

141 General Purpose School		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
40210	Local Option Sales Tax	900,000.00	(340,931.08)	37.88 %	75,000.00	(85,192.28)	113.59 %
40350	Interstate Telecommunications Tax	5,000.00	(2,876.31)	57.53 %	416.67	(725.02)	174.00 %
40610	Current Property Tax	2,461,244.00	(62,883.22)	2.55 %	205,103.67	(62,493.88)	30.47 %
40620	Prior Year's Property Tax	100,000.00	(61,656.48)	61.66 %	8,333.33	(5,274.36)	63.29 %
40630	Interest And Penalty	10,000.00	(3,994.99)	39.95 %	833.33	(605.74)	72.69 %
40650	Payments In Lieu Of Taxes	2,500.00	(925.60)	37.02 %	208.33	0.00	0.00 %
41110	Marriage Licenses	300.00	(125.26)	41.75 %	25.00	(27.84)	111.36 %
43531	Transportation - Other State Systems	6,000.00	(635.40)	10.59 %	500.00	0.00	0.00 %
43570	Receipts From Individual Schools	30,000.00	(9,662.29)	32.21 %	2,500.00	(2,940.64)	117.63 %
43581	Community Service Fees - Children	2,000.00	0.00	0.00 %	166.67	0.00	0.00 %
43990	Other Charges For Services	22,000.00	(40.00)	0.18 %	1,833.33	0.00	0.00 %
44110	Investment Income	25,000.00	(27,941.19)	111.76 %	2,083.33	(4,762.68)	228.61 %
44120	Lease/Rentals	4,000.00	(8,075.00)	201.88 %	333.33	(1,475.00)	442.50 %
44170	Miscellaneous Refunds	0.00	(244.35)	0.00 %	0.00	(223.20)	0.00 %
44570	Contributions & Gifts	2,842.19	(1,350.00)	47.50 %	236.85	0.00	0.00 %
46511	Basic Education Program	8,130,000.00	(3,252,000.00)	40.00 %	677,500.00	(813,000.00)	120.00 %
46515	Early Childhood Education	407,958.00	(73,958.33)	18.13 %	33,996.50	0.00	0.00 %
46520	School Food Service	6,000.00	0.00	0.00 %	500.00	0.00	0.00 %
46590	Other State Education Funds	231,440.00	(72,958.47)	31.52 %	19,286.67	(9,682.94)	50.21 %
46610	Career Ladder Program	24,000.00	(11,488.24)	47.87 %	2,000.00	(11,488.24)	574.41 %
46850	Mixed Drink Tax	0.00	(41.21)	0.00 %	0.00	(41.21)	0.00 %
46980	Other State Grants	31,970.00	0.00	0.00 %	2,664.17	0.00	0.00 %
47715	Tax Credit Bond Rebate	220,174.00	0.00	0.00 %	18,347.83	0.00	0.00 %
49800	Transfers In	5,000.00	0.00	0.00 %	416.67	0.00	0.00 %
	Total Revenues	12,627,428.19	(3,931,787.42)	31.14 %	1,052,285.68	(997,933.03)	94.83 %
Expenditures							
71100	Regular Instruction Program	(5,256,397.19)	1,704,475.93	32.43 %	(438,033.10)	396,632.35	90.55 %
71150	Alternative Instruction Program	(255,279.00)	85,229.91	33.39 %	(21,273.25)	23,997.60	112.81 %
71200	Special Education Program	(433,311.00)	136,973.07	31.61 %	(36,109.25)	34,375.76	95.20 %
71300	Career and Technical Education	(233,771.00)	71,436.95	30.56 %	(19,480.92)	18,445.02	94.68 %
71400	Student Body Education Program	(39,435.00)	12,339.16	31.29 %	(3,286.25)	3,378.40	102.80 %
72110	Attendance	(136,447.00)	44,647.86	32.72 %	(11,370.58)	11,652.59	102.48 %
72120	Health Services	(165,909.00)	53,544.14	32.27 %	(13,825.75)	12,793.87	92.54 %
72130	Other Student Support	(430,479.89)	157,690.87	36.63 %	(35,873.32)	31,345.13	87.38 %
72210	Regular Instruction Program	(594,445.07)	210,472.63	35.41 %	(49,537.09)	46,242.72	93.35 %
72220	Special Education Program	(88,451.00)	38,655.38	43.70 %	(7,370.92)	11,445.87	155.28 %
72230	Career and Technical Education	(39,120.00)	8,269.04	21.14 %	(3,260.00)	100.00	3.07 %

141 General Purpose School		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
72250	Instructional Technology	(311,266.00)	134,095.18	43.08 %	(25,938.83)	34,298.30	132.23 %
72310	Board Of Education	(180,001.00)	88,127.21	48.96 %	(15,000.08)	19,788.54	131.92 %
72320	Director Of Schools	(167,049.00)	67,247.99	40.26 %	(13,920.75)	13,045.48	93.71 %
72410	Office Of The Principal	(724,053.00)	279,296.75	38.57 %	(60,337.75)	64,113.26	106.26 %
72510	Fiscal Services	(72,655.00)	28,913.07	39.80 %	(6,054.58)	5,461.03	90.20 %
72520	Human Services/Personnel	(100,288.00)	40,602.24	40.49 %	(8,357.33)	8,361.36	100.05 %
72610	Operation Of Plant	(966,972.00)	382,728.67	39.58 %	(80,581.00)	61,178.25	75.92 %
72620	Maintenance Of Plant	(307,324.04)	152,505.64	49.62 %	(25,610.34)	14,517.16	56.68 %
72710	Transportation	(333,828.00)	117,381.49	35.16 %	(27,819.00)	21,456.32	77.13 %
72810	Central And Other	(42,500.00)	22,998.87	54.11 %	(3,541.67)	412.26	11.64 %
73300	Community Services	(3,180.00)	0.00	0.00 %	(265.00)	0.00	0.00 %
73400	Early Childhood Education	(407,958.00)	139,417.84	34.17 %	(33,996.50)	33,500.71	98.54 %
76100	Regular Capital Outlay	(1,177,662.00)	3,658,900.82	310.69 %	(98,138.50)	3,114,229.00	3,173.30 %
82130	Education	(507,038.00)	0.00	0.00 %	(42,253.17)	0.00	0.00 %
82230	Education	(988,469.00)	433,316.26	43.84 %	(82,372.42)	0.00	0.00 %
	Total Expenditures	(13,963,288.19)	8,069,266.97	57.79 %	(1,163,607.35)	3,980,770.98	342.11 %
Total	141 General Purpose School	(1,335,860.00)	4,137,479.55	309.72 %	(111,321.67)	2,982,837.95	2,679.48

142 School Federal Projects		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
44110	Investment Income	0.00	(23.50)	0.00 %	0.00	(1.89)	0.00 %
46980	Other State Grants	240,975.00	(20,821.69)	8.64 %	20,081.25	(20,821.69)	103.69 %
47131	Vocational Educ - Basic Grants To	31,040.93	(7,301.68)	23.52 %	2,586.74	0.00	0.00 %
47141	Title 1 Grants To Local Educ Agencies	394,819.45	(94,257.54)	23.87 %	32,901.62	0.00	0.00 %
47143	Special Education - Grants To States	427,851.50	(94,976.72)	22.20 %	35,654.29	0.00	0.00 %
47145	Special Education Preschool Grants	19,534.92	(3,015.03)	15.43 %	1,627.91	0.00	0.00 %
47146	English Language Acquisition Grants	13,812.74	(3,861.38)	27.96 %	1,151.06	(171.72)	14.92 %
47148	Rural Education	26,675.98	(5,809.25)	21.78 %	2,223.00	0.00	0.00 %
47189	Eisenhower Prof Development State	43,900.93	(10,036.29)	22.86 %	3,658.41	0.00	0.00 %
47590	Other Federal Through State	9,697.72	(9,496.72)	97.93 %	808.14	0.00	0.00 %
	Total Revenues	1,208,309.17	(249,599.80)	20.66 %	100,692.43	(20,995.30)	20.85 %
Expenditures							
71100	Regular Instruction Program	(304,341.34)	107,095.52	35.19 %	(25,361.78)	25,437.63	100.30 %
71200	Special Education Program	(391,462.67)	134,523.81	34.36 %	(32,621.89)	28,587.93	87.63 %
71300	Career and Technical Education	(22,131.61)	14,093.99	63.68 %	(1,844.30)	8,248.95	447.27 %
72130	Other Student Support	(20,900.88)	3,576.67	17.11 %	(1,741.74)	1,341.24	77.01 %
72210	Regular Instruction Program	(160,802.92)	51,813.63	32.22 %	(13,400.24)	9,456.02	70.57 %
72220	Special Education Program	(55,922.75)	16,484.65	29.48 %	(4,660.23)	2,975.95	63.86 %
72230	Career and Technical Education	(1,252.00)	686.34	54.82 %	(104.33)	0.00	0.00 %
73300	Community Services	(240,975.00)	43,519.89	18.06 %	(20,081.25)	20,633.35	102.75 %
99100	Transfers Out	(10,520.00)	0.00	0.00 %	(876.67)	0.00	0.00 %
	Total Expenditures	(1,208,309.17)	371,794.50	30.77 %	(100,692.43)	96,681.07	96.02 %
Total	142 School Federal Projects	0.00	122,194.70	100.00 %	0.00	75,685.77	0.00 %

143 Central Cafeteria		Year-To-Date			Month-To-Date		
Account	Description	Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
43521	Lunch Payments - Children	128,641.00	(40,787.68)	31.71 %	10,720.08	(8,638.20)	80.58 %
43522	Lunch Payments - Adults	30,000.00	(11,274.75)	37.58 %	2,500.00	(3,381.45)	135.26 %
43523	Income From Breakfast	748.00	(78.00)	10.43 %	62.33	(43.00)	68.98 %
44110	Investment Income	100.00	(196.64)	196.64 %	8.33	(33.70)	404.40 %
46520	School Food Service	32,271.00	0.00	0.00 %	2,689.25	0.00	0.00 %
46980	Other State Grants	30,000.00	(16,000.00)	53.33 %	2,500.00	0.00	0.00 %
47111	USDA School Lunch Program	470,000.00	(101,088.35)	21.51 %	39,166.67	(36,910.24)	94.24 %
47112	Account No Longer In Use	73,766.00	0.00	0.00 %	6,147.17	0.00	0.00 %
47113	Breakfast	210,000.00	(58,436.59)	27.83 %	17,500.00	(22,225.97)	127.01 %
47114	USDA - Other	10,000.00	(11,730.54)	117.31 %	833.33	(6,266.98)	752.04 %
	Total Revenues	985,526.00	(239,592.55)	24.31 %	82,127.17	(77,499.54)	94.37 %
Expenditures							
73100	Food Service	(1,050,526.00)	636,634.24	60.60 %	(87,543.83)	165,574.10	189.13 %
	Total Expenditures	(1,050,526.00)	636,634.24	60.60 %	(87,543.83)	165,574.10	189.13 %
Total	143 Central Cafeteria	(65,000.00)	397,041.69	610.83 %	(5,416.67)	88,074.56	1,625.99

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Trenton Special School District
Summary Financial Statement
November 2019

User:
Date/Time:

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Page 5 of 5

144 School Transportation		Year-To-Date			Month-To-Date		
		Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual	% of Avg
Revenues							
43531	Transportation - Other State Systems	419,987.00	(161,023.86)	38.34 %	34,998.92	(27,605.94)	78.88 %
	Total Revenues	419,987.00	(161,023.86)	38.34 %	34,998.92	(27,605.94)	78.88 %
Expenditures							
72710	Transportation	(419,987.00)	181,018.86	43.10 %	(34,998.92)	27,600.94	78.86 %
	Total Expenditures	(419,987.00)	181,018.86	43.10 %	(34,998.92)	27,600.94	78.86 %
Total	144 School Transportation	0.00	19,995.00	100.00 %	0.00	(5.00)	0.00 %

February 11, 2019
New Budget Items

Peabody High School

Balance Sheet Report
Through 12/31/2019

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	32,736.68	204,717.27	0.00	237,453.95
Total Assets		\$32,736.68	\$204,717.27	\$0.00	\$237,453.95
Liabilities					
91	General fund balance	-30,778.31	0.00	0.00	-30,778.31
Total Liabilities		\$-30,778.31	\$0.00	\$0.00	\$-30,778.31
Revenues					
304.2	School Pictures	-582.30	0.00	0.00	-582.30
304.3	Pepsi Machine	-2,200.00	0.00	0.00	-2,200.00
304.4	Tom's Machines	-2,121.52	0.00	0.00	-2,121.52
307	Donations	-144.35	0.00	0.00	-144.35
310	Locker fees	-55.00	0.00	0.00	-55.00
321	Board Allocations	-3,764.76	0.00	0.00	-3,764.76
333	Safety & Security	-990.00	0.00	0.00	-990.00
353	Materials and Supplies	-25.96	0.00	0.00	-25.96
Total Revenues		\$-9,883.89	\$0.00	\$0.00	\$-9,883.89
Expenditures					
411	Admin Supplies & Materials	890.47	0.00	0.00	890.47
420	Other Admin Expenditures	2,493.67	0.00	0.00	2,493.67
421	Instructional Supplies & Materials	49.90	0.00	0.00	49.90
426	Copy Machine	3,651.64	0.00	0.00	3,651.64
433	Safety & Security	274.64	0.00	0.00	274.64
452	Postage	565.20	0.00	0.00	565.20
Total Expenditures		\$7,925.52	\$0.00	\$0.00	\$7,925.52
Restricted Accounts					
601	All Athletics	0.00	-34,503.28	0.00	-34,503.28
701	Class of 2020	0.00	-15,897.65	0.00	-15,897.65
702	Class of 2021	0.00	0.00	0.00	0.00
801	Beta Club	0.00	-2,365.81	0.00	-2,365.81
802	FFA Club	0.00	-8,688.93	0.00	-8,688.93
807	FCCLA	0.00	-446.81	0.00	-446.81
811	Math Club	0.00	-9.65	0.00	-9.65
813	History Club	0.00	-1.60	0.00	-1.60
814	Pep Club	0.00	-1,570.87	0.00	-1,570.87
821	Junior Rotary	0.00	-744.27	0.00	-744.27
822	HOSA	0.00	-716.41	0.00	-716.41
824	Future Teachers of America	0.00	-1,264.00	0.00	-1,264.00
825	Girls & Boys State	0.00	-40,248.74	0.00	-40,248.74
827	Peabody Pals	0.00	-760.56	0.00	-760.56
828	STEM Club	0.00	-3,088.45	0.00	-3,088.45
829	21 Plus Club	0.00	-3,603.30	0.00	-3,603.30
831	School of Rock	0.00	-38.38	0.00	-38.38
901	Library	0.00	-221.74	0.00	-221.74
902	Cheerleaders	0.00	-1,309.17	0.00	-1,309.17
903	School Annuals	0.00	-13,067.25	0.00	-13,067.25
904	Band	0.00	-8,698.22	0.00	-8,698.22
906	Student Council	0.00	-1,702.21	0.00	-1,702.21

Peabody High School

Run Date: 1/8/2020 9:08:32AM

Balance Sheet Report
Through 12/31/2019

Report Name: aaBalanceSheet.rpt

		General	Restricted	Food Service	Total
907	Art	0.00	-651.35	0.00	-651.35
908	Special Olympics	0.00	-1,050.68	0.00	-1,050.68
911	St. Jude	0.00	-471.15	0.00	-471.15
915	The Learning Zone	0.00	-403.75	0.00	-403.75
916	Chromebook	0.00	-1,112.00	0.00	-1,112.00
931	Operating Account Donations	0.00	-11,585.40	0.00	-11,585.40
932	Football Donations	0.00	-14,461.37	0.00	-14,461.37
933	Girls Basketball Donations	0.00	-5,072.46	0.00	-5,072.46
934	Boys Basketball Donations	0.00	-6,415.20	0.00	-6,415.20
935	Baseball Donations	0.00	-11,514.09	0.00	-11,514.09
936	Golf Donations	0.00	-170.75	0.00	-170.75
937	Girls Soccer Donations	0.00	-1.77	0.00	-1.77
938	Boys Soccer Donations	0.00	-1.07	0.00	-1.07
939	Softball Donations	0.00	-2,282.56	0.00	-2,282.56
940	Tennis Donations	0.00	-1,340.39	0.00	-1,340.39
941	Volleyball Donations	0.00	-555.51	0.00	-555.51
942	Track & Field	0.00	-1,087.77	0.00	-1,087.77
950	Quarterback Club	0.00	-7,592.70	0.00	-7,592.70
	Total Restricted Accounts	\$0.00	\$-204,717.27	\$0.00	\$-204,717.27
	Grand Totals :	\$0.00	\$0.00	\$0.00	\$0.00

Gibson County Election Commission

Courthouse, One Court Square, Suite 101, Trenton, TN 38382
Phone 731-855-7669 • Fax 731-855-7606 • E-mail votegibsontn@gmail.com

JAN 3 REC'D
TSSD

January 2, 2020

Mr. Tim Haney
Trenton Special School District
201 W 10th Street
Trenton, TN 38382

Dear Tim:

We are working on the calendar for the 2020 elections and our election schedule shows that your school district will have an election on Thursday, August 6, 2020. If this is correct, please send the Election Commission your request to call an election and state which positions will be on the ballot and the qualifications for each office. We need your notice no later than January 31, 2020. Below are important dates pertaining to your election:

AUGUST 6, 2020 ELECTION:

First day petitions may be issued	February 3, 2020
Qualifying Deadline	Noon, April 2, 2020
Withdrawal Deadline	Noon, April 9, 2020
Voter Registration Deadline	July 7, 2020
Early Voting	July 17 – August 1, 2020

Our Office needs the following information from you in writing:

1. The newspaper or newspapers in which to publish your required legal election notices for this election.
2. The offices to be elected and the qualifications for each office.
3. If any unexpired terms will be elected on this election cycle.

Once we have this information, we will publish the legal notice or notices for your election in the newspaper or newspapers of your choice. Your school district will be responsible for any expenses incurred with your election. You will be billed directly from the vendor for all notices published. Enclosed is a proposed election calendar along with the qualifications for each office according to previous the election cycle. If you have any questions, please let us know.

Thank you for your assistance with this request.

Sincerely,



Julieanne Hart
Administrator of Elections

Trenton Elementary School

Run Date: 12/11/2019 8:45:01AM

Report Name: aaBalanceSheet.rpt

Balance Sheet Report
Through 11/30/2019

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	46,770.70	25,681.80	0.00	72,452.50
	Total Assets	\$46,770.70	\$25,681.80	\$0.00	\$72,452.50
Liabilities					
91	General fund balance	-42,129.72	0.00	0.00	-42,129.72
	Total Liabilities	\$-42,129.72	\$0.00	\$0.00	\$-42,129.72
Revenues					
306	Fundraising	-12,278.50	0.00	0.00	-12,278.50
308	Planners	-84.00	0.00	0.00	-84.00
309	Copy Machines	1,106.27	0.00	0.00	1,106.27
311	Folders	-42.00	0.00	0.00	-42.00
313	Instructional Supplies	-502.14	0.00	0.00	-502.14
320	Interest	-158.77	0.00	0.00	-158.77
323	Book Orders	-175.00	0.00	0.00	-175.00
	Total Revenues	\$-12,134.14	\$0.00	\$0.00	\$-12,134.14
Expenditures					
408	Planners	537.79	0.00	0.00	537.79
411	Folders	1,306.00	0.00	0.00	1,306.00
412	Office Supplies	899.56	0.00	0.00	899.56
414	Equipment and Supplies	101.80	0.00	0.00	101.80
418	General Supplies	5.02	0.00	0.00	5.02
421	Instructional Supplies	2,468.74	0.00	0.00	2,468.74
423	Book Orders	27.00	0.00	0.00	27.00
424	Student of the Month	44.23	0.00	0.00	44.23
429	Copy Machines	2,091.02	0.00	0.00	2,091.02
499	Miscellaneous	12.00	0.00	0.00	12.00
	Total Expenditures	\$7,493.16	\$0.00	\$0.00	\$7,493.16
Restricted Accounts					
804	Library	0.00	-2,905.96	0.00	-2,905.96
805	Accelerated Reader - AR	0.00	-17.78	0.00	-17.78
808	Second Grade	0.00	-15.77	0.00	-15.77
811	Fine Arts	0.00	-26.39	0.00	-26.39
814	Computer Lab	0.00	-2,102.54	0.00	-2,102.54
815	PATT	0.00	-751.69	0.00	-751.69
816	Physical Education	0.00	-1,324.14	0.00	-1,324.14
817	Guidance	0.00	-18.36	0.00	-18.36
818	K - 4 Families	0.00	-14.10	0.00	-14.10
819	Yearbook	0.00	-815.25	0.00	-815.25
820	Kindergarten Field Trips	0.00	-140.90	0.00	-140.90
821	First Grade Field Trips	0.00	-769.75	0.00	-769.75
822	Second Grade Field Trips	0.00	-251.09	0.00	-251.09
823	Third Grade Field Trips	0.00	-327.16	0.00	-327.16
824	Fourth Grade Field Trips	0.00	94.69	0.00	94.69
825	Destination Imagination (DI)	0.00	-1,059.94	0.00	-1,059.94
826	Student of the Month	0.00	-210.57	0.00	-210.57
827	Basketball	0.00	-3,757.75	0.00	-3,757.75
828	Read to Be Ready	0.00	-61.50	0.00	-61.50
829	Do Right	0.00	-10,205.85	0.00	-10,205.85
830	PreK SPED	0.00	-1,000.00	0.00	-1,000.00

Trenton Elementary School

Balance Sheet Report
Through 11/30/2019

	<u>General</u>	<u>Restricted</u>	<u>Food Service</u>	<u>Total</u>
Total Restricted Accounts	<u>\$0.00</u>	<u>\$-25,681.80</u>	<u>\$0.00</u>	<u>\$-25,681.80</u>
Grand Totals :	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Peabody High School

Balance Sheet Report
Through 11/30/2019

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	30,855.97	210,966.63	0.00	241,822.60
Total Assets		\$30,855.97	\$210,966.63	\$0.00	\$241,822.60
Liabilities					
91	General fund balance	-30,778.31	0.00	0.00	-30,778.31
Total Liabilities		\$-30,778.31	\$0.00	\$0.00	\$-30,778.31
Revenues					
304.2	School Pictures	-582.30	0.00	0.00	-582.30
304.3	Pepsi Machine	-1,840.00	0.00	0.00	-1,840.00
304.4	Tom's Machines	-1,307.86	0.00	0.00	-1,307.86
307	Donations	-144.35	0.00	0.00	-144.35
310	Locker fees	-55.00	0.00	0.00	-55.00
321	Board Allocations	-2,153.25	0.00	0.00	-2,153.25
333	Safety & Security	-970.00	0.00	0.00	-970.00
353	Materials and Supplies	23.94	0.00	0.00	23.94
Total Revenues		\$-7,028.82	\$0.00	\$0.00	\$-7,028.82
Expenditures					
411	Admin Supplies & Materials	655.86	0.00	0.00	655.86
420	Other Admin Expenditures	2,342.92	0.00	0.00	2,342.92
421	Instructional Supplies & Materials	49.90	0.00	0.00	49.90
426	Copy Machine	3,062.64	0.00	0.00	3,062.64
433	Safety & Security	274.64	0.00	0.00	274.64
452	Postage	565.20	0.00	0.00	565.20
Total Expenditures		\$6,951.16	\$0.00	\$0.00	\$6,951.16
Restricted Accounts					
601	All Athletics	0.00	-32,044.07	0.00	-32,044.07
701	Class of 2020	0.00	-15,897.65	0.00	-15,897.65
702	Class of 2021	0.00	0.00	0.00	0.00
801	Beta Club	0.00	-2,365.81	0.00	-2,365.81
802	FFA Club	0.00	-12,213.85	0.00	-12,213.85
807	FCCLA	0.00	-541.81	0.00	-541.81
811	Math Club	0.00	-9.65	0.00	-9.65
813	History Club	0.00	-1.60	0.00	-1.60
814	Pep Club	0.00	-1,570.87	0.00	-1,570.87
821	Junior Rotary	0.00	-744.27	0.00	-744.27
822	HOSA	0.00	-716.41	0.00	-716.41
824	Future Teachers of America	0.00	-488.00	0.00	-488.00
825	Girls & Boys State	0.00	-40,248.74	0.00	-40,248.74
827	Peabody Pals	0.00	-760.56	0.00	-760.56
828	STEM Club	0.00	-3,125.44	0.00	-3,125.44
829	21 Plus Club	0.00	-3,603.30	0.00	-3,603.30
831	School of Rock	0.00	-38.38	0.00	-38.38
901	Library	0.00	-116.74	0.00	-116.74
902	Cheerleaders	0.00	-1,540.67	0.00	-1,540.67
903	School Annuals	0.00	-12,682.25	0.00	-12,682.25
904	Band	0.00	-18,690.77	0.00	-18,690.77
906	Student Council	0.00	-1,338.41	0.00	-1,338.41

Peabody High School

Run Date: 12/9/2019 11:50:29AM

Report Name: aaBalanceSheet.rpt

Balance Sheet Report
Through 11/30/2019

		General	Restricted	Food Service	Total
907	Art	0.00	-651.35	0.00	-651.35
908	Special Olympics	0.00	-719.63	0.00	-719.63
911	St. Jude	0.00	-471.15	0.00	-471.15
915	The Learning Zone	0.00	-452.95	0.00	-452.95
916	Chromebook	0.00	-1,076.00	0.00	-1,076.00
931	Operating Account	0.00	-11,625.37	0.00	-11,625.37
	Donations				
932	Football Donations	0.00	-11,424.17	0.00	-11,424.17
933	Girls Basketball	0.00	-5,536.59	0.00	-5,536.59
	Donations				
934	Boys Basketball	0.00	-7,244.03	0.00	-7,244.03
	Donations				
935	Baseball Donations	0.00	-9,830.66	0.00	-9,830.66
936	Golf Donations	0.00	-170.75	0.00	-170.75
937	Girls Soccer Donations	0.00	-1.77	0.00	-1.77
938	Boys Soccer Donations	0.00	-1.07	0.00	-1.07
939	Softball Donations	0.00	-2,402.56	0.00	-2,402.56
940	Tennis Donations	0.00	-1,340.39	0.00	-1,340.39
941	Volleyball Donations	0.00	-598.47	0.00	-598.47
942	Track & Field	0.00	-1,087.77	0.00	-1,087.77
950	Quarterback Club	0.00	-7,592.70	0.00	-7,592.70
	Total Restricted Accounts	\$0.00	\$-210,966.63	\$0.00	\$-210,966.63
	Grand Totals :	\$0.00	\$0.00	\$0.00	\$0.00

Trenton Rosenwald Middle School

Run Date: 1/8/2020 9:53:49AM

Balance Sheet Report
Through 12/31/2019

Report Name: aaBalanceSheet.rpt

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	11,513.28	30,751.96	-143.87	42,121.37
21	CD#403819 - Security Bank	0.00	9,920.55	0.00	9,920.55
31	Accounts receivable	1,251.73	0.00	0.00	1,251.73
Total Assets		\$12,765.01	\$40,672.51	\$-143.87	\$53,293.65
Liabilities					
91	General fund balance	-1,344.01	0.00	0.00	-1,344.01
Total Liabilities		\$-1,344.01	\$0.00	\$0.00	\$-1,344.01
Revenues					
300	House	-690.00	0.00	0.00	-690.00
307	Start Up Money	-8,400.00	0.00	0.00	-8,400.00
308	Vending Machines	-311.43	0.00	0.00	-311.43
318	Student Snacks	-4,677.05	0.00	0.00	-4,677.05
319	School-Wide Fundraisers	-12,337.00	0.00	0.00	-12,337.00
320	Interest	-135.63	0.00	0.00	-135.63
321	Miscellaneous	0.00	0.00	0.00	0.00
325	Board Allocations	-13,843.19	0.00	0.00	-13,843.19
326	Pictures	-1,258.86	0.00	0.00	-1,258.86
Total Revenues		\$-41,653.16	\$0.00	\$0.00	\$-41,653.16
Expenditures					
411	Start Up Money	8,200.00	0.00	0.00	8,200.00
412	Office Supplies	1,931.98	0.00	0.00	1,931.98
413	PBIS -ROAR STORE	1,668.30	0.00	0.00	1,668.30
414	Equipment & Repairs	2,973.30	0.00	0.00	2,973.30
415	School Wide Fundraiser Expenses	8,017.80	0.00	0.00	8,017.80
416	Concessions	0.00	0.00	0.00	0.00
419	Instructional Supplies	2,558.97	0.00	0.00	2,558.97
497	Literacy/Black History	0.00	0.00	143.87	143.87
498	Student Snacks	3,419.31	0.00	0.00	3,419.31
499	House	760.00	0.00	0.00	760.00
500	Miscellaneous	14.00	0.00	0.00	14.00
556	Student Incentive	688.50	0.00	0.00	688.50
Total Expenditures		\$30,232.16	\$0.00	\$143.87	\$30,376.03
Restricted Accounts					
505	Team Leader 5	0.00	-81.41	0.00	-81.41
506	Team Leader 6	0.00	-254.76	0.00	-254.76
507	Team Leader 7	0.00	-460.13	0.00	-460.13
508	Team Leader 8	0.00	-36.01	0.00	-36.01
510	Student Council	0.00	-704.97	0.00	-704.97
511	Athletic Concessions	0.00	-3,295.07	0.00	-3,295.07
512	Book Damage Fees	0.00	-920.96	0.00	-920.96
514	Chromebook fees	0.00	-467.50	0.00	-467.50
557	Art	0.00	-153.28	0.00	-153.28
558	Scholastic Reading Club	0.00	-8.25	0.00	-8.25
559	Parent Volunteer Organization	0.00	-236.13	0.00	-236.13
601	All Athletics	0.00	0.00	0.00	0.00
602	Cheerleader	0.00	-483.99	0.00	-483.99

Trenton Rosenwald Middle School

Balance Sheet Report
Through 12/31/2019

		General	Restricted	Food Service	Total
610	Library	0.00	-404.69	0.00	-404.69
611	Accelerated Reader	0.00	-983.05	0.00	-983.05
613	All Athletics Interest	0.00	-76.27	0.00	-76.27
614	Baseball	0.00	-860.30	0.00	-860.30
615	Basketball	0.00	-2,942.76	0.00	-2,942.76
616	Football	0.00	-9,644.20	0.00	-9,644.20
617	Soccer	0.00	-1,259.59	0.00	-1,259.59
618	Softball	0.00	-3,731.02	0.00	-3,731.02
619	Volleyball	0.00	-3,694.23	0.00	-3,694.23
801	Beta Club	0.00	-2,883.89	0.00	-2,883.89
904	Band	0.00	-4,645.40	0.00	-4,645.40
906	Annual	0.00	-2,444.65	0.00	-2,444.65
Total Restricted Accounts		\$0.00	-\$40,672.51	\$0.00	-\$40,672.51
Grand Totals :		\$0.00	\$0.00	\$0.00	\$0.00

Trenton Elementary School

Balance Sheet Report
Through 12/31/2019

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	37,758.38	20,396.28	0.00	58,154.66
Total Assets		\$37,758.38	\$20,396.28	\$0.00	\$58,154.66
Liabilities					
91	General fund balance	-42,129.72	0.00	0.00	-42,129.72
Total Liabilities		\$-42,129.72	\$0.00	\$0.00	\$-42,129.72
Revenues					
304	Pictures	-837.50	0.00	0.00	-837.50
306	Fundraising	-4,889.35	0.00	0.00	-4,889.35
308	Planners	-84.00	0.00	0.00	-84.00
309	Copy Machines	1,106.27	0.00	0.00	1,106.27
311	Folders	-42.00	0.00	0.00	-42.00
313	Instructional Supplies	-651.58	0.00	0.00	-651.58
320	Interest	-182.38	0.00	0.00	-182.38
323	Book Orders	-175.00	0.00	0.00	-175.00
Total Revenues		\$-5,755.54	\$0.00	\$0.00	\$-5,755.54
Expenditures					
408	Planners	537.79	0.00	0.00	537.79
411	Folders	1,306.00	0.00	0.00	1,306.00
412	Office Supplies	1,025.56	0.00	0.00	1,025.56
414	Equipment and Supplies	101.80	0.00	0.00	101.80
418	General Supplies	5.02	0.00	0.00	5.02
421	Instructional Supplies	4,187.87	0.00	0.00	4,187.87
423	Book Orders	27.00	0.00	0.00	27.00
424	Student of the Month	44.23	0.00	0.00	44.23
429	Copy Machines	3,018.45	0.00	0.00	3,018.45
499	Miscellaneous	14.00	0.00	0.00	14.00
Total Expenditures		\$10,267.72	\$0.00	\$0.00	\$10,267.72
Restricted Accounts					
804	Library	0.00	-2,877.99	0.00	-2,877.99
805	Accelerated Reader - AR	0.00	-17.78	0.00	-17.78
808	Second Grade	0.00	-15.77	0.00	-15.77
809	Third Grade	0.00	-7.00	0.00	-7.00
811	Fine Arts	0.00	-26.39	0.00	-26.39
814	Computer Lab	0.00	-2,102.54	0.00	-2,102.54
815	PATT	0.00	-858.64	0.00	-858.64
816	Physical Education	0.00	-1,232.73	0.00	-1,232.73
817	Guidance	0.00	-18.36	0.00	-18.36
818	K - 4 Families	0.00	-14.10	0.00	-14.10
819	Yearbook	0.00	-965.25	0.00	-965.25
820	Kindergarten Field Trips	0.00	-140.90	0.00	-140.90
821	First Grade Field Trips	0.00	-793.75	0.00	-793.75
822	Second Grade Field Trips	0.00	-251.09	0.00	-251.09
823	Third Grade Field Trips	0.00	-327.16	0.00	-327.16
824	Fourth Grade Field Trips	0.00	-46.15	0.00	-46.15
825	Destination Imagination (DI)	0.00	-1,059.94	0.00	-1,059.94
826	Student of the Month	0.00	-210.57	0.00	-210.57
827	Basketball	0.00	-3,989.74	0.00	-3,989.74
828	Read to Be Ready	0.00	-61.50	0.00	-61.50

Trenton Elementary School

Balance Sheet Report
Through 12/31/2019

		<u>General</u>	<u>Restricted</u>	<u>Food Service</u>	<u>Total</u>
829	Do Right	0.00	-5,101.62	0.00	-5,101.62
830	PreK SPED	0.00	-418.15	0.00	-418.15
	Total Restricted Accounts	\$0.00	\$-20,537.12	\$0.00	\$-20,537.12
	Grand Totals :	\$140.84	\$-140.84	\$0.00	\$0.00

TRENTON SPECIAL SCHOOL DISTRICT
Board of Trustees' Regular Meeting
Central Office – 6 p.m.
December 3, 2019

ROLL CALL: The Trenton Special School District Board of Trustees met in regular meeting on Tuesday, December 3, 2019, at 6 p.m., at Central Office. In attendance were the following:

Mark Harper, Board Chairman
Clint Hickerson
Doug Smith

Tim Haney, Director of Schools
Dee Ann McEwen
Justin Weaver
Shannon Parra

CALL TO ORDER: Chairman Mark Harper called the meeting to order.

APPROVAL OF AGENDA: Chairman Harper presented the agenda for the December 3, 2019, Regular Meeting for approval. Dee Ann McEwen made a motion to approve the agenda with a second by Doug Smith. The motion carried unanimously.

APPROVAL OF MINUTES: Chairman Harper presented the minutes of the November 7th Regular Meeting for approval. With no additions or corrections, Clint Hickerson made a motion to approve with a second by Justin Weaver. The motion carried unanimously.

RECOGNITIONS: There were no recognitions this month.

REPORTS: Stephanie Franks shared the November DHB Report. There were three (3) incidents during the month of November:

1. A 7th grade student was brought before the Board on an accumulation of offenses. The Board placed the student in Alternative School. The student will return to regular classes at TRMS on January 6, 2020.
2. A 10th grade student was brought before the Board for brining drugs to school. The student brought the drugs, hid them on campus, and went to retrieve them during the school day. The suspicious activity was witnessed by cafeteria workers and investigated by Lieutenant Gosney. The student admitted to the offense. The Board placed the student in Alternative School. The student will return to regular classes at PHS on November 7, 2020.
3. A 7th grade student was brought before the Board on an accumulation of multiple major referrals. The student was placed in Alternative School and will return to regular classes at TRMS on January 21, 2020.

CONSENT AGENDA: The following items appeared on the “Consent Agenda”:

1. Approval of Central Office Financial Report
2. Approval of Three Schools Financial Report
3. Approval of Technology Surplus

Justin Weaver made the motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

REGULAR AGENDA: The following items appeared on the “Regular Agenda”:

APPROVAL OF 2020-2021 CALENDAR: Lisa Bradford requested approval of the 2020-2021 School Calendar. Doug Smith made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

APPROVAL OF SECOND READING OF SECTION 4 POLICIES: Shane Jacobs requested approval of the second reading of section 4 policies that were TSBA recommendations:

Policy 4.200 - Curriculum Development - Justin Weaver made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

Policy 4.201 - Class Size Ratio - Justin Weaver made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

Policy 4.700 - Testing Programs - Doug Smith made a motion to approve with a second by Clint Hickerson. The motion carried unanimously.

APPROVAL OF SECOND READING OF POLICY 6.411- STUDENT WELLNESS: Shane Jacobs requested approval of the second reading of Policy 6.411 - Student Wellness. The policy came as a TSBA recommendation. Clint Hickerson made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

TRENTON EDUCATION ASSOCIATION (TEA) COLLABORATIVE CONFERENCING PETITION VOTE, INTENT TO COLLABORATE AND APPROVAL OF SPECIAL QUESTIONING COMMITTEE (SQE) FOR TEA COLLABORATION: Ronny Criswell shared that a petition to vote was completed in October. The next step is assign a Special Questioning Committee. Ronny requested that the committee be made up of himself, Lisa Bradford, Dee Ann McEwen, and Doug Smith. Clint Hickerson made a motion to approve with a second to by Justin Weaver. The motion carried unanimously.

APPROVAL OF 2019-2020 21st CENTURY TUTORING GRANT BUDGET: Helen Branum presented the 2019-2020 21st Century Tutoring Grant budget for approval. The new grant was \$240,975 for tutoring at TES, TRMS, and PHS. This year the program will be able to offer transportation on Tuesdays and Thursdays. This will allow students who previously could not attend due to transportation issues to attend. Justin Weaver made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

APPROVAL OF INITIAL RESOLUTION FOR BOND ISSUANCE: Scott Gibson reviewed the current district debt of bonds and Energy Efficiency lease and possible refunding of the bonds. The bonds are currently eligible to be called and the Energy Efficiency lease could be rolled into the bond debt. The Board was asked to approve an initial resolution for bond issuance of 4.6 million to cover the Energy Efficiency lease and Multi-Purpose Building. Clint Hickerson made a motion to approve with a second by Justin Weaver. The motion carried unanimously.

APPROVAL OF RESOLUTION TO REFINANCE BONDS: Scott Gibson requested approval a Resolution to Refinance Bonds not to exceed \$20 million. Doug Smith made a motion to approve with a second by Dee Ann McEwen. The motion carried unanimously.

APPROVAL TO HIRE AN ARCHITECT FOR MULTI-PURPOSE FACILITY: Director Haney requested approval to hire an architect for the Multi-Purpose Facility. After discussion, the

Board decided to go with iDesign based on the size and scope of the project. Justin Weaver made a motion to approve with a second by Clint Hickerson. The motion carried unanimously.

DIRECTORS REPORT: The following items were shared by Director Haney:

Interquest Detection Canines Initial Visit Report

Board Christmas Dinner Date - Tues, Dec 10th at 6 pm

TSBA Legislative and Legal Institute 2020 - Mon, Feb 17th to Tues, Feb 18th

PBIS Honors - TRMS received Gold level and TES received Bronze level

Mr. Football - Cooper Baugus

2A State Championship Game 11 am

ADJOURNMENT: With no further business Clint Hickerson made the motion to adjourn. Justin Weaver seconded the motion. The motion carried unanimously.

Chairman of the Board

Secretary to the Board

Trenton Rosenwald Middle School

Run Date: 12/11/2019 10:02:30AM

Balance Sheet Report
Through 11/30/2019

Report Name: aaBalanceSheet.rpt

		General	Restricted	Food Service	Total
Assets					
11	Cash on hand	0.00	0.00	0.00	0.00
12	Cash in banks - checking	11,277.62	40,945.71	-143.87	52,079.46
21	CD#403819 - Security Bank	0.00	9,920.55	0.00	9,920.55
31	Accounts receivable	1,251.73	0.00	0.00	1,251.73
	Total Assets	\$12,529.35	\$50,866.26	\$-143.87	\$63,251.74
Liabilities					
91	General fund balance	-1,344.01	0.00	0.00	-1,344.01
	Total Liabilities	\$-1,344.01	\$0.00	\$0.00	\$-1,344.01
Revenues					
300	House	-690.00	0.00	0.00	-690.00
307	Start Up Money	-5,900.00	0.00	0.00	-5,900.00
308	Vending Machines	-266.94	0.00	0.00	-266.94
318	Student Snacks	-4,477.05	0.00	0.00	-4,477.05
319	School-Wide Fundraisers	-12,337.00	0.00	0.00	-12,337.00
320	Interest	-100.70	0.00	0.00	-100.70
321	Miscellaneous	0.00	0.00	0.00	0.00
325	Board Allocations	-11,774.20	0.00	0.00	-11,774.20
326	Pictures	-1,258.86	0.00	0.00	-1,258.86
	Total Revenues	\$-36,804.75	\$0.00	\$0.00	\$-36,804.75
Expenditures					
411	Start Up Money	5,900.00	0.00	0.00	5,900.00
412	Office Supplies	1,214.72	0.00	0.00	1,214.72
413	PBIS -ROAR STORE	1,490.10	0.00	0.00	1,490.10
414	Equipment & Repairs	2,331.49	0.00	0.00	2,331.49
415	School Wide Fundraiser Expenses	8,017.80	0.00	0.00	8,017.80
419	Instructional Supplies	2,388.99	0.00	0.00	2,388.99
497	Literacy/Black History	0.00	0.00	143.87	143.87
498	Student Snacks	3,419.31	0.00	0.00	3,419.31
499	House	760.00	0.00	0.00	760.00
500	Miscellaneous	10.00	0.00	0.00	10.00
556	Student Incentive	87.00	0.00	0.00	87.00
	Total Expenditures	\$25,619.41	\$0.00	\$143.87	\$25,763.28
Restricted Accounts					
505	Team Leader 5	0.00	-81.41	0.00	-81.41
506	Team Leader 6	0.00	-254.76	0.00	-254.76
507	Team Leader 7	0.00	-460.13	0.00	-460.13
508	Team Leader 8	0.00	-36.01	0.00	-36.01
510	Student Council	0.00	-704.97	0.00	-704.97
511	Athletic Concessions	0.00	-639.32	0.00	-639.32
512	Book Damage Fees	0.00	-908.96	0.00	-908.96
514	Chromebook fees	0.00	-443.50	0.00	-443.50
557	Art	0.00	-153.28	0.00	-153.28
558	Scholastic Reading Club	0.00	-8.25	0.00	-8.25
559	Parent Volunteer Organization	0.00	-1,138.49	0.00	-1,138.49
601	All Athletics	0.00	0.00	0.00	0.00
602	Cheerleader	0.00	-693.99	0.00	-693.99
610	Library	0.00	-396.69	0.00	-396.69

Trenton Rosenwald Middle School

Balance Sheet Report Through 11/30/2019

		<u>General</u>	<u>Restricted</u>	<u>Food Service</u>	<u>Total</u>
611	Accelerated Reader	0.00	-983.05	0.00	-983.05
613	All Athletics Interest	0.00	-76.27	0.00	-76.27
614	Baseball	0.00	-860.30	0.00	-860.30
615	Basketball	0.00	-2,449.68	0.00	-2,449.68
616	Football	0.00	-11,237.06	0.00	-11,237.06
617	Soccer	0.00	-2,808.95	0.00	-2,808.95
618	Softball	0.00	-3,731.02	0.00	-3,731.02
619	Volleyball	0.00	-3,694.23	0.00	-3,694.23
801	Beta Club	0.00	-5,458.47	0.00	-5,458.47
904	Band	0.00	-11,342.82	0.00	-11,342.82
906	Annual	0.00	-2,304.65	0.00	-2,304.65
	Total Restricted Accounts	\$0.00	\$-50,866.26	\$0.00	\$-50,866.26
	Grand Totals :	\$0.00	\$0.00	\$0.00	\$0.00

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS**

TRENTON, TENNESSEE

FINANCIAL STATEMENTS

JUNE 30, 2019

**TRENTON SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
TABLE OF CONTENTS**

Introductory Section

Roster of Publicly Elected Officials 1

Independent Auditor’s Report 2

Financial Statements:

Combined Balance Sheet - Regulatory Basis 5
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Regulatory Basis 6
 Notes to Financial Statements 7

Supplementary Information:

Individual School Financial Statements:

Peabody High School:
 Balance Sheet - Regulatory Basis 12
 Statement of Revenues, Expenditures and Changes in Fund Balances -
 Regulatory Basis 13
 Statement of Revenues and Expenditures General Fund - Regulatory Basis 14

Trenton Rosenwald Middle School:
 Balance Sheet - Regulatory Basis 15
 Statement of Revenues, Expenditures and Changes in Fund Balances -
 Regulatory Basis 16
 Statement of Revenues and Expenditures General Fund - Regulatory Basis 17

Trenton Elementary School:
 Balance Sheet - Regulatory Basis 18
 Statement of Revenues, Expenditures and Changes in Fund Balances -
 Regulatory Basis 19
 Statement of Revenues and Expenditures General Fund - Regulatory Basis 20

Supplemental Schedules and Other Information:

Schedule of Interfund Transfers:
 Peabody High School 21
 Trenton Rosenwald Middle School 22
 Trenton Elementary School 23
 Schedule of Salary Supplements 24
 Schedule of Insurance Coverage 25

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 26

Schedule of Findings and Recommendations 28
 Schedule of Prior Year Findings 33

Management’s Corrective Action Plan 34

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
ROSTER OF PUBLICLY ELECTED OFFICIALS**
For the Fiscal Year Ended June 30, 2019

Tim Haney, Director of Schools

Mark Harper, Chairman
Justin Weaver, Vice Chairman
Dee Ann McEwen
Clint Hickerson
Doug Smith



Independent Auditor's Report

Board of Education and Management
Trenton Special School District, Internal School Funds
Trenton, Tennessee

Report on the Financial Statements

We have audited the accompanying combined balance sheets – regulatory basis of the Trenton Special School District Internal School Funds (the Schools) as of June 30, 2019, and the related combined statement of revenues expenditures and changes in fund balances – regulatory basis for the year then ended, and the related notes to the financial statements, which collectively comprise the Schools Internal School Funds' basic financial statements, as listed in the table of contents. We have also audited the individual school balance sheets – regulatory basis, and the individual school statements of revenues, expenditures and changes in fund balances – regulatory basis presented as supplementary information, in the accompanying individual school financial statements as of and for the year ended June 30, 2019, 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 the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, as described in Note 1. Management is also responsible for 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Schools on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Schools as of June 30, 2019, or changes in financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of the Schools as of June 30, 2019, and the related revenues, expenditures and changes in fund balances for the year then ended in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note 1. In addition, in our opinion, the individual school financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of the Schools’ Internal School Funds as of June 30, 2019, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements – regulatory basis that collectively comprise the Schools Internal School Funds’ basic financial statements. In addition, our audit was conducted for the purpose of forming an opinion on the individual school financial statements – regulatory basis, presented as supplementary information. The schedule of interfund transfer, schedule of salary supplements, schedule of insurance coverage, introductory section, and management’s corrective action plan, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements – regulatory basis of the schools. As described in Note 1 of the financial statements, the supplementary schedules, as listed in the table of contents, are prepared by the Schools on the basis of the financial reporting provision of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The supplementary schedules, as listed in the table of contents, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements – regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements – regulatory basis 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 – regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements – regulatory basis as a whole.

The roster of publicly elected officials and management’s corrective action plan have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2019, on our consideration of the Schools’ 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 to solely 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 the Schools’ 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 Schools’ internal control over financial reporting and compliance.

Alexander Thompson Arnold PLLC

Jackson, Tennessee
September 12, 2019

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
COMBINED BALANCE SHEET - REGULATORY BASIS
June 30, 2019**

	<u>Peabody High School</u>	<u>Trenton Rosenwald Middle School</u>	<u>Trenton Elementary School</u>	<u>Total</u>
Assets				
Cash and certificates of deposit	\$ 195,433	\$ 49,154	\$ 59,663	\$ 304,250
Accounts receivable	<u>-</u>	<u>1,252</u>	<u>-</u>	<u>1,252</u>
Total assets	<u>\$ 195,433</u>	<u>\$ 50,406</u>	<u>\$ 59,663</u>	<u>\$ 305,502</u>
Fund Balances				
General Fund				
Unassigned	<u>30,777</u>	<u>1,344</u>	<u>42,130</u>	<u>74,251</u>
Total general fund	30,777	1,344	42,130	74,251
Restricted Fund				
Restricted	44,094	-	307	44,401
Assigned	<u>120,562</u>	<u>49,062</u>	<u>17,226</u>	<u>186,850</u>
Total restricted fund	<u>164,656</u>	<u>49,062</u>	<u>17,533</u>	<u>231,251</u>
Total fund balances	<u>\$ 195,433</u>	<u>\$ 50,406</u>	<u>\$ 59,663</u>	<u>\$ 305,502</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS**
For the Year Ended June 30, 2019

	<u>Peabody High School</u>	<u>Trenton Rosenwald Middle School</u>	<u>Trenton Elementary School</u>	<u>Total</u>
Fund balance, July 1, 2018	\$ 125,238	\$ 36,866	\$ 44,108	\$ 206,212
Revenues	484,290	196,745	100,514	781,549
Expenditures	<u>414,095</u>	<u>183,205</u>	<u>84,959</u>	<u>682,259</u>
Excess of revenues over (under) expenditures	<u>70,195</u>	<u>13,540</u>	<u>15,555</u>	<u>99,290</u>
Other financing sources (uses)				
Operating transfers in	13,100	2,231	313	15,644
Operating transfers out	<u>(13,100)</u>	<u>(2,231)</u>	<u>(313)</u>	<u>(15,644)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>70,195</u>	<u>13,540</u>	<u>15,555</u>	<u>99,290</u>
 Fund balance, June 30, 2019	 <u>\$ 195,433</u>	 <u>\$ 50,406</u>	 <u>\$ 59,663</u>	 <u>\$ 305,502</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019**

BACKGROUND

Section 49-2-110, Tennessee Code Annotated, provides for student activity funds, establishes responsibility for those funds, and requires schools to adopt and follow a uniform accounting manual. This section excludes parent-teacher and parent-student support organizations from the accounting, record keeping, and other requirements of this section.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

This report includes only the individual school activity funds of the Trenton Special School District (the Schools). Internal school funds consist of financial resources accounted for at the individual schools.

Internal School Funds

Internal school funds reported in the accompanying financial statements include donations and grants made to the individual schools; fees collected by schools; funds received from the local board of education; funds raised through cooperative agreements; rental fees; and student activity funds.

Student Activity Funds

Student activity funds include all money received from any source for school sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic, or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and an outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from any account that contains student activity funds;
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

B. Other Comprehensive Basis of Accounting (OCBOA)

The accounting and financial reporting requirements for school activity funds are set forth in the *Tennessee Internal School Uniform Accounting Policy Manual* (the Manual), issued by the Tennessee Department of Education. The requirements established in the Manual differ from generally accepted accounting principles primarily in the presentation of the financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this other comprehensive basis of accounting.

The financial statements consist of balance sheets and statements of revenues, expenditures and changes in fund balances.

The combined financial statements present all of the individual schools in a columnar format and are required to be presented before the notes to the financial statements. These statements focus on each of the individual schools rather than the funds within the schools. In keeping with that focus, the columnar headings identify the individual schools rather than the funds.

The individual school financial statements present the detailed fund activity in each school and are included after the notes to the financial statements.

Revenues are classified by source and expenditures are classified by either function or object for the general fund but not the restricted fund. Revenues and expenditures of the restricted fund are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted "accounts" is presented as total revenues and transfers in and total expenditures and transfers out for each account. A corresponding "fund balance" is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the restricted fund balance. Transfers reported on the financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

C. Measurement Focus and Basis of Accounting

The accompanying financial statements are reported using the current financial resources measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheets and the fund balances report only spendable resources. Internal school funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Management policies define available as collectible within 30 days after the fiscal year end. Expenditures are generally recognized when the related fund liability is incurred, if measurable.

D. Fund Structure

The accounts of the individual schools are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of the fund's assets, liabilities, fund equity, revenues, and expenditures. The funds are grouped in the accompanying financial statements as follows:

TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

General Fund

The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

Restricted Fund

The restricted fund is used to account for money that is restricted for the use of a specific segment of the school population or legally restricted for a specific purpose and not intended to benefit the general school population.

E. Inventory

Inventories are stated at lower of cost (first-in, first-out) or market (net realizable value). The consumption method is used to account for inventories. Under the consumption method, a physical count of inventories is made at year-end and the financials are adjusted to the year end value. However, significant amounts of inventory, if any, on hand at year-end are reported as an asset in the financial statements. In accordance with generally accepted accounting principles, the fair value of donated goods and supplies are recognized as revenues and expenditures in the financial statements. For the current year no significant amounts of such donations were received.

F. Fund Balances

Nonspendable Fund Balance

Fund balances reported as nonspendable in the accompanying financial statements represent amounts for inventory in the general fund.

Restricted Fund Balance

Fund balances reported as restricted are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds. This includes BEP (Basic Education Program) funds and grant funds.

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

Assigned Fund Balance

Amounts that are constrained by each school's intent to be used for specific purposes are reflected as assigned in the accompanying financial statements. This includes accounts reported in the restricted fund at each school, except for those that account for externally restricted resources as described above. Inventory amounts for restricted accounts are reflected as assigned because the use of the proceeds from the sale of those inventories is assigned. Board of Education allocation amounts not spent by the end of the fiscal year are reflected as assigned in the general fund because the Board's intent is for those resources to be expended for instruction, administration, and/or operations and maintenance.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019**

The Board of Education is authorized to assign amounts for specific purposes with respect to the amounts they allocate to the individual schools. The principal is the official authorized to assign all other amounts to a specific purpose. Authorization is established by the *Tennessee Internal School Uniform Accounting Policy Manual*.

Unassigned Fund Balance

In accordance with generally accepted accounting principles, the general fund is the only fund at each school that reports amounts for unassigned fund balance. This classification represents fund balance that is not restricted and has not been assigned to specific purposes within the general fund.

When both assigned and unassigned resources are available for use, it is the school system's policy to use assigned resources first, then unassigned resources as they are needed.

The fund balance detail for the Schools are reflected below. Additional detail is provided on the individual school financial statements.

	<u>Peabody</u>		<u>Trenton Rosenwald</u>		<u>Trenton</u>	
	<u>High School</u>		<u>Middle School</u>		<u>Elementary School</u>	
	<u>General</u>	<u>Restricted</u>	<u>General</u>	<u>Restricted</u>	<u>General</u>	<u>Restricted</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Fund Balances:						
Restricted for:						
Athletic Booster Club	\$ -	\$ 44,094	\$ -	\$ -	\$ -	\$ -
Read to Be Ready	-	-	-	-	-	61
Student of the Month	-	-	-	-	-	246
Assigned to:						
Restricted Funds	-	120,562	-	49,062	-	17,226
Unassigned:	<u>30,777</u>	<u>-</u>	<u>1,344</u>	<u>-</u>	<u>42,130</u>	<u>-</u>
Total fund balances	<u>\$ 30,777</u>	<u>\$ 164,656</u>	<u>\$ 1,344</u>	<u>\$ 49,062</u>	<u>\$ 42,130</u>	<u>\$ 17,533</u>

NOTE 2 – DEPOSITS

A. Legal Provisions

All deposits with financial institutions in excess of FDIC limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution(s) that participates in the State of Tennessee Bank Collateral Pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits.

B. Cash Deposits

Cash in bank represents funds on deposit in various depositories.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019**

C. Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the school's deposits may not be returned to it. None of the school's deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the Bank Collateral Pool with the State of Tennessee.

NOTE 3 – CAPITAL ASSETS

A. Capital Assets

Capital assets acquired by the individual schools are recorded as expenditures at the time of purchase. Title and accountability for capital assets purchased pass automatically to the board of education.

B. Copier Leases

Trenton Special School District – Internal School Funds has entered into certain noncancelable copier leases. The various schools are obligated to make the monthly payments on these leases as follows:

School	Monthly Payment	Minimum Lease Payment / Balance		Company
Trenton Elementary School	\$ 347	2020	\$ 4,164	Konica Minolta Premier Finance
		2021	4,164	
		2022	4,164	
		2023	1,041	
		Total	<u>\$ 13,533</u>	
Trenton Rosenwald Middle School	\$ 287	2020	\$ 3,444	Konica Minolta Premier Finance
		2021	3,444	
		2022	2,009	
		Total	<u>\$ 8,897</u>	
Peabody High School	\$ 589	2020	\$ 7,068	RJ Young Company
		2021	7,068	
		2022	7,068	
		2023	4,712	
		Total	<u>\$ 25,916</u>	

**TRENTON SPECIAL SCHOOL DISTRICT
PEABODY HIGH SCHOOL
BALANCE SHEET - REGULATORY BASIS
June 30, 2019**

	<u>Assets</u>	<u>Fund Balances</u>			<u>Total Fund Balances</u>
	<u>Cash</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	
General Fund	<u>\$ 30,777</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,777</u>	<u>\$ 30,777</u>
Restricted Funds					
21 plus club	3,603	-	3,603	-	3,603
Art	339	-	339	-	339
Athletic	14,160	-	14,160	-	14,160
Athletic booster club	44,094	44,094	-	-	44,094
Band	6,316	-	6,316	-	6,316
Beta club	1,411	-	1,411	-	1,411
Cheerleaders	1,882	-	1,882	-	1,882
Chromebook	108	-	108	-	108
Class of 2020	11,780	-	11,780	-	11,780
FCCLA	1,175	-	1,175	-	1,175
FFA club	12,425	-	12,425	-	12,425
Future teachers of America	187	-	187	-	187
Girls & Boys State	40,249	-	40,249	-	40,249
History club	2	-	2	-	2
HOSA	836	-	836	-	836
Junior rotary	699	-	699	-	699
Library	254	-	254	-	254
Math club	83	-	83	-	83
Peabody Pals	761	-	761	-	761
Pep club	721	-	721	-	721
Quarterback Club	4,003	-	4,003	-	4,003
School annuals	14,787	-	14,787	-	14,787
Special olympics	559	-	559	-	559
STEM club	2,703	-	2,703	-	2,703
Student council	911	-	911	-	911
School of Rock	155	-	155	-	155
The learning zone	453	-	453	-	453
Total restricted funds	<u>164,656</u>	<u>44,094</u>	<u>120,562</u>	<u>-</u>	<u>164,656</u>
Total general and restricted funds	<u>\$ 195,433</u>	<u>\$ 44,094</u>	<u>\$ 120,562</u>	<u>\$ 30,777</u>	<u>\$ 195,433</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
PEABODY HIGH SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
For the Year Ended June 30, 2019**

	Fund	Revenues	Expenditures	Transfers		Fund
	Balance			In	Out	Balance
	7/1/2018					6/30/2019
General Fund	\$ 32,978	\$ 10,059	\$ 12,260	\$ -	\$ -	\$ 30,777
Restricted Funds						
21 plus club	4,074	3,568	5,354	1,315	-	3,603
ACT	628	720	33	-	1,315	-
Art	8	568	237	-	-	339
Athletic	8,640	74,559	69,039	-	-	14,160
Athletic booster club	27,484	188,851	172,241	-	-	44,094
Band	4,408	39,735	37,827	-	-	6,316
Beta club	880	10,052	9,521	-	-	1,411
Cheerleaders	1,491	17,995	17,604	-	-	1,882
Chromebook	35	2,312	2,239	-	-	108
Class of 2019	8,666	26,282	23,168	-	11,780	-
Class of 2020	-	175	175	11,780	-	11,780
FCCLA	1,878	5,791	6,494	-	-	1,175
FFA club	9,337	13,952	10,864	-	-	12,425
Future teachers of America	139	3,010	2,962	-	-	187
Girls & Boys State	153	40,096	-	-	-	40,249
History club	2	-	-	-	-	2
HOSA	1,067	561	792	-	-	836
Junior rotary	699	-	-	-	-	699
Library	166	88	-	-	-	254
Math club	83	-	-	-	-	83
Peabody Pals	1,176	90	505	-	-	761
Pep club	450	7,041	6,770	-	-	721
Quarterback Club	4,155	13,923	14,075	-	-	4,003
School annuals	13,436	11,350	9,999	-	-	14,787
School of Rock	-	218	63	-	-	155
Science lab	5	-	-	-	5	-
Special olympics	1,243	816	1,500	-	-	559
STEM club	891	8,591	6,784	5	-	2,703
Student council	658	3,792	3,539	-	-	911
The learning zone	408	95	50	-	-	453
Total restricted funds	<u>92,260</u>	<u>474,231</u>	<u>401,835</u>	<u>13,100</u>	<u>13,100</u>	<u>164,656</u>
Total general and restricted funds	<u>\$ 125,238</u>	<u>\$ 484,290</u>	<u>\$ 414,095</u>	<u>\$ 13,100</u>	<u>\$ 13,100</u>	<u>\$ 195,433</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
PEABODY HIGH SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES GENERAL FUND -
REGULATORY BASIS
For the Year Ended June 30, 2019**

Revenues

Donations	\$	554
Report card envelopes		10
Locker fees		165
Miscellaneous		163
Safety & Security		950
Pepsi machine		4,320
Tom's machine		3,437
Board allocations		265
Materials and supplies		195
Total revenues	<u>\$</u>	<u>10,059</u>

Expenditures

Administrative supplies and materials	\$	1,359
Administrative expenditures - other		2,080
Copy machine exp.		7,349
Equipment		30
Honor banquet - exp.		193
Instructional supplies and materials		82
Home ec. food		140
Safety & Security		214
Postage		592
Other expenditures		221
Total expenditures	<u>\$</u>	<u>12,260</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ROSENWALD MIDDLE SCHOOL
BALANCE SHEET - REGULATORY BASIS**

June 30, 2019

	<u>Assets</u>			<u>Fund Balances</u>		
	<u>Cash & Certificates of Deposit</u>	<u>Accounts Receivable</u>	<u>Total</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total Fund Balance</u>
General Fund	\$ 92	\$ 1,252	\$ 1,344	\$ -	\$ 1,344	\$ 1,344
Restricted Funds						
Accelerated reader	983	-	983	983	-	983
Annual	1,360	-	1,360	1,360	-	1,360
Art	153	-	153	153	-	153
Athletic	36,466	-	36,466	36,466	-	36,466
Band	3,985	-	3,985	3,985	-	3,985
Beta club	604	-	604	604	-	604
Book damage fees	909	-	909	909	-	909
Cheerleaders	1,809	-	1,809	1,809	-	1,809
Library	804	-	804	804	-	804
Parent volunteer organization	1,145	-	1,145	1,145	-	1,145
Scholastic reading club	8	-	8	8	-	8
Student council	4	-	4	4	-	4
Team leader 5	81	-	81	81	-	81
Team leader 6	254	-	254	254	-	254
Team leader 7	460	-	460	460	-	460
Team leader 8	37	-	37	37	-	37
Total restricted funds	49,062	-	49,062	49,062	-	49,062
Total general and restricted funds	\$ 49,154	\$ 1,252	\$ 50,406	\$ 49,062	\$ 1,344	\$ 50,406

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ROSENWALD MIDDLE SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS**

For the Year Ended June 30, 2019

	Fund Balance 7/1/2018	Revenues	Expenditures	Transfers In	Transfers Out	Fund Balance 6/30/2019
General Fund	\$ 3,154	\$ 41,933	\$ 43,743	\$ -	\$ -	\$ 1,344
Restricted Funds						
Accelerated reader	983	-	-	-	-	983
Annual	135	5,400	4,175	-	-	1,360
Art	153	-	-	-	-	153
Athletic	22,110	84,177	69,733	857	945	36,466
Athletic concessions	9	7,716	6,439	-	1,286	-
Band	1,677	23,547	21,239	-	-	3,985
Beta club	734	12,896	13,026	-	-	604
Book damage fees	909	-	-	-	-	909
Cheerleaders	4,281	8,964	12,810	1,374	-	1,809
Chromebook fees	150	2,369	2,519	-	-	-
Library	894	1,146	1,236	-	-	804
Parent volunteer organization	831	2,839	2,525	-	-	1,145
Scholastic reading club	6	421	419	-	-	8
Student council	92	4,404	4,492	-	-	4
Team leader 5	81	-	-	-	-	81
Team leader 6	254	-	-	-	-	254
Team leader 7	378	391	309	-	-	460
Team leader 8	35	542	540	-	-	37
Total restricted funds	<u>33,712</u>	<u>154,812</u>	<u>139,462</u>	<u>2,231</u>	<u>2,231</u>	<u>49,062</u>
Total general and restricted funds	<u>\$ 36,866</u>	<u>\$ 196,745</u>	<u>\$ 183,205</u>	<u>\$ 2,231</u>	<u>\$ 2,231</u>	<u>\$ 50,406</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ROSENWALD MIDDLE SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES GENERAL FUND
REGULATORY BASIS**

For the Year Ended June 30, 2019

Revenues

Fundraisers	\$	36,954
Locker fees		165
Vending machines		534
Board allocations		4,101
Interest		179
Total revenues	\$	<u>41,933</u>

Expenditures

Fundraisers	\$	16,591
Equipment and repairs		6,165
Miscellaneous		1,049
Instructional supplies		1,781
Office supplies		3,416
Student incentives		14,741
Total expenditures	\$	<u>43,743</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ELEMENTARY SCHOOL
BALANCE SHEET - REGULATORY BASIS
June 30, 2019**

	<u>Assets</u>		<u>Fund Balances</u>		
	<u>Cash</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total Fund Balance</u>
General Fund	\$ 42,130	\$ -	\$ -	\$ 42,130	\$ 42,130
Restricted Funds					
Library	2,499	-	2,499	-	2,499
Accelerated reader	18	-	18	-	18
Second grade	16	-	16	-	16
Fine arts	26	-	26	-	26
Computer lab	2,509	-	2,509	-	2,509
PATT	515	-	515	-	515
Physical education	1,491	-	1,491	-	1,491
Guidance	18	-	18	-	18
K - 4 families	14	-	14	-	14
Yearbook	373	-	373	-	373
Kindergarten Field Trip	7	-	7	-	7
First grade field trips	516	-	516	-	516
Second grade field trips	220	-	220	-	220
Third grade field trips	327	-	327	-	327
Fourth grade field trips	46	-	46	-	46
Destination imagination	700	-	700	-	700
Student of the Month	246	246	-	-	246
Ready to be ready	61	61	-	-	61
Do Right	6,769	-	6,769	-	6,769
Basketball	1,162	-	1,162	-	1,162
Total restricted funds	<u>17,533</u>	<u>307</u>	<u>17,226</u>	<u>-</u>	<u>17,533</u>
Total general and restricted funds	<u>\$ 59,663</u>	<u>\$ 307</u>	<u>\$ 17,226</u>	<u>\$ 42,130</u>	<u>\$ 59,663</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ELEMENTARY SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
For the Year Ended June 30, 2019**

	Fund Balance 7/1/2018	Revenues	Expenditures	Transfers In	Transfers Out	Fund Balance 6/30/2019
General Fund	\$ 33,660	\$ 44,006	\$ 35,536	\$ -	\$ -	\$ 42,130
Restricted Funds						
Library	2,386	8,446	8,333	-	-	2,499
Accelerated reader	18	-	-	-	-	18
First grade	274	326	600	-	-	-
Second grade	16	-	-	-	-	16
Third grade	-	100	100	-	-	-
Fine arts	26	-	-	-	-	26
Computer lab	2,616	300	407	-	-	2,509
PATT	2,389	751	2,312	-	313	515
Physical education	1,596	3,065	3,170	-	-	1,491
Guidance	18	-	-	-	-	18
K - 4 families	14	-	-	-	-	14
Yearbook	179	6,815	6,621	-	-	373
Kindergarten Field Trip	-	930	923	-	-	7
First grade field trips	-	1,012	496	-	-	516
Second grade field trips	-	2,556	2,336	-	-	220
Third grade field trips	243	647	563	-	-	327
Fourth grade field trips	-	609	563	-	-	46
Destination imagination	589	1,095	984	-	-	700
Student of the month	-	399	153	-	-	246
Basketball	84	2,100	1,022	-	-	1,162
Do Right	-	26,197	19,741	313	-	6,769
Ready to be ready	-	1,160	1,099	-	-	61
Total restricted funds	<u>10,448</u>	<u>56,508</u>	<u>49,423</u>	<u>313</u>	<u>313</u>	<u>17,533</u>
Total general and restricted funds	<u>\$ 44,108</u>	<u>\$ 100,514</u>	<u>\$ 84,959</u>	<u>\$ 313</u>	<u>\$ 313</u>	<u>\$ 59,663</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ELEMENTARY SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES GENERAL FUND -
REGULATORY BASIS**

For the Year Ended June 30, 2019

Revenues

Board allocations	\$ 6,319
Donations	840
Fundraising	12,449
Copy Machines	2,434
P.E.	1,458
Tablets	320
Instructional Supplies	4,239
Pictures	15,700
Interest	247
Total revenues	<u>\$ 44,006</u>

Expenditures

Copy machine	\$ 9,078
Equipment	855
Fundraiser	7,533
Instructional supplies	6,683
Student of the Month	232
P.E.	38
Miscellaneous	1,441
Office and general supplies	2,226
Pictures	7,450
Total expenditures	<u>\$ 35,536</u>

The accompanying notes are an integral part of the financial statements.

**TRENTON SPECIAL SCHOOL DISTRICT
PEABODY HIGH SCHOOL
SCHEDULE OF INTERFUND TRANSFERS
For the Year Ended June 30, 2018**

Transfer from	Transfer to			Total
	Class of 2020	21 Plus Club	STEM club	
Class of 2019	\$ 11,780	\$ -	\$ -	\$ 11,780
ACT	-	1,315	-	1,315
Science lab	-	-	5	5
Total interfund transfers	\$ 11,780	\$ 1,315	\$ 5	\$ 13,100

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ROSENWALD MIDDLE SCHOOL
SCHEDULE OF INTERFUND TRANSFERS**
For the Year Ended June 30, 2019

Transfer from	Transfer to		
	Athletics	Cheerleading	Totals
Athletic Concessions	\$ 857	\$ 429	\$ 1,286
Athletics	-	945	945
Total interfund transfers	<u>\$ 857</u>	<u>\$ 1,374</u>	<u>2,231</u>

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
TRENTON ELEMENTARY SCHOOL
SCHEDULE OF INTERFUND TRANSFERS**
For the Year Ended June 30, 2019

Transfer from	Transfer to
	<u>Do Right</u>
PATT	<u>\$ 313</u>

See independent auditor's report.

TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF SALARY SUPPLEMENTS
For the Fiscal Year Ended June 30, 2019

School	Amount	Source of Funds	Board Approved	Proper Withholding
Peabody High School				
Ann Hickerson	\$ 660	Athletics	Yes	Yes
Bonnie Duncan	788	Athletics	Yes	Yes
Brandon Doyle	40	Athletics	Yes	Yes
Briana Ziebart	300	Band	Yes	Yes
Carl Mayberry	1,979	Various	Yes	Yes
Clint Sisco	1,491	Various	Yes	Yes
Dan Dehann	1,500	Band	Yes	Yes
Darlene Fairless	436	Various	Yes	Yes
Drew Gibson	100	Athletics	Yes	Yes
Frank Hodges	250	Athletics	Yes	Yes
Geraldine Overton	135	Athletics	Yes	Yes
Hannah Bridges	1,000	Band	Yes	Yes
Jim Reed	1,500	Band	Yes	Yes
Joseph Wutcher	356	Athletics	Yes	Yes
Ken Doss	354	Band	Yes	Yes
Linda Webb	300	Athletics	Yes	Yes
Marshel Easley	3,738	Athletics	Yes	Yes
Randy Reynolds	946	Various	Yes	Yes
Robert Benedict	357	Athletics	Yes	Yes
Ryan Batemen	2,400	Band	Yes	Yes
Starla Cupples	755	Athletics	Yes	Yes
Tim Peavyhouse	1,370	Athletics	Yes	Yes
Virgil Simmons	884	Athletics	Yes	Yes
William McElrath	1,160	Various	Yes	Yes
Trenton Rosenwald Middle School				
Cedric Mayberry	116	Athletics	Yes	Yes
Drew Gibson	180	Athletics	Yes	Yes
Frank Hodges	500	Athletics	Yes	Yes
M. Fairless	60	Athletics	Yes	Yes
Marshall Easley	898	Various	Yes	Yes
Randy Reynolds	609	Various	Yes	Yes
Taylor Patterson	80	Athletics	Yes	Yes
Tim Peavyhouse	95	Athletics	Yes	Yes
Virgil Simmons	68	Athletics	Yes	Yes
William McElrath	404	Athletics	Yes	Yes
Trenton Elementary School				
Cedric Mayberry	509	Field Trip	Yes	Yes
Darlene Fairless	268	Field Trip	Yes	Yes
Marshel Easley	236	Field Trip	Yes	Yes
William McElrath	30	Field Trip	Yes	Yes
R. Reynolds	<u>656</u>	Field Trip	Yes	Yes
Total salary supplements	<u>\$ 27,508</u>			

See independent auditor's report.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF INSURANCE COVERAGE**
June 30, 2019

Company	Tennessee Risk Management Trust
Type of Coverage	Employee Fidelity Money and Securities Forgery or Alteration
Amount	Each employee is covered up to \$400,000 on each loss occurrence with a deductible of \$500.
Period Covered	July 1, 2018- July 1, 2019
Positions Covered	All employees

See independent auditor's report.



**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***

Board of Education and Management
Trenton Special School District, Internal School Funds
Trenton, 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 combined balance sheet – regulatory basis and the related combined statement of revenues, expenditures, and changes in fund balances–regulatory basis of Trenton Special School District Internal School Funds (the Schools) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements – regulatory basis, and have issued our report thereon dated September 12, 2019. We also have audited the individual school balance sheets – regulatory basis, and the individual school statements of revenues, expenditures, and changes in fund balances – regulatory basis presented as supplementary information in the accompanying individual school financial statements as of and for the year ended June 30, 2019, as listed in the table of contents. Our report disclosed that the financial statements were prepared in conformity with the accounting practices prescribed by the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements combined and individual schools – regulatory basis, we considered the Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements – regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Schools' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and recommendations, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and recommendations as 2019-004, 2019-005, and 2019-006 to be material weaknesses.

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. We consider the deficiencies in internal control described in the accompanying schedule of findings and recommendations as items 2019-001, 2019-002, and 2019-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and recommendations as items 2019-001, 2019-002, 2019-003, 2019-004, 2019-005 and 2019-006.

In addition, we noted other matters involving the internal control and its operation that we reported to management of the Schools in a separate letter dated September 12, 2019.

Schools' Response to Findings

The Schools' response to the findings identified in our audit are described in the accompanying schedule of findings and recommendations. The Schools' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Alexander Thompson Arnold PLLC

Jackson, Tennessee
September 12, 2019

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019**

Current Year Findings

2019-001 Gift Card Accountability (Significant Deficiency and Noncompliance)

Condition

We noted during our audit at Trenton Rosenwald Middle School and Trenton Elementary School two instances in which gift cards given to students as rewards were not supported by written documentations showing the gift cards were properly accounted for.

Criteria

Section 4, Title 2 of the *Tennessee Internal School Uniform Accounting Policy Manual* states that, "When gift cards are given as awards, a listing should be prepared to document and account for all gift cards purchased. At a minimum, the listing must include columns for (1) the dollar amount(s) for each individual card, (2) the individuals who were awarded the respective cards, and (3) the signature of the recipient to indicate that they received the gift card. The reason for the awards should also be clearly documented."

Cause

At Trenton Elementary School, the condition noted above was a result of the fact that the bookkeeper was new and unfamiliar with the requirements.

At Trenton Rosenwald Middle School, the condition noted above was a result of lack of management's oversight.

Effect

Failure to ensure gift cards are properly accounted for creates the potential for fraudulent activities and misuse of school funds.

Recommendation

We recommend the schools ensure all gift cards are accounted for and supported by a written list as described in Section 4, Title 2 of the *Tennessee Internal School Uniform Accounting Policy Manual*.

Response:

Trenton Rosenwald Middle School

These gift cards were items in the school's Roar Store (student reward store). The students who purchased these with their tickets were not noted, and therefor did not sign the gift card log. Corrective action shows that we no longer place gift cards in the Roar Store.

Trenton Elementary School

\$10 Sonic gift cards for Accelerated Reader rewards for \$40 total. New bookkeeper who was not aware of the requirement.

2019-002 Accountability Related to Fundraisers (Significant Deficiency and Noncompliance)

Condition

During our audit at Trenton Elementary School, we noted that there was no fundraiser approval form or profit and loss analysis completed for the snack cart fundraiser. We were not able to determine the accurate net profit for this fundraiser due to lack of detailed records. In addition,

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019**

the brochure fundraiser was not approved by the Director of Schools until March 2019, whereas the fundraiser was scheduled to end in September 2018.

Criteria

Section 4, Title 8 of the *Tennessee Internal School Uniform Policy Manual* states, "Accountability is necessary regardless of whether or not the intention is to raise funds and generate a profit or to break even from the resale activity...."

For ongoing resale activities such as bookstores, concessions, vending, etc., monthly profit analysis reports must be completed to document collections, expenses, and any profit or losses of money or product. These reports must be filed with the other school records. The school must maintain detailed records to support all amounts recorded on these forms. If the profit analysis report indicates a shortage, an explanation must be given for the shortage. If no reasonable explanation can be given, each subsequent day's activities must be recorded and evaluated until the reason for the shortage has been identified and corrected. For annuals, magazine sales, candy sales, and other similar activities that are not perpetual in nature, profit analysis reports may be completed at the conclusion of the activity....

The principal must obtain written approval from the director of schools or designee for all fundraising activities that involve the participation of the general student population in the marketing process of the fundraising effort."

Cause

The condition noted above was a result of lack of management's oversight and lack of adequate training for the new bookkeeper.

Effect

The condition noted above creates an opportunity for misuse of funds, misstatement of cash, and unauthorized fundraising activities.

Recommendation

We recommend that the school obtain proper written authorization prior to the fundraising activities. In addition, the school should perform profit and loss analysis for all resale activities to ensure revenues and expenses related to the resale activities are properly accounted for. Detailed records should be maintained to support the amount recorded on the profit and loss analysis forms.

Response:

Trenton Elementary School

Fundraiser forms for the 2019-20 school year have already been completed. Funds raised through the snack cart will have appropriate documentation moving forward.

2019-003 Count of Collection Form (Significant Deficiency and Noncompliance)

Condition

We noted one instance during our audit at Trenton Elementary School that there is no record of collections maintained for the snack cart sales. Money was collected for this fundraiser and then given directly to the bookkeeper who was the first person to count the collection.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019**

Criteria

Section 5, Title 2 of the *Tennessee Internal School Uniform Policy Manual* states, "Teachers/others who collect money should prepare a collection record (prenumbered receipt, collection log, ticket reconciliation, signed recorded count, etc.) for each separate activity...."

For situations in which ticket reconciliations or collection logs are not used, two individuals should collect the admission fee and a recorded count of collections signed by both responsible individuals should be prepared."

Cause

The condition noted above was a result of lack of management's oversight and lack of adequate training for the new bookkeeper.

Effect

The condition noted above creates an opportunity for misuse of funds or misstatement of cash.

Recommendation

We recommend that all money collected be supported by an appropriate collection record. In the case of the snack cart sales, funds should be collected by two individuals, who will both count and record the count of collections at the end of the snack cart sale and sign the count of collection form.

Response:

Trenton Elementary School

Snack cart money is now being counted by two people and the correct forms are completed after each sale.

2019-004 Deposit Errors (Material Weakness and Noncompliance)

Condition

We noted two instances during our audit at Trenton Elementary School in which the total collections per office receipts did not agree with the amounts deposited in the bank account, resulting in two discrepancies of \$100 and \$27. These discrepancies were not identified or investigated by the school management in a timely manner.

Criteria

Section 5, Title 2 of the *Tennessee Internal School Uniform Policy Manual* states, "Teachers/others who collect money should prepare a collection record (prenumbered receipt, collection log, ticket reconciliation, signed recorded count, etc.) for each separate activity...."

The cashier must count the money and issue a prenumbered receipt at the time money is remitted....

Daily collections should be reconciled with the total of all receipts issued...."

Cause

The condition noted above was a result of several possible factors, including human errors in counting, receipts not being written at the time money was remitted, and total daily collections not being reconciled to total receipts.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019**

Effect

The condition noted above creates potential for fraudulent activities and misuse of funds.

Recommendation

We recommend that the bookkeeper always count and issue a receipt every time money is remitted to the office. In addition, the daily collections should be reconciled with the total of all receipts issued to ensure accuracy. Should any discrepancy be noted during the reconciliation, the discrepancy should be immediately investigated into by management.

Response:

Trenton Elementary School

Bookkeeper will take greater care when counting the money, issuing, receipts and preparing the deposit slips to ensure accuracy.

2019-005 Control over Credit Card/ Charge Account Usage (Material Weakness and Noncompliance)

Condition

During our audit at Trenton Rosenwald Middle School, we noted that the school was not performing a reconciliation of the monthly credit card statements for the Wal-Mart credit card and the Food Rite charge account. But rather, the charges were paid based on the submitted receipts. This resulted in a late fee and balance of \$100 on the June 2019 Wal-Mart statement which there was no supporting documentation for. In addition, there is no control over who can use the charge account at Food Rite. Per management, anyone can ask the store to charge to the school's Food Rite account without proof of authorization. We also noted one instance in which a charge to Food Rite was not supported by an itemized receipt.

Criteria

Section 4, Title 2 of the *Tennessee Internal School Uniform Policy Manual* lists the minimum recommended internal controls related to credit cards, which include the following:

"...(c) A listing should be maintained of all issued credit cards and all authorized users as listed in the credit card agreement...

(d) Establish a policy regarding authorized uses for credit cards....

(i) Actual (original) invoices that support each credit card purchase should be submitted timely...

(j) Timely reconciliations of monthly credit card statements should be performed. Reconciliations should be approved by someone other than the preparer of the reconciliation.

(i) When the reconciliation is performed, the bookkeeper shall review individual purchases to determine that (1) the dollar amount reported on the supporting documentation agrees with the corresponding amount on the monthly statement; (2) the date of the supporting documentation agrees with the date of the purchase; and (3) the supporting documentation represents items purchased for legitimate school purposes.

(n) The bookkeeper shall ensure that the credit card statement is paid in full each month so that no finance charges are incurred..."

Cause

Management failed to design and implement adequate controls over the usage of their credit card/charge account.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019**

Effect

The condition noted above creates an opportunity for fraudulent activities and unauthorized charges.

Recommendation

We recommend that immediate actions be taken to design and implement a system of internal controls over the usage of the school's credit cards and charge accounts in accordance with Section 4, Title 2 of the *Tennessee Internal School Uniform Policy Manual*. In addition, the school should perform monthly reconciliation of all credit card and charge accounts' statements to ensure charges are authorized and properly supported by invoices or receipts.

Response:

Trenton Rosenwald Middle School

Wal mart and Food Rite receipts will be reconciled each month with the monthly statements. A narrowed list of approved employees will be created and provided to the local stores where charges are allowed.

2019-006 Intact Deposit (Material Weakness and Noncompliance)

Condition

We noted two instances at Trenton Rosenwald Middle School in which the daily collections were not deposited in the same form in which they were collected.

Criteria

Section 6, Title 2 of the *Tennessee Internal School Uniform Policy Manual* states, "Collections should be deposited intact. Intact means that collections are deposited in the form and amount in which they are collected."

Cause

The condition noted above is a result of the bookkeeper's failure to ensure the cash and check composition of the office receipts agree the that of the bank deposit.

Effect

The condition noted above creates an opportunity for misuse of funds or misstatement of cash.

Recommendation

We recommend that the daily collections be reconciled with the total of all receipts issued in the form and the amount. Should any discrepancy be noted during the reconciliation, the discrepancy should be immediately investigated into by management.

Response:

Trenton Rosenwald Middle School

There were two checks listed under cash. Bookkeeper will ensure that cash and checks are accounted for properly from now on.

**TRENTON SPECIAL SCHOOL DISTRICT
INTERNAL SCHOOL FUNDS
SCHEDULE OF PRIOR YEAR FINDINGS**
For the Fiscal Year Ended June 30, 2019

Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2018-001	Reconciling Commissions (Original Finding 2013-001)	Rosenwald Middle School - Corrected
2018-002	Teacher Collection Log (Original Finding 2018-002)	Trenton Peabody High School - Corrected



Tim Haney
Director of Schools

Trenton Special School District

201 West Tenth Street
Trenton, Tennessee 38382

Phone 731-855-1191
Fax 731-855-1414

www.trentonssd.org

MANAGEMENT'S CORRECTIVE ACTION PLAN

June 30, 2019

Trenton Special School District's Internal School Funds respectfully submits the following corrective action plan for the year ended June 30, 2019.

Name and address of independent public accounting firm:

Alexander Thompson Arnold PLLC
227 Oil Well Road
Jackson, TN 38305

Audit period:

June 30, 2019

Trenton Special School District Internal School Funds Contact and Responsible Persons:

Tim Haney, Director of Schools 731-855-1191

Rick Hooker, Principal of Peabody High School 731-855-2601

Paul Pillow, Principal of Trenton Rosenwald Middle School 731-855-2422

Cortnee Wilkes, Principal of Trenton Elementary School 731-855-0971

The findings from the June 30, 2019, schedule of findings and recommendations are discussed below. The findings are numbered consistently with the number assigned in the schedule. Findings are required to be reported in accordance with governmental auditing standards.

2019-001 Gift Card Accountability (Significant Deficiency and Noncompliance)

Trenton Rosenwald Middle School

Response and Corrective Action Plan prepared by:

Paul Pillow

Person Responsible for Implementing the Corrective Action:

Paul Pillow

Anticipated Completion Date of Corrective Action:

08/01/19

Planned Corrective Action:

Gift cards will no longer be used to reward students or be available for student point usage in the Roar Store (student reward store).

Trenton Elementary School

Response and Corrective Action Plan prepared by:

Cortnee Wilkes

Person Responsible for Implementing the Corrective Action:

Cortnee Wilkes

Anticipated Completion Date of Corrective Action:

09/13/2019

Planned Corrective Action:

All employees have been made aware that gift cards must be logged before they are distributed to students for reward purposes. The key to making this happen is that employees inform the bookkeeper before the gift cards are purchased.

2019-002 Accountability Related to Fundraisers (Significant Deficiency and Noncompliance)

Trenton Elementary School

Response and Corrective Action Plan prepared by: Cortnee Wilkes
Person Responsible for Implementing the Corrective Action: Cortnee Wilkes
Anticipated Completion Date of Corrective Action: 9/13/2019

Planned Corrective Action:

Fundraiser forms for the 2019-20 school year have already been completed. Funds raised through the snack cart will have appropriate documentation moving forward.

2019-003 Count of Collection Form (Significant Deficiency and Noncompliance)

Trenton Elementary School

Response and Corrective Action Plan prepared by: Cortnee Wilkes
Person Responsible for Implementing the Corrective Action: Cortnee Wilkes
Anticipated Completion Date of Corrective Action: 9/13/2019

Planned Corrective Action:

Snack cart money is now being counted by two people and the correct forms are completed after each sale.

2019-004 Deposit Errors (Material Weakness and Noncompliance)

Trenton Elementary School

Response and Corrective Action Plan prepared by: Cortnee Wilkes
Person Responsible for Implementing the Corrective Action: Cortnee Wilkes
Anticipated Completion Date of Corrective Action: 9/13/2019

Planned Corrective Action:

Since receiving this finding, the bookkeeper has compared each total deposit to the deposit summary.

2019-005 Control over Credit Card/ Charge Account Usage (Material Weakness and Noncompliance)

Trenton Rosenwald Middle School

Response and Corrective Action Plan prepared by: Paul Pillow
Person Responsible for Implementing the Corrective Action: Paul Pillow
Anticipated Completion Date of Corrective Action: 09/13/19

Planned Corrective Action:

A narrowed list of approved employees will be created and provided to the local stores where charges are allowed.

2019-006 Intact Deposit (Material Weakness and Noncompliance)

Trenton Rosenwald Middle School

Response and Corrective Action Plan prepared by:

Paul Pillow

Person Responsible for Implementing the Corrective Action:

Paul Pillow

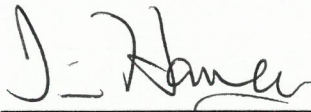
Anticipated Completion Date of Corrective Action:

08/01/19

Planned Corrective Action:

Bookkeeper and principal will pay closer attention to cash and check deposits to ensure that each are being accounted for properly.

Sincerely,



Tim Haney, Director of Schools

Employment Contract
Between
Timothy Haney
And
Trenton Special School District
Board of Trustees

It is hereby agreed, by and between the Board of Trustees of the Trenton Special School District located in Gibson County in the State of Tennessee (hereinafter called the **Board**) and **Timothy “Tim” Haney** (hereinafter called the **Director of Schools**) in accordance with its action as found in the minutes of the meeting held on the 11th day of February, 2020, has and does hereby employ Tim Haney as the **Director of Schools** for a period beginning September 1, 2020 and ending August 31, 2022. Both parties agree that said employee shall perform the duties of the Director of Schools in and for the public schools in said District as prescribed by the Laws of the State of Tennessee and by the rules and regulations made there under by the Board of Trustees of said District.

That, in consideration of the current base salary of One Hundred Seven Thousand Dollars (\$107,000) beginning September 1, 2020, said **Director of Schools** agrees to perform faithfully the duties of **Director of Schools** and to serve as Executive Officer of the Board of Education. The annual salary shall be paid in equal installments in accordance with the policy of the **Board** governing payment of other professional staff in the district. Supplements included in the total salary shall be adjusted according to changes in the annual approved budget. The base salary of \$107,000 shall be increased annually by the same percentage as teachers’ salaries may be increased beginning contract year July 1, 2021.

That the **Board** hereby retains the right to adjust the annual salary of the **Director of Schools** during the term of his contract, said salary adjustment not to reduce the annual salary below the figures stated above. Any adjustment in salary made during the life of the contract shall be in the form of an amendment and shall become a part of this contract. It is provided, however, that by so doing it shall not be considered that the Board has entered into a new contract with the **Director of Schools** nor that the termination date of the existing contract has been extended. However, the **Board** may by specific action extend the termination date of the existing contract if such extension is permitted by State Law.

That throughout the term of this contract, the **Director of Schools** shall be subject to discharge for good and just cause, provided, however, that the **Board** does not arbitrarily or capriciously call for his dismissal and that the **Director of Schools** shall have the right to service of written charges, notice of hearing, and a fair hearing before the **Board**. If the **Director of**

Schools chooses to be accompanied by legal counsel at the hearing, said legal expenses shall be incurred by the **Director of Schools**.

That is it agreed that the **Director of Schools** shall furnish throughout the life of this contract a valid and appropriate certificate to act as **Director of Schools** in the State of Tennessee as directed by the **Board** and that the **Director of Schools** hereby agrees to devote his time, skill, labor, and attention to said employment during the term of this contract; provided however, that the **Director of Schools** may undertake consultative work, speaking engagements, writing, lecturing, or other professional duties and obligations.

That the **Director of Schools** shall have freedom to organize, re-organize, and arrange the administrative and supervisory staff which in his judgement best serves the public schools, that the administration of instruction and business affairs will be lodged with the **Director of Schools** and administered by him with assistance of his staff; that he shall have the responsibility for employment, selection, placement, and transfer of certified and non-certified personnel under his supervision; that he shall recommend all prospective candidates to be approved for tenured employment; and shall in general perform all other duties incident to the office of the **Director of Schools** and such other related duties as may be prescribed by the **Board**.

That the **Board**, individually and collectively, shall promptly refer all criticisms, complaints, and suggestions to the **Director of Schools** for study and/or explanation.

That the **Board** agrees that it shall defend, hold harmless, and indemnify the **Director of Schools** from any and all demands, claims, suits, actions, and legal proceedings brought against the **Director of Schools** in his individual capacity as agent and acting within the scope of his employment and excluding criminal litigation. Except that, in no case, will individual Board members be considered personally liable for indemnifying the **Director of Schools** against such demands, claims, suits, actions, and legal proceedings.

That should the **Director of Schools** be unable to perform any or all of his duties by reason of illness, accident, or other cause beyond his control and said disability exists for a period of more than three (3) months beyond accumulated sick leave during any school year, the **Board** may in its discretion make a proportionate deduction from the salary stipulated, and if such disability continues for more than six (6) months beyond accumulated sick leave, the **Board** may, at its option, terminate this agreement, whereupon the respective duties, rights, and obligations hereof shall terminate.

That the **Director of Schools** does hereby agree to have a comprehensive medical examination no less than once every two (2) years and not more than one each year; that a statement certifying to the physical competency of the **Director of Schools** shall be filed with

the clerk or secretary of the **Board**, and treated as confidential information by the **Board**, the cost of said medical report to be borne by the District.

That the **Board** shall provide the **Director of Schools** with a transportation/automobile allowance required in the performance of this official duties during his employment under this contract. This allowance includes all automobile expenses and travel within the school district. This allowance shall be \$350 per month. Additional mileage outside this radius shall be reimbursed at the prevailing state mileage rate.

That the **Board** shall provide the **Director of Schools** with a \$100 per month phone allowance.

That the **Board** shall devote a portion or all of one meeting at least annually, to a discussion of the working relationships between the **Director of Schools** and the **Board**. The evaluation of the Director of Schools' performance shall be made part of this meeting.

That the **Director of Schools** shall attend appropriate professional meetings at the local, state, and national level with the expenses of said attendance to incurred by the District when expense vouchers are submitted. Membership fees or dues of appropriate professional organizations shall be paid by the District.

That the **Board** may, at its option, and by a minimum of ninety (90) days notice to the **Director of Schools**, unilaterally terminate this contract. In the event of such termination, the District shall pay to the **Director of Schools**, as severance pay, all of the aggregate salary the **Director of Schools** would have earned under this employment contract from the actual termination to the termination date set forth in this employment contract.

That failure to notify the **Director of Schools** in writing no later than six (6) months prior to the termination of the contract of the **Board's** intent not to renew, the contract will automatically result in a one (1) year extension on the existing contract. Notice of such extension shall comport with the requirements of T.C.A 49-2-203.

That the **Board** shall provide the **Director of Schools** \$250 per month (\$3,000 annually) for an annuity.

That, if during the term of this contract it is found that a specific clause of the contract is illegal in Federal or State Law, the remainder of the contract, not affected by such ruling, shall remain in force.

That the work year is considered as twelve (12) calendar months with the exception of the days the school system Central Office is officially closed. The **Director of Schools** will be

entitled to one (1) vacation day per month. The **Director of Schools** will be entitled to one (1) sick day per month and two (2) personal days per year.

That the **Board** having entered into this contract of employment with the **Director of Schools** in good faith hereby waives its right to transfer the **Director of Schools** to any other position within the school system for the duration of this agreement and any extensions that may hereafter be approved.

That the **Director of Schools** shall retain his current family health, dental, and vision insurance coverage currently in force through the District. This allowance for family health, dental, and vision coverage shall be based on the prevailing rate while employed as **Director of Schools**. The current district-employee cost share percentage will remain unchanged.

In witness whereof, the **Board** has caused the Employment Contract to be approved on behalf of the **Trenton Special School District** and said **Board of Trustees** by a duly authorized officer and the **Director of Schools** has approved this Employment Contract which shall take effect September 1, 2020.

BOARD OF TRUSTEES

TRENTON SPECIAL SCHOOL DISTRICT

Chairman, Board of Trustees

Date

Director of Schools

Date

Original

**EMPLOYMENT CONTRACT
BETWEEN
TIMOTHY HANEY
AND
TRENTON SPECIAL SCHOOL DISTRICT
BOARD OF TRUSTEES**

It is hereby agreed, by and between the *Board of Trustees of the Trenton Special School District* located in Gibson County in the State of Tennessee (hereinafter call the **Board**) and *Timothy "Tim" Haney* (hereinafter called the **Director of Schools**) in accordance with its action as found in the minutes of the meeting held on the 5th day of September, 2017, has and does hereby employ Tim Haney as the **Director of Schools** for a period beginning September 5, 2017, and ending July 1, 2020. Both parties agree that said employee shall perform the duties of the Director of Schools in and for the public schools in said District as prescribed by the Laws of the State of Tennessee and by the rules and regulations made there under by the Board of Trustees of said District.

That, in consideration of the current base salary of One Hundred Three Thousand Dollars (\$103,000.00) beginning September 5, 2017, said **Director of Schools** agrees to perform faithfully the duties of Director of Schools and to serve as Executive Officer of the Board of Education. The annual salary shall be paid in equal installments in accordance with the policy of the **Board** governing payment of other professional staff in the district. Supplements included in the total salary shall be adjusted according to changes in the annual approved budget. The base salary of \$103,000.00 shall be increased annually by the same percentage as teachers' salaries may be increased beginning contract year July 1, 2018.

That the **Board** hereby retains the right to adjust the annual salary of the **Director of Schools** during the term of his contract, said salary adjustment not to reduce the annual salary below the figures state above. Any adjustment in salary made during the life of the contract shall be in the form of an amendment and shall become a part of this contract. It is provided, however, that by so doing it shall not be considered that the Board has entered into a new contract with the **Director of Schools** not that the termination date of the existing contract has been extended.

However, the **Board** may by specific action extend the termination date of the existing contract if such extension is permitted by State Law.

That throughout the term of this contract, the **Director of Schools** shall be subject to discharge for good and just cause, provided, however, that the **Board** does not arbitrarily or capriciously call for his dismissal and that the **Director of Schools** shall have the right to service of written charges, notice of hearing, and a fair hearing before the **Board**. If the **Director of Schools** chooses to be accompanied by legal counsel at the hearing, said legal expenses shall be incurred by the **Director of Schools**.

That it is agreed that the **Director of Schools** shall furnish throughout the life of this contract a valid and appropriate certificate to act as Director of Schools in the State of Tennessee as directed by the **Board** and that the **Director of Schools** hereby agrees to devote his time, skill, labor, and attention to said employment during the term of this contract; provided however, that the **Director of Schools** may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations.

That the **Director of Schools** shall have freedom to organize, re-organize, and arrange the administrative and supervisory staff which in his judgment best serves the public schools, that the administration of instruction and business affairs will be lodged with the **Director of Schools** and administered by him with assistance of his staff; that he shall have the responsibility for employment, selection, placement, and transfer of certified and non-certified personnel under his supervision; that he shall recommend all prospective candidates to be approved for tenured employment; and shall in general perform all other duties incident to the office of Director of Schools and such other related duties as may be prescribed by the **Board**.

That the **Board**, individually and collectively, shall promptly refer all criticisms, complaints, and suggestions to the **Director of Schools** for study and/or explanation.

That the **Board** agrees that it shall defend, hold harmless, and indemnify the **Director of Schools** from any and all demands, claims, suits, actions, and legal proceedings brought against the **Director of Schools** his individual capacity as agent

and acting within the scope of his employment and excluding criminal litigation. Except that, in no case, will individual Board members be considered personally liable for indemnifying the **Director of Schools** against such demands, claims suits, actions, and legal proceedings.

That should the **Director of Schools** be unable to perform any or all of his duties by reason of illness, accident, or other cause beyond his control and said disability exists for a period of more than three (3) months beyond accumulated sick leave during any school year, the **Board** may in its discretion make a proportionate deduction from the salary stipulated, and if such disability continues for more than six (6) months beyond accumulate sick leave, the **Board** may, at its option, terminate this agreement, whereupon the respective duties, rights, and obligations hereof shall terminate.

That the **Director of Schools** does hereby agree to have a comprehensive medical examination no less than once every two years and not more than once each year; that a statement certifying to the physical competency of the **Director of Schools** shall be filed with the clerk or secretary of the **Board**, and treated as confidential information by the **Board**, the cost of said medical report to be borne by the District.

That the **Board** shall provide the **Director of Schools** with a transportation/automobile allowance required in the performance of his official duties during his employment under this contract. This allowance includes all automobile expenses and travel within the school district. This allowance shall be \$350.00 per month. Additional mileage outside this radius shall be reimbursed at the prevailing state mileage rate.

That the Board shall provide the Director of Schools with a \$100.00 per month phone allowance.

That the **Board** shall devote a portion or all of one meeting at least annually, to a discussion of the working relationships between the **Director of Schools** and the **Board**. The evaluation of the Director of Schools' performance shall be made part of this meeting.

That the **Director of Schools** shall attend appropriate professional meetings at the local, state, and national level with the expenses of said attendance to be incurred by the District when expense vouchers are submitted. Membership fees or dues of appropriate professional organizations shall be paid by the District.

That the **Board** may, at its option, and by a minimum of ninety (90) days notice to the **Director of Schools**, unilaterally terminate this contract. In the event of such termination, the District shall pay to the **Director of Schools**, as severance pay, all of the aggregate salary the **Director of Schools** would have earned under this employment contract from the actual termination to the termination date set forth in this employment contract.

That failure to notify the **Director of Schools** in writing no later than six (6) months prior to the termination of the contract of the **Board's** intent not to renew, the contract will automatically result in a one-year extension on the existing contract. Notice of such extension shall comport with the requirements of T.C.A. 49-2-203.

That the **Board** shall provide the **Director of Schools** \$250.00 per month (\$3,000 annually) for an annuity.

That, if during the term of this contract it is found that a specific clause of the contract is illegal in Federal or State Law, the remainder of the contract, not affected by such ruling, shall remain in force.

That the work year is considered as twelve (12) calendar months with the exception of the days the school system Central Office is officially closed. The **Director of Schools** will be entitled to one vacation day per month. The **Director of Schools** will be entitled to one (1) sick day per month and two (2) personal days per year.


That the **Board** having entered into this contract of employment with the **Director** in good faith hereby waives its right to transfer the **Director** to any other position within the school system for the duration of this agreement and any extensions that may hereafter be approved.

That the **Director of Schools** shall retain his current family health, dental, and vision insurance coverage currently in force through the District. This allowance for family health, dental, and vision coverage shall be based on the prevailing rate while employed as **Director of Schools**. The current district-employee cost share percentage will remain unchanged.

IN WITNESS WHEREOF, the **BOARD** has caused the Employment Contract to be approved on behalf of the **TRENTON SPECIAL SCHOOL DISTRICT** and said **BOARD OF TRUSTEES** by a duly authorized officer and the **DIRECTOR OF SCHOOLS** has approved this Employment Contract which shall take effect September 5, 2017.

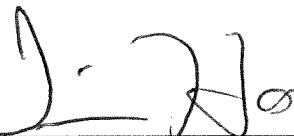
BOARD OF TRUSTEES

TRENTON SPECIAL SCHOOL DISTRICT




Chairman, Board of Trustees

9-5-17
Date



Director of Schools



9-5-17
Date

**Amendment to Employment Contract
Between
Timothy Haney
And
Trenton Special School District
Board of Trustees**

It is hereby agreed, by and between the Board of Trustees of the Trenton Special School District located in Gibson County in the State of Tennessee (hereinafter called the **Board**) and **Timothy “Tim” Haney** (hereinafter called the **Director of Schools**) in accordance with its action as found in the minutes of the meeting held on the 11th day of February, 2020, has and does hereby amend the employment date of Tim Haney as the **Director of Schools** for a period beginning September 5, 2017 and ending August 31, 2020, previously ending July 1, 2020 with all other specifics remaining unchanged. Both parties agree that said employee shall perform the duties of the Director of Schools in and for the public schools in said District as prescribed by the Laws of the State of Tennessee and by the rules and regulations made there under by the Board of Trustees of said District.

In witness whereof, the **Board** has caused the Amended Employment Contract to be approved on behalf of the **Trenton Special School District** and said **Board of Trustees** by a duly authorized officer and the **Director of Schools** has approved this Employment Contract which shall take effect February 11, 2020.

BOARD OF TRUSTEES

TRENTON SPECIAL SCHOOL DISTRICT

Chairman, Board of Trustees

Date

Director of Schools

Date