



ANNUAL FINANCIAL REPORT

Hamblen County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
HAMBLLEN COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2023

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

MARK TREECE, CPA, CGFM
Audit Manager

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

HAMBLLEN COUNTY, TENNESSEE

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Summary of Audit Findings

Annual Financial Report
Hamblen County, Tennessee
For the Year Ended June 30, 2023

Scope

We have audited the basic financial statements of Hamblen County as of and for the year ended June 30, 2023.

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Hamblen County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

Findings

The follow are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ Hamblen County Emergency Management Agency is currently under investigation.

OFFICE OF HIGHWAY SUPERINTENDENT

- ◆ The sanitation department had deficiencies related to time and attendance records.



INTRODUCTORY SECTION

Hamblen County Officials

June 30, 2023

Officials

Bill Brittain, County Mayor
Barry Poole, Highway Superintendent
Arnold W. Bunch, Jr., Director of Schools
Scotty Long, Trustee
John Ely, Assessor of Property
Peggy Henderson, County Clerk
Teresa West, Circuit and General Sessions Courts Clerk
Kathy Jones-Terry, Clerk and Master
Jim Clawson, Register of Deeds
Chad Mullins, Sheriff
Amanda Hale, Finance Director

Board of County Commissioners

Chris Cutshaw, Chairman
Debbie A'Hearn
Thomas Doty
Edna Greene
Stan Harville
Bobby Haun
Tim Horner

Peggy Howell
Joe Huntsman, Sr.
Rodney Long
Wayne NeSmith
Mike Reed
Mike Richardson
Kyle Walker

Board of Highway Commissioners

Dannie Bell, Chairman
Charles Anderson
Larry Carter
Gail Free

Dr. Arthur Tom Hyde
Delbert Nix
David Rich

Board of Education

Carolyn Holt Clawson, Chairman
Johnny Denton
Dr. Joe Gibson, Jr.
Roger Greene

James Grigsby
Clyde Kinder
Jerrold Weems

Hamblen County Officials (Cont.)

Audit Committee

Bobby Haun, Chairman
Debbie A'Hearn
Chris Cutshaw
Thomas Doty
Edna Greene
Stan Harville
Tim Horner

Peggy Howell
Joe Huntsman, Sr.
Rodney Long
Wayne NeSmith
Mike Reed
Mike Richardson
Kyle Walker

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Hamblen County School Department, which represent 1.88 percent, 2.17 percent, and 2.44 percent, respectively, of the assets, net position, and revenues of the discretely presented Hamblen County School Department. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Hamblen County School Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hamblen County, Tennessee, and to meet our other ethical responsibilities, in accordance with

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Hamblen County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hamblen County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Hamblen County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing

standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Hamblen County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2024, on our consideration of Hamblen County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Hamblen County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hamblen County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2024

JEM/gc

BASIC FINANCIAL STATEMENTS

Exhibit A

Hamblen County, Tennessee
Statement of Net Position
June 30, 2023

	Primary Government Governmental Activities	Component Unit Hamblen County School Department
<u>ASSETS</u>		
Cash	\$ 12,825	\$ 2,841,722
Equity in Pooled Cash and Investments	111,401,935	27,527,918
Inventories	0	94,455
Accounts Receivable	248,130	150,665
Due from Other Governments	1,301,873	8,079,609
Due from Primary Government	0	22,012,400
Property Taxes Receivable	23,235,844	9,755,332
Allowance for Uncollectible Property Taxes	(294,784)	(142,472)
Prepaid Items	108,490	0
Net Pension Asset - Agent Plan	870,430	907,773
Net Pension Asset - Teacher Retirement Plan	0	252,080
Net Pension Asset - Teacher Legacy Pension Plan	0	12,954,329
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	1,225,856
Notes Receivable - Long-term	4,275,000	0
Capital Assets:		
Assets Not Depreciated:		
Land	2,343,758	6,469,353
Construction in Progress	59,139,049	3,728,367
Assets Net of Accumulated Depreciation/Amortization:		
Buildings and Improvements	7,112,812	44,398,722
Infrastructure	10,341,168	0
Other Capital Assets	2,737,767	11,244,642
Total Assets	<u>\$ 222,834,297</u>	<u>\$ 151,500,751</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 523,213	\$ 2,690,382
Pension Changes in Assumptions	1,910,194	10,402,706
Pension Changes in Investment Earnings	101,569	406,897
Pension Changes in Proportion	0	100,882
Pension Contributions After Measurement Date	901,936	4,238,467
OPEB Changes in Experience	0	704,762
OPEB Changes in Assumptions	50,736	1,195,675
OPEB Changes in Proportion	0	9,608
OPEB Contributions After Measurement Date	3,524	919,264
Total Deferred Outflows of Resources	<u>\$ 3,491,172</u>	<u>\$ 20,668,643</u>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Unit Hamblen County School Department
<u>LIABILITIES</u>		
Accounts Payable	\$ 877,953	\$ 435,742
Accrued Payroll	551,812	106,291
Accrued Interest Payable	751,459	0
Contracts Payable	3,789,555	579,395
Due to Component Units	22,012,400	0
Due to Joint Ventures	4,502,207	0
Due to Other Governments	2,822,185	0
Retainage Payable	178,700	27,095
Other Current Liabilities	0	1,204,059
Noncurrent Liabilities:		
Due Within One Year - Debt	4,723,854	0
Due Within One Year - Other	0	419,294
Due in More Than One Year - Debt	133,794,454	0
Due in More Than One Year - Other	323,451	15,318,909
Total Liabilities	<u>\$ 174,328,030</u>	<u>\$ 18,090,785</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 22,453,961	\$ 9,339,385
Pension Changes in Experience	458,947	2,820,678
Pension Changes in Proportion	0	822,655
OPEB Changes in Experience	310,119	4,265,712
OPEB Changes in Assumptions	154,577	2,361,737
OPEB Changes in Proportion	0	3,570,695
Total Deferred Inflows of Resources	<u>\$ 23,377,604</u>	<u>\$ 23,180,862</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 28,662,733	\$ 65,841,084
Restricted for:		
General Government	81,981	0
Finance	161,304	0
Administration of Justice	244,064	0
Public Safety	358,335	0
Public Health and Welfare	323,103	0
Highway/Public Works	438,211	0
Debt Service	10,443,910	0
Capital Projects	2,838,439	22,012,400
Education	0	12,870,491
Pensions	870,430	15,340,038
Unrestricted	<u>(15,802,675)</u>	<u>14,833,734</u>
Total Net Position	<u>\$ 28,619,835</u>	<u>\$ 130,897,747</u>

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

Exhibit B

Hamblen County, Tennessee
Statement of Activities
For the Year Ended June 30, 2023

					Net (Expense) Revenue and Changes in Net Position	
					Primary Government	Component Unit
					Total	Hamblen County
Functions/Programs	Expenses	Charges for Services	Operating Contributions	Capital Grants and Contributions	Governmental Activities	School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,793,873	\$ 928,953	\$ 15,164	\$ 484,961	\$ (2,364,795)	\$ 0
Finance	3,125,286	2,301,946	0	0	(823,340)	0
Administration of Justice	3,255,534	1,609,024	156,837	0	(1,489,673)	0
Public Safety	9,954,416	1,055,411	154,534	397,411	(8,347,060)	0
Public Health and Welfare	6,077,119	141,339	1,429,428	0	(4,506,352)	0
Social, Cultural, and Recreational Services	1,223,349	256,158	0	0	(967,191)	0
Agriculture and Natural Resources	261,591	0	0	0	(261,591)	0
Highways	5,092,242	0	2,408,956	264,006	(2,419,280)	0
Education	5,000	0	0	0	(5,000)	0
Interest on Long-term Debt	4,918,509	0	57,412	0	(4,861,097)	0
Total Primary Government	<u>\$ 37,706,919</u>	<u>\$ 6,292,831</u>	<u>\$ 4,222,331</u>	<u>\$ 1,146,378</u>	<u>\$ (26,045,379)</u>	<u>\$ 0</u>
Component Unit:						
Hamblen County School Department	\$ 112,699,918	\$ 2,547,083	\$ 22,904,563	\$ 2,824,162	\$ 0	\$ (84,424,110)
Total Component Unit	<u>\$ 112,699,918</u>	<u>\$ 2,547,083</u>	<u>\$ 22,904,563</u>	<u>\$ 2,824,162</u>	<u>\$ 0</u>	<u>\$ (84,424,110)</u>

(Continued)

Exhibit B

Hamblen County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total	Component Unit Hamblen County School Department
					Governmental Activities	
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 11,528,404	\$ 11,009,250
Property Taxes Levied for Public Health and Welfare Purposes					1,377,428	0
Property Taxes Levied for Debt Purposes					7,315,451	0
Local Option Sales Taxes					2,129,301	20,431,932
Hotel/Motel Tax					21,096	0
Wheel Tax					1,742,973	0
Litigation Tax - General					131,430	0
Litigation Tax - Special Purpose					55,878	0
Litigation Tax - Jail/Workhouse/Courthouse					111,967	0
Litigation Tax - Courtroom Security					120,136	0
Business Tax					1,577,458	0
Mixed Drink Tax					0	96,728
Mineral Severance Tax					69,217	0
Wholesale Beer Tax					136,773	0
Grants and Contributions Not Restricted to Specific Programs					2,428,714	62,340,927
Unrestricted Investment Income					4,044,087	225,463
Gain on Disposal of Capital Assets					656,208	1,973
Miscellaneous					260,367	41,216
Total General Revenues					<u>\$ 33,706,888</u>	<u>\$ 94,147,489</u>
Change in Fair Value of Derivatives - Interest Rate Swap					\$ 85,755	\$ 0
Change in Net Position					\$ 7,747,264	\$ 9,723,379
Net Position, July 1, 2022					<u>20,872,571</u>	<u>121,174,368</u>
Net Position, June 30, 2023					<u>\$ 28,619,835</u>	<u>\$ 130,897,747</u>

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

Exhibit C-1

Hamblen County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2023

	Major Funds			Nonmajor Funds	
	General	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 100	\$ 0	\$ 0	\$ 12,625	\$ 12,725
Equity in Pooled Cash and Investments	13,291,346	12,876,560	71,896,061	12,507,618	110,571,585
Accounts Receivable	129,690	0	0	99,756	229,446
Due from Other Governments	522,049	0	0	775,935	1,297,984
Due from Other Funds	99,232	0	0	0	99,232
Property Taxes Receivable	14,114,905	7,717,445	0	1,403,494	23,235,844
Allowance for Uncollectible Property Taxes	(174,113)	(102,354)	0	(18,317)	(294,784)
Prepaid Items	18,293	73,588	0	0	91,881
Notes Receivable - Long-term	0	0	0	4,275,000	4,275,000
Total Assets	<u>\$ 28,001,502</u>	<u>\$ 20,565,239</u>	<u>\$ 71,896,061</u>	<u>\$ 19,056,111</u>	<u>\$ 139,518,913</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 257,960	\$ 0	\$ 66,504	\$ 367,783	\$ 692,247
Accrued Payroll	452,150	0	0	99,662	551,812
Contracts Payable	0	0	3,516,947	272,608	3,789,555
Retainage Payable	0	0	178,700	0	178,700
Due to Other Funds	194,269	0	0	150,752	345,021
Due to Component Units	0	0	22,012,400	0	22,012,400
Due to Other Governments	0	0	0	2,822,185	2,822,185
Due to Joint Ventures	0	0	0	4,502,207	4,502,207
Total Liabilities	<u>\$ 904,379</u>	<u>\$ 0</u>	<u>\$ 25,774,551</u>	<u>\$ 8,215,197</u>	<u>\$ 34,894,127</u>

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 13,663,175	\$ 7,436,918	\$ 0	\$ 1,353,868	\$ 22,453,961
Deferred Delinquent Property Taxes	234,209	150,585	0	27,483	412,277
Other Deferred/Unavailable Revenue	96,647	0	0	378,182	474,829
Total Deferred Inflows of Resources	<u>\$ 13,994,031</u>	<u>\$ 7,587,503</u>	<u>\$ 0</u>	<u>\$ 1,759,533</u>	<u>\$ 23,341,067</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Prepaid Items	\$ 18,293	\$ 73,588	\$ 0	\$ 0	\$ 91,881
Restricted:					
Restricted for General Government	81,981	0	0	0	81,981
Restricted for Finance	161,304	0	0	0	161,304
Restricted for Administration of Justice	244,064	0	0	0	244,064
Restricted for Public Safety	22,901	0	0	335,434	358,335
Restricted for Public Health and Welfare	18	0	0	295,602	295,620
Restricted for Highways/Public Works	0	0	0	237,566	237,566
Restricted for Debt Service	0	6,719,085	0	4,325,699	11,044,784
Restricted for Capital Projects	0	0	46,121,510	7,603	46,129,113
Committed:					
Committed for Public Health and Welfare	0	0	0	2,816,254	2,816,254
Committed for Debt Service	0	6,185,063	0	0	6,185,063
Committed for Capital Projects	0	0	0	142,984	142,984
Committed for Other Purposes	0	0	0	920,239	920,239
Assigned:					
Assigned for General Government	68,865	0	0	0	68,865
Assigned for Finance	27,860	0	0	0	27,860

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Public Safety	\$ 26,764	\$ 0	\$ 0	\$ 0	\$ 26,764
Assigned for Social, Cultural, and Recreational Services	36,224	0	0	0	36,224
Assigned for Other Operations	1,411,327	0	0	0	1,411,327
Assigned for Other Purposes	121,251	0	0	0	121,251
Unassigned	10,882,240	0	0	0	10,882,240
Total Fund Balances	<u>\$ 13,103,092</u>	<u>\$ 12,977,736</u>	<u>\$ 46,121,510</u>	<u>\$ 9,081,381</u>	<u>\$ 81,283,719</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,001,502</u>	<u>\$ 20,565,239</u>	<u>\$ 71,896,061</u>	<u>\$ 19,056,111</u>	<u>\$ 139,518,913</u>

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

Exhibit C-2

Hamblen County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2023

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	81,283,719
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	2,343,758	
Add: construction in progress		59,139,049	
Add: buildings and improvements net of accumulated depreciation		7,112,812	
Add: infrastructure net of accumulated depreciation		10,341,168	
Add: other capital assets net of accumulated depreciation		<u>2,737,767</u>	81,674,554
(2) An internal service fund is used by management to charge the cost of employee insurance programs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			929,715
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loans payable	\$	(6,250,541)	
Less: bonds payable		(123,060,000)	
Less: OPEB liability		(323,451)	
Less: accrued interest on bonds and other loans payable		(751,459)	
Less: unamortized premium on debt		<u>(9,207,767)</u>	(139,593,218)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,436,912	
Less: deferred inflows of resources related to pensions		(458,947)	
Add: deferred outflows of resources related to OPEB		54,260	
Less: deferred inflows of resources related to OPEB		<u>(464,696)</u>	2,567,529
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			870,430
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>887,106</u>
Net position of governmental activities (Exhibit A)		\$	<u>28,619,835</u>

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

Exhibit C-3

Hamblen County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	Major Funds			Nonmajor Funds	
	General	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 15,455,081	\$ 7,610,308	\$ 0	\$ 3,585,905	\$ 26,651,294
Licenses and Permits	506,373	0	0	1,852	508,225
Fines, Forfeitures, and Penalties	222,529	45,277	0	165,903	433,709
Charges for Current Services	442,168	0	0	28,389	470,557
Other Local Revenues	1,485,234	2,044,927	2,287,160	232,801	6,050,122
Fees Received From County Officials	3,839,832	0	0	0	3,839,832
State of Tennessee	3,170,995	0	0	3,203,185	6,374,180
Federal Government	124,409	0	0	438,368	562,777
Other Governments and Citizens Groups	279,631	0	0	502,597	782,228
Total Revenues	\$ 25,526,252	\$ 9,700,512	\$ 2,287,160	\$ 8,159,000	\$ 45,672,924
<u>Expenditures</u>					
Current:					
General Government	\$ 2,464,066	\$ 0	\$ 0	\$ 0	\$ 2,464,066
Finance	2,403,409	0	0	677	2,404,086
Administration of Justice	3,200,242	0	0	27,712	3,227,954
Public Safety	8,838,466	0	0	145,709	8,984,175
Public Health and Welfare	1,266,817	0	0	4,375,898	5,642,715
Social, Cultural, and Recreational Services	987,130	0	0	0	987,130
Agriculture and Natural Resources	259,510	0	0	0	259,510
Other Operations	1,609,042	0	0	0	1,609,042
Highways	0	0	0	4,116,486	4,116,486
Operation of Non-Instructional Services	5,000	0	0	0	5,000
Debt Service:					
Principal on Debt	0	4,327,187	0	0	4,327,187
Interest on Debt	0	5,222,712	0	57,412	5,280,124

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>					
Debt Service (Cont.)					
Other Debt Service	\$ 0	\$ 344,539	\$ 0	\$ 322,967	\$ 667,506
Capital Projects	2,964,061	0	32,182,867	1,263,657	36,410,585
Capital Projects - Donated	0	0	0	383,397	383,397
Total Expenditures	<u>\$ 23,997,743</u>	<u>\$ 9,894,438</u>	<u>\$ 32,182,867</u>	<u>\$ 10,693,915</u>	<u>\$ 76,768,963</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,528,509</u>	<u>\$ (193,926)</u>	<u>\$ (29,895,707)</u>	<u>\$ (2,534,915)</u>	<u>\$ (31,096,039)</u>
<u>Other Financing Sources (Uses)</u>					
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 4,275,000	\$ 4,275,000
Premiums on Debt Sold	0	0	0	322,967	322,967
Insurance Recovery	35,638	0	0	39,852	75,490
Transfers In	343,750	0	650,000	0	993,750
Transfers Out	(1,315,218)	0	0	(505,805)	(1,821,023)
Total Other Financing Sources (Uses)	<u>\$ (935,830)</u>	<u>\$ 0</u>	<u>\$ 650,000</u>	<u>\$ 4,132,014</u>	<u>\$ 3,846,184</u>
Net Change in Fund Balances	\$ 592,679	\$ (193,926)	\$ (29,245,707)	\$ 1,597,099	\$ (27,249,855)
Fund Balance, July 1, 2022	<u>12,510,413</u>	<u>13,171,662</u>	<u>75,367,217</u>	<u>7,484,282</u>	<u>108,533,574</u>
Fund Balance, June 30, 2023	<u>\$ 13,103,092</u>	<u>\$ 12,977,736</u>	<u>\$ 46,121,510</u>	<u>\$ 9,081,381</u>	<u>\$ 81,283,719</u>

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

Exhibit C-4

Hamblen County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds (Exhibit C-3) \$ (27,249,855)

- (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:

Add: capital assets purchased in the current period	\$ 35,649,960	
Less: current-year depreciation expense	(995,699)	34,654,261

- (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.
Less: book value of capital assets disposed (485,225)

- (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.
Add: deferred delinquent property taxes and other deferred June 30, 2023 \$ 887,106
Less: deferred delinquent property taxes and other deferred June 30, 2022 (871,854) 15,252

- (4) The issuance of long-term debt (e.g., notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.
Add: change in unamortized premium on debt issuances \$ 253,054
Add: principal payments on other loans 2,467,187
Add: principal payments on bonds 1,860,000
Less: bonds issued (4,275,000)
Add: change in fair value of derivatives - interest rate swap 256,333
Add: change in deferred inflows on derivative - interest rate swap 14,675
Less: change in deferred amount on refunding debt (83,211) 493,038

- (5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.
Change in accrued interest payable \$ (117,708)
Change in OPEB liability 63,002
Change in net pension asset/liability (5,173,679)
Change in deferred outflows related to pensions (87,597)
Change in deferred inflows related to pensions 5,614,484
Change in deferred outflows related to OPEB (11,980)
Change in deferred inflows related to OPEB 49,452 335,974

- (6) An internal service fund is used by management to charge the cost of employee insurance to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with the governmental activities in the statement of activities. (16,181)

Change in net position of governmental activities (Exhibit B) \$ 7,747,264

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

Exhibit C-5

Hamblen County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 15,455,081	\$ 0	\$ 0	\$ 15,455,081	\$ 14,931,691	\$ 14,931,691	\$ 523,390
Licenses and Permits	506,373	0	0	506,373	505,000	505,000	1,373
Fines, Forfeitures, and Penalties	222,529	0	0	222,529	181,600	181,600	40,929
Charges for Current Services	442,168	0	0	442,168	309,350	309,350	132,818
Other Local Revenues	1,485,234	0	0	1,485,234	163,000	204,371	1,280,863
Fees Received From County Officials	3,839,832	0	0	3,839,832	3,435,000	3,435,000	404,832
State of Tennessee	3,170,995	0	0	3,170,995	2,588,021	2,588,021	582,974
Federal Government	124,409	0	0	124,409	79,700	100,407	24,002
Other Governments and Citizens Groups	279,631	0	0	279,631	356,000	356,000	(76,369)
Total Revenues	\$ 25,526,252	\$ 0	\$ 0	\$ 25,526,252	\$ 22,549,362	\$ 22,611,440	\$ 2,914,812
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 190,079	\$ 0	\$ 0	\$ 190,079	\$ 199,814	\$ 205,064	\$ 14,985
Board of Equalization	1,110	0	0	1,110	5,550	5,550	4,440
County Mayor/Executive	241,124	0	0	241,124	245,361	248,961	7,837
County Attorney	22,101	0	0	22,101	31,303	31,303	9,202
Election Commission	356,684	0	0	356,684	387,210	389,610	32,926
Register of Deeds	375,380	0	0	375,380	382,449	382,449	7,069
Planning	258,639	0	0	258,639	264,463	267,663	9,024
Codes Compliance	59,966	0	0	59,966	61,703	61,703	1,737
Geographical Information Systems	83,992	0	0	83,992	94,556	94,556	10,564
Other Facilities	847,861	0	0	847,861	919,606	919,606	71,745
Preservation of Records	27,130	0	0	27,130	22,250	28,830	1,700
<u>Finance</u>							
Accounting and Budgeting	434,190	0	0	434,190	524,677	524,677	90,487
Property Assessor's Office	369,474	0	0	369,474	377,604	377,604	8,130
Reappraisal Program	126,660	0	0	126,660	160,890	160,890	34,230
County Trustee's Office	390,032	0	0	390,032	398,117	403,117	13,085
County Clerk's Office	616,332	(2,600)	27,860	641,592	733,909	770,909	129,317

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Data Processing	\$ 154,312	\$ 0	\$ 0	\$ 154,312	\$ 157,436	\$ 159,896	\$ 5,584
Other Finance	312,409	0	0	312,409	342,614	342,614	30,205
<u>Administration of Justice</u>							
Circuit Court	908,460	0	0	908,460	988,337	988,337	79,877
General Sessions Court	594,238	0	0	594,238	658,905	666,625	72,387
Drug Court	140,559	0	0	140,559	144,829	144,979	4,420
Chancery Court	386,915	0	0	386,915	399,992	408,349	21,434
Juvenile Court	346,436	0	0	346,436	394,053	394,053	47,617
Courtroom Security	823,634	(3,764)	0	819,870	960,122	960,722	140,852
<u>Public Safety</u>							
Sheriff's Department	3,406,872	(3,095)	1,737	3,405,514	3,810,581	3,816,481	410,967
Administration of the Sexual Offender Registry	4,688	0	0	4,688	6,000	6,000	1,312
Jail	4,206,224	(4,418)	2,762	4,204,568	4,904,599	4,925,306	720,738
Workhouse	103,586	0	0	103,586	107,725	107,725	4,139
Work Release Program	298,115	0	0	298,115	332,560	332,560	34,445
Fire Prevention and Control	300,000	0	0	300,000	300,000	300,000	0
Civil Defense	108,912	0	0	108,912	118,289	118,289	9,377
Other Emergency Management	187,789	0	0	187,789	187,789	187,789	0
Inspection and Regulation	5,813	0	0	5,813	6,844	6,844	1,031
County Coroner/Medical Examiner	192,221	(1,380)	0	190,841	197,840	197,840	6,999
Other Public Safety	24,246	0	0	24,246	26,651	26,651	2,405
<u>Public Health and Welfare</u>							
Local Health Center	636,584	0	0	636,584	885,067	885,067	248,483
Rabies and Animal Control	368,245	0	0	368,245	380,032	380,032	11,787
Nursing Home	5,000	0	0	5,000	5,000	5,000	0
Alcohol and Drug Programs	5,500	0	0	5,500	5,500	5,500	0
Appropriation to State	115,233	0	0	115,233	115,233	115,233	0
Aid to Dependent Children	10,000	0	0	10,000	10,000	10,000	0
Other Local Welfare Services	25,680	0	0	25,680	27,500	27,500	1,820

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Sanitation Management	\$ 10,727	\$ 0	\$ 0	\$ 10,727	\$ 19,000	\$ 19,000	\$ 8,273
Other Public Health and Welfare	89,848	0	0	89,848	95,000	95,000	5,152
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	11,600	0	0	11,600	11,600	11,600	0
Senior Citizens Assistance	6,500	0	0	6,500	6,500	6,500	0
Libraries	311,400	0	0	311,400	329,500	329,500	18,100
Parks and Fair Boards	306,630	0	0	306,630	333,138	344,143	37,513
Other Social, Cultural, and Recreational	351,000	0	0	351,000	351,000	351,000	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	183,192	0	0	183,192	179,893	183,736	544
Forest Service	1,000	0	0	1,000	1,000	1,000	0
Soil Conservation	53,510	0	0	53,510	54,458	54,458	948
Storm Water Management	21,808	0	0	21,808	35,460	35,460	13,652
<u>Other Operations</u>							
Tourism	84,525	0	0	84,525	54,700	84,700	175
Industrial Development	572,794	0	0	572,794	641,000	641,000	68,206
Veterans' Services	33,504	0	0	33,504	35,380	35,380	1,876
Employee Benefits	610,565	0	0	610,565	709,785	704,785	94,220
Miscellaneous	307,654	0	0	307,654	305,404	312,404	4,750
<u>Operation of Non-Instructional Services</u>							
Community Services	5,000	0	0	5,000	6,000	6,000	1,000
<u>Capital Projects</u>							
General Administration Projects	590,846	0	13,600	604,446	255,000	673,050	68,604
Public Safety Projects	494,166	(335,892)	0	158,274	174,557	264,366	106,092
Public Health and Welfare Projects	1,863,549	0	0	1,863,549	0	1,863,550	1
Social, Cultural, and Recreation Projects	15,500	0	0	15,500	0	25,175	9,675
Highway and Street Capital Projects	0	0	0	0	0	350,000	350,000
Total Expenditures	\$ 23,997,743	\$ (351,149)	\$ 45,959	\$ 23,692,553	\$ 23,881,335	\$ 26,783,691	\$ 3,091,138

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,528,509	\$ 351,149	\$ (45,959)	\$ 1,833,699	\$ (1,331,973)	\$ (4,172,251)	\$ 6,005,950
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 35,638	\$ 0	\$ 0	\$ 35,638	\$ 0	\$ 411	\$ 35,227
Transfers In	343,750	0	0	343,750	0	343,750	0
Transfers Out	(1,315,218)	0	0	(1,315,218)	(211,400)	(1,315,218)	0
Total Other Financing Sources	\$ (935,830)	\$ 0	\$ 0	\$ (935,830)	\$ (211,400)	\$ (971,057)	\$ 35,227
Net Change in Fund Balance	\$ 592,679	\$ 351,149	\$ (45,959)	\$ 897,869	\$ (1,543,373)	\$ (5,143,308)	\$ 6,041,177
Fund Balance, July 1, 2022	12,510,413	(351,149)	0	12,159,264	11,839,247	11,839,247	320,017
Fund Balance, June 30, 2023	\$ 13,103,092	\$ 0	\$ (45,959)	\$ 13,057,133	\$ 10,295,874	\$ 6,695,939	\$ 6,361,194

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

Exhibit D-1

Hamblen County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2023

		Governmental Activities - Internal Service Fund
		Employee Insurance - General
	<u>ASSETS</u>	
Current Assets:		
Cash	\$	100
Equity in Pooled Cash and Investments		830,350
Accounts Receivable		18,684
Due from Other Governments		3,889
Due from Other Funds		245,789
Prepaid Items		16,609
Total Assets	\$	<u>1,115,421</u>
	<u>LIABILITIES</u>	
Current Liabilities:		
Accounts Payable	\$	185,706
Total Liabilities	\$	<u>185,706</u>
	<u>NET POSITION</u>	
Unrestricted	\$	<u>929,715</u>
Total Net Position	\$	<u><u>929,715</u></u>

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

Exhibit D-2

Hamblen County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2023

	Governmental Activities - Internal Service Fund Employee Insurance - General
<u>Operating Revenues</u>	
Self-insurance Premiums/Contributions	\$ 2,898,303
Other Employee Benefit Charges/Contributions	152,227
Other General Service Charges	35,494
Other Charges for Services	47,726
Total Operating Revenues	<u>\$ 3,133,750</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 135,602
Dental and Vision Insurance	153,393
Consultants	34,912
Contracts with Private Agencies	414,671
Excess Risk Insurance	324,389
Medical Claims	1,838,430
Other Self-insured Claims	1,074,576
Surcharge	1,231
Total Operating Expenses	<u>\$ 3,977,204</u>
Operating Income	<u>\$ (843,454)</u>
Income (Loss) Before Transfers	\$ (843,454)
Transfers In	<u>827,273</u>
Change in Net Position	\$ (16,181)
Net Position, July 1, 2022	<u>945,896</u>
Net Position, June 30, 2023	<u><u>\$ 929,715</u></u>

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

Exhibit D-3

Hamblen County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2023

	Governmental Activities - Internal Service Fund <hr/> Employee Insurance - General <hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts for Self Insurance Premiums	\$ 2,665,494
Receipts for Other Insurance Premiums	125,040
Receipts for Stop-loss Recovery	17,993
Receipts for Prescription Rebates	302,056
Receipts for Other General Service Charges	54,830
Receipts for Other Charges from Services	47,726
Payments to Insurers and Consultants	(513,925)
Payments for Claims	(3,197,010)
Payments to Vendors	(399,828)
Payments for Administrative Costs	(135,602)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (1,033,226)</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers from Other Funds	\$ 827,273
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 827,273</u>
Increase (Decrease) in Cash	\$ (205,953)
Cash, July 1, 2022	<u>1,036,403</u>
Cash, June 30, 2023	<u><u>\$ 830,450</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (843,454)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Current Receivables	(240,660)
Increase (Decrease) in Accounts Payable	50,888
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (1,033,226)</u></u>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash Per Net Position	\$ 100
Equity in Pooled Cash and Investments Per Statement of Net Position	<u>830,350</u>
Cash, June 30, 2023	<u><u>\$ 830,450</u></u>

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

Exhibit E-1

Hamblen County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2023

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 5,640,321
Equity in Pooled Cash and Investments	6,451
Accounts Receivable	327
Due from Other Governments	<u>3,246,534</u>
Total Assets	<u>\$ 8,893,633</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 3,246,534</u>
Total Liabilities	<u>\$ 3,246,534</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 5,647,099</u>
Total Net Position	<u><u>\$ 5,647,099</u></u>

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

Exhibit E-2

Hamblen County, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

Custodial
Funds

ADDITIONS

Sales Tax Collections for Other Governments	\$ 18,222,439
Fines/Fees and Other Collections	15,887,161
Other Employee Benefit Charges/Contributions	26,748
Total Additions	<u>\$ 34,136,348</u>

DEDUCTIONS

Payment of Sales Tax Collections for Other Governments	\$ 18,222,439
Payments to State	7,926,276
Payments to Individuals and Others	8,531,165
Payments of Fringe Benefit Expenses	26,748
Total Deductions	<u>\$ 34,706,628</u>

Net Increase (Decrease) in Fiduciary Net Position	\$ (570,280)
Net Position, July 1, 2022	<u>6,217,379</u>

Net Position, June 30, 2023	<u><u>\$ 5,647,099</u></u>
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The notes to the financial statements are an integral part of this statement.

HAMBLEN COUNTY, TENNESSEE

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HAMBLLEN COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hamblen County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Hamblen County:

A. Reporting Entity

Hamblen County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Hamblen County (the primary government) and its component units. The financial statements of the Hamblen County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Hamblen County School Department operates the public school system in the county, and the voters of Hamblen County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Hamblen County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Hamblen County. The Hamblen County Emergency Communications District is governed by an 11-member board of directors, which is appointed by the county mayor and confirmed by the Hamblen County Commission. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Hamblen County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Hamblen County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Hamblen County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Hamblen County Emergency
Communications District
530 North Jackson Street
Morristown, TN 37814

B. Government-wide and Fund Financial Statements

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Hamblen County issues all debt for the discretely presented Hamblen County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2023.

Separate financial statements are provided for governmental funds, the proprietary fund (internal service), and fiduciary funds. The internal service

fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary funds financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

The proprietary fund and fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes custodial funds.

Hamblen County reports the following major governmental funds:

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

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

Other Capital Projects Fund – This fund is used to account for financial resources to be used in the acquisition or construction of major capital assets.

Additionally, Hamblen County reports the following fund types:

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

Internal Service Fund – The Employee Insurance - General Fund is used to account for the county’s self-insured health and fully insured dental and vision programs. Premiums charged to the various county funds and employee payroll deductions are placed in this fund to pay the claims and insurance premiums of county employees.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes

received by the state to be forwarded to the various cities in Hamblen County, and operations of the flexible benefits program for Hamblen County employees.

The discretely presented Hamblen County School Department reports the following major governmental funds:

General Purpose School Fund – This fund is the primary operating fund for the school department. It is used to account for general operations of the school department.

School Federal Projects Fund – This special revenue fund is to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – This special revenue fund is used to account for cafeteria operations in each of the schools. Service charges and federal grants are the foundational revenues of this fund.

Education Capital Projects Fund – This fund is used to account for the receipt of debt issued by Hamblen County and contributed to the school department for building construction and renovations.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 23) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 22) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the employees' health insurance program. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are charges for services.

Operating expenses for the internal service fund include administrative expenses and employee benefits.

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

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Hamblen County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Income from these pooled investments is assigned to the various funds based on the approved budgets. Hamblen County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

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

accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Hamblen County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.7 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable

that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Hamblen County has issued debt on behalf of the Hamblen County-Morristown Solid Waste Disposal System, a joint venture operated by Hamblen County and the city of Morristown. Hamblen County and the Solid Waste Disposal System have entered into a legal agreement for the Solid Waste Disposal System to repay Hamblen County all of the debt service requirements as they become due. Hamblen County recognizes a note receivable for amounts due from the joint venture.

Most payables are disaggregated on the face of the financial statements. Due to Joint Venture on the Statement of Net Position for the primary government represents net bond proceeds issued on behalf of the Hamblen County-Morristown Solid Waste Disposal System that is being held by the county until requested by the Hamblen County-Morristown Solid Waste Disposal System. Due to Other Governments on the Statement of Net Position for the primary government represents grant amounts received in advance under the American Rescue Plan Act. Contracts payable represents amounts due under construction contracts and retainage payable represents amounts withheld from payments made on construction contracts pending completion of the projects. Retainage amounts are held by the county trustee as Equity in Pooled Cash and Investments in the applicable funds. Other Current Liabilities of the discretely presented Hamblen County School Department represent amounts held in payroll tax and insurance clearing accounts.

3. Inventories and Prepaid Items

Inventories of the discretely presented Hamblen County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in the governmental funds.

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

purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Hamblen County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Hamblen County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Hamblen County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Other Capital Assets	3 - 15
Infrastructure	100

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are the pension changes in experience, assumptions, investment earnings, and proportion; pension and OPEB contributions after the measurement date; and OPEB changes in experience, assumptions, and proportion.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes; pension changes in experience, and proportion; OPEB changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. **Compensated Absences**

Vacation leave benefits for employees of Hamblen County do not vest or accumulate and must be used within the current year or are lost. Therefore, no accrual has been recorded for vacation pay.

Vacation benefits for all 12-month employees of the discretely presented Hamblen County School Department are earned in the current year for use in the subsequent year. Therefore, accrued leave balances payable of \$276,819 recorded as a liability in this report must be used in one year or are lost.

There is no liability for unpaid accumulated sick leave since Hamblen County and the school department do not have policies to pay any amounts when employees separate from service with the government.

8. Long-term Debt and Long-term Obligations

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

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

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

9. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2023, Hamblen County had \$35,403,617 in outstanding debt for capital purposes for the discretely presented Hamblen County School Department and \$4,275,000 in outstanding debt for capital purposes for the joint venture Hamblen County-Morristown Solid Waste Disposal System. This debt is a liability of Hamblen County, but the capital assets acquired are reported in the financial statements of the school department and solid waste disposal system. Therefore, Hamblen County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. However, in the school department's Education Capital Projects Fund, the county commission has required that committed funds provided by transfer from the General Purpose School Fund be expended before restricted funds provided through the issuance of debt. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county finance director to make assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the General Fund consists of amounts appropriated for use in the 2023-24 budget (\$1,411,327), amounts for encumbrances (\$45,959), amounts for various insurance premium increases (\$121,251), and various other assignments (\$113,754). Assigned fund balance in the school department's General Purpose School Fund includes amounts assigned for use in the 2023-24 budget (\$7,060,486), textbooks (\$390,033), amounts for encumbrances (\$1,945,296) and the school department's Project Promise program (\$508,521).

Unassigned Fund Balance – the residual classification of the General and General Purposes School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds. In the other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

E. Pension Plans

Primary Government

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

Discretely Presented Hamblen County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Hamblen County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Hamblen County School Department

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

Primary Government

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Hamblen County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund and the school department's Internal School Fund (special revenue funds), which are not budgeted, and certain capital projects funds which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

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

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

county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

At June 30, 2023, Hamblen County and the discretely presented Hamblen County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Fund:	
General	\$ 45,959
Nonmajor Governmental Funds	475,816
School Department:	
Major Funds:	
General Purpose School	2,101,865
School Federal Projects	5,863,263
Central Cafeteria	12,433

B. Budgetary Basis Fund Deficit

The School Federal Projects Fund reported a budgetary basis deficit of \$3,848,461 on June 30, 2023. This resulted from the recognition of budgeted expenditures for outstanding encumbrances in the amount of \$5,863,263. These encumbrances were recorded to reflect outstanding commitments which will be funded by federal grants in the subsequent fiscal year.

The Other General Government Capital Projects Fund reported a budgetary basis deficit of \$213,040 on June 30, 2023. This resulted from the recognition of budgeted expenditures for outstanding encumbrances in the amount of \$313,801. These encumbrances were recorded to reflect outstanding commitments which will be funded by federal grants in the subsequent fiscal year.

C. Pending Investigation

An investigation by the Comptroller’s Division of Investigation is ongoing in the office of Emergency Management Agency. Findings, if any, resulting from the investigation will be included in a subsequent report.

D. Official Statutory Bond Deficiencies

During the year Hamblen County paid premiums for surety bond coverage for the trustee’s official statutory bond. The last recorded bond in the Office of Register of Deeds for the trustee was valid through the term of office ending

August 31, 2022. An updated bond form with the new term of office was not signed by the trustee nor filed with the register of deeds until December 8, 2023, after auditors brought it to the official's attention. Additionally, the amount of the bond coverage did not meet the minimum statutory amount. Sections 8-19-101 through 8-19-122, *Tennessee Code Annotated (TCA)*, require county officials to have official bonds, bonds to be executed not later than thirty (30) days from the beginning of the term of office, approved by county mayor, filed with county clerk, and recorded by the register of deeds. Section 8-11-103, *TCA*, prescribes the minimum amount of the trustee's bond be determined based on revenues handled by trustee during last fiscal year audited. The surety bond coverage continued was in the amount of \$3,290,585. The minimum estimated amount of the trustee's bond should be \$3,652,999 which was calculated using the audited fiscal year 2021 revenues handled by the trustee. It should be noted that the trustee was also included in the counties employee fidelity coverage through the Tennessee Risk Management Pool for \$400,000.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with

collateral whose fair value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2023, Hamblen County had the following investments carried at fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Hamblen County and the discretely presented Hamblen County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Fair Value or Amortized Cost
Investments at Fair Value:			
U.S. Treasury Notes	N/A	7-31-23	\$ 996,930
U.S. Treasury Notes	N/A	8-31-23	993,760
U.S. Treasury Notes	N/A	9-30-23	6,933,570
U.S. Treasury Notes	N/A	10-31-23	988,200
U.S. Treasury Notes	N/A	11-30-23	986,880
U.S. Treasury Notes	N/A	12-31-23	<u>4,925,600</u>
Total			<u><u>\$ 15,824,940</u></u>

Investment by Fair Value Level	Fair Value 6-30-23	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 15,824,940	\$ 15,824,940	\$ 0	\$ 0
Total	\$ 15,824,940	\$ 15,824,940	\$ 0	\$ 0

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Hamblen County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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. Hamblen County's investment policy requires that the investment committee seek to minimize risk by pre-qualifying, approving, and conducting business with only financial institutions, brokers, dealers, intermediaries and/or advisers with exceptional reputations. Hamblen County uses Raymond James and Associates, Inc. as its broker for investment purchases. Investments are held in a Raymond James omnibus account at its Fed custodian, BNY Mellon, segregated from firm assets. Raymond James' internal accounting system, SIS, details owners of the securities held in its omnibus account at the custodian. SIPC coverage is provided up to \$500,000 and excess SIPC coverage is provided by the broker in an aggregate firm limit of \$750 million for all customers, including a sub-limit of \$1.9 million per customer for cash above basic SIPC, for the wrongful abstraction of customer funds.

TCRS Stabilization Trust

Legal Provisions. The Hamblen County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve

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

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Hamblen County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2023, the Hamblen County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 380,015
Developed Market International Equity	N/A	N/A	171,620
Emerging Market International Equity	N/A	N/A	49,034
U.S. Fixed Income	N/A	N/A	245,171
Real Estate	N/A	N/A	245,171
Short-term Securities	N/A	N/A	122,586
NAV - Private Equity and Strategic Lending	N/A	N/A	12,259
Total			<u>\$ 1,225,856</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag20045.pdf>

B. Notes Receivable

The Special Debt Service Fund, a nonmajor governmental fund, reports a long-term note receivable of \$4,275,000 on June 30, 2023, from financing projects for the Hamblen County-Morristown Solid Waste Disposal System (a joint venture). This note receivable is included in the Restricted for Debt Service fund balance account. The joint venture is repaying Hamblen County for principal and interest costs associated with the \$4,275,000 general obligation bond issue discussed in Note IV.G., Long-term Debt. The receivable amount not expected to be received within one year is \$4,050,000.

C. Derivative Instruments

Primary Government

Hamblen County elected to terminate the following derivative instrument during the year:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$10M Swap - B	Pay fixed interest rate swap	Variable to synthetic fixed rate swap	\$10,000,000	5-7-13	6-1-25	Pay 4.39% receive 63.4% of 5-year LIBOR

The change in the fair value of the derivative instrument and swap termination payment as reported in the 2023 financial statements are as follows:

Type	Changes in Fair Value Classification	Amount (*)	Swap Termination Payment
Governmental Activities			
Pay-fixed interest rate swap:			
\$10M Hybrid Swap B	Investment Earnings	\$ 71,080	\$185,253
Add: Change in value that was deferred in prior years	Investment Earnings	14,675	
Change in Value per Statement of Activities		<u>\$ 85,755</u>	

* \$71,080 is the amount of the fair value change from July 1, 2022, to the termination date. Since a portion of this hybrid swap agreement met the criteria of an effective cash flow hedge, gains and losses resulting from changes in that portion's fair value were deferred and not recognized on the Statement of Activities in prior years. Due to the termination of the agreement, that deferred amount (\$14,675) is also recognized on the Statement of Activities for the current year.

As of June 30, 2023, Hamblen County had no outstanding derivative instrument swap agreements.

D. Capital Assets

Capital assets activity for the year ended June 30, 2023, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 2,343,758	\$ 0	\$ 0	\$ 2,343,758
Construction in Progress	26,922,633	32,216,416	0	59,139,049
Total Capital Assets Not Depreciated	<u>\$ 29,266,391</u>	<u>\$ 32,216,416</u>	<u>\$ 0</u>	<u>\$ 61,482,807</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 12,374,975	\$ 2,128,545	\$ (1,345,713)	\$ 13,157,807
Infrastructure	18,201,708	0	0	18,201,708
Other Capital Assets	9,900,866	1,304,999	(73,789)	11,132,076
Total Capital Assets Depreciated	<u>\$ 40,477,549</u>	<u>\$ 3,433,544</u>	<u>\$ (1,419,502)</u>	<u>\$ 42,491,591</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,648,347	\$ 261,186	\$ (864,538)	\$ 6,044,995
Infrastructure	7,678,371	182,169	0	7,860,540
Other Capital Assets	7,911,704	552,344	(69,739)	8,394,309
Total Accumulated Depreciation	<u>\$ 22,238,422</u>	<u>\$ 995,699</u>	<u>\$ (934,277)</u>	<u>\$ 22,299,844</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,239,127</u>	<u>\$ 2,437,845</u>	<u>\$ (485,225)</u>	<u>\$ 20,191,747</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,505,518</u>	<u>\$ 34,654,261</u>	<u>\$ (485,225)</u>	<u>\$ 81,674,554</u>

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

Governmental Activities:

General Government	\$ 138,580
Finance	4,988
Administration of Justice	102,145
Public Safety	256,775
Public Health and Welfare	112,763
Social, Cultural, and Recreational Services	54,486
Highways/Public Works	<u>325,962</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 995,699</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 81,674,554
Less: Outstanding principal of debt issued for capital purposes	(89,631,924)
Add: Debt issued for capital purposes but unspent at June 30, 2023	43,290,674
Less: Unamortized balance of original issue premiums on outstanding debt issued for capital purposes	<u>(6,670,571)</u>
Net Investment in Capital Assets	<u><u>\$ 28,662,733</u></u>

Discretely Presented Hamblen County School Department

Governmental Activities:

	Balance 7-1-22		Increases		Decreases		Balance 6-30-23
Capital Assets Not Depreciated:							
Land	\$ 6,441,653	\$	27,700	\$	0	\$	6,469,353
Construction in Progress	1,897,990		1,977,611		(147,234)		3,728,367
Total Capital Assets Not Depreciated	\$ 8,339,643	\$	2,005,311	\$	(147,234)	\$	10,197,720
Capital Assets Depreciated:							
Buildings and Improvements	\$ 154,664,860	\$	2,025,057	\$	0	\$	156,689,917
Other Capital Assets	30,868,003		915,878		(5,999)		31,777,882
Total Capital Assets Depreciated	\$ 185,532,863	\$	2,940,935	\$	(5,999)	\$	188,467,799
Less Accumulated Depreciation For:							
Buildings and Improvements	\$ 110,176,276	\$	2,114,919	\$	0	\$	112,291,195
Other Capital Assets	18,735,788		1,803,369		(5,917)		20,533,240
Total Accumulated Depreciation	\$ 128,912,064	\$	3,918,288	\$	(5,917)	\$	132,824,435
Total Capital Assets Depreciated, Net	\$ 56,620,799	\$	(977,353)	\$	(82)	\$	55,643,364
Governmental Activities Capital Assets, Net	\$ 64,960,442	\$	1,027,958	\$	(147,316)	\$	65,841,084

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

Governmental Activities:

Instruction	\$ 152,671
Support Services	3,575,255
Operation of Non-instructional Services	<u>190,362</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 3,918,288</u></u>

E. Construction Commitments

Primary Government

At June 30, 2023, the Other Capital Projects Fund had uncompleted construction contracts of approximately \$41,215,027 for a justice center project. Funding has been provided for these future expenditures.

Discretely Presented Hamblen County School Department

At June 30, 2023, the General Purpose School Fund had uncompleted construction contracts of \$726,008 for building and facility improvement projects. The School Federal Projects Fund had uncompleted construction contracts of \$5,285,912 for architectural services and construction related to the new elementary school and other various improvement projects. The Education Capital Projects Fund had uncompleted construction contracts of \$22,012,400 for construction of the new elementary school. Funding for the future expenditures in the School Federal Projects Fund is expected to be received from federal grants. Funding for the other future expenditures is being provided from the available fund balance.

F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 99,232
Internal service	General	194,269
"	Nonmajor governmental	51,520
Discretely Presented School Department:		
General Purpose School	School Federal Projects	154,669
"	Central Cafeteria	365,000
School Federal Projects	General Purpose School	2,250
Central Cafeteria	"	8,001
"	School Federal Projects	1,146

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Component Unit:		
School Department:	Primary Government:	
Educational Capital Projects	Other Capital Projects	\$ 22,012,400

This balance represents proceeds of bonds issued by the primary government and contributed to the school department.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2023, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In		
	General Fund	Other Capital Projects Fund	Internal Service Fund
General Fund	\$ 0	\$ 650,000	\$ 665,218
Nonmajor Governmental Funds	343,750	0	162,055
Total	\$ 343,750	\$ 650,000	\$ 827,273

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

Transfers to the General Fund represents the utilization of opioid funding to purchase a new building for the health department. Transfers to the internal service fund represent amounts contributed for self-insured general health and accident claims. Transfers to the Other Capital Projects Fund represent amounts contributed by the General Fund for capital expenditures.

Discretely Presented Hamblen County School Department

	Transfers In	
	General Purpose School Fund	School Federal Projects Fund
Transfers Out		
General Purpose School Fund	\$ 0	\$ 500,000
School Federal Projects Fund	70,624	0
Central Cafeteria Fund	365,000	0
Total	<u>\$ 435,624</u>	<u>\$ 500,000</u>

Transfers from the General Purpose School Fund into the School Federal Projects Fund are for cash flow. Transfers into the General Purpose School Fund from the School Federal Projects and Central Cafeteria funds are for indirect costs.

G. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds – Hamblen County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Hamblen County has also issued general obligation bonds and loaned the proceeds to a joint venture, the Hamblen County – Morristown Solid Waste Disposal System. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 30 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund or the Special Debt Service Fund.

Direct Borrowing and Direct Placements – Hamblen County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, other loans were issued to refund other debt. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 17 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2023, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-23
General Obligation Bonds	2-5 %	6-1-52	\$ 124,700,000	\$ 123,060,000
Direct Borrowing and Direct Placement:				
Other Loans - Qualified School				
Construction Bonds	1.515	7-1-26	11,280,000	2,247,207
Other Loans - Refunding	Variable	6-1-25	10,100,000	3,730,000
Other Loans - Revolving Fund				
Agreement with Appalachian Electric Cooperative	0	5-1-30	360,000	273,334

Qualified School Construction Bonds were issued through the Tennessee State School Bond Authority, and the proceeds were loaned to Hamblen County and various other local governments across Tennessee. The county pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee to the state. The county and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status on the bonds. This would result in further charges to the borrowers including the requirement to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent.

Hamblen County has entered into a loan agreement with the Blount County Public Building Authority (PBA). The loan agreement provides for the PBA to make funds available for loan to Hamblen County on an as needed basis to finance various projects for the county and the discretely presented school department. Hamblen County has drawn the entire amount available under the agreement. In addition to interest, the county pays various other fees (trustee, administrative, reporting, etc.) in connection with the variable rate loan.

The following table summarizes the loan agreement outstanding at June 30, 2023, including the interest rate and other loan fees:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-23	Interest Type	Interest Rates as of 6-30-23	Other Fees on Variable Rate Debt
<u>Blount County Public Building Authority</u>					
Refunding (Series E-4-A)	\$ 10,100,000	\$ 3,730,000	Variable	4.5 %	0.359 %

During the year, Hamblen County issued bonds totaling \$4,275,000 for the benefit of the Hamblen County-Morristown Solid Waste Disposal System, a joint venture. The Hamblen County-Morristown Solid Waste Disposal System will make contributions to Hamblen County for payment of principal and interest on the bonds and has pledged revenues of the system to support payment obligations. The bonds are general obligation debt of the county. The commitment for repayment of the debt is reflected as notes receivable in the Special Debt Service Fund. During the year, the county paid \$57,412 in interest on this debt and received reimbursement from the joint venture. The amount of the general obligation bonds outstanding on June 30, 2023, was \$4,275,000. The county elected to contribute the issuance premium (\$322,967), net of issuance costs (\$95,760), to the joint venture without a requirement for repayment. At June 30, 2023, Hamblen County reports a payable, Due to Joint Venture, for the net proceeds from the bond sale (\$4,502,207). Activity related to this debt is reported in the Special Debt Service Fund, a nonmajor governmental fund.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2023, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 2,165,000	\$ 5,015,233	\$ 7,180,233
2025	2,270,000	4,907,983	7,177,983
2026	4,180,000	4,797,933	8,977,933
2027	4,625,000	4,592,383	9,217,383
2028	4,640,000	4,364,583	9,004,583
2029-2033	23,400,000	18,479,264	41,879,264
2034-2038	23,300,000	13,370,345	36,670,345
2039-2043	21,800,000	9,121,961	30,921,961
2044-2048	21,800,000	5,201,177	27,001,177
2049-2052	14,880,000	1,377,306	16,257,306
Total	\$ 123,060,000	\$ 71,228,168	\$ 194,288,168

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2024	\$ 2,558,854	\$ 338,723	\$ 6,881	\$ 2,904,458
2025	2,658,854	257,057	0	2,915,911
2026	813,140	170,892	0	984,032
2027	106,359	14,241	0	120,600
2028	40,000	0	0	40,000
2029-2030	73,334	0	0	73,334
Total	\$ 6,250,541	\$ 780,913	\$ 6,881	\$ 7,038,335

There is \$17,303,435 available in the debt service funds to service long-term debt. However, of that amount, \$4,275,000 has been loaned to the Hamblen County – Morristown Solid Waste Disposal System and will be repaid over the next 14 years. Bonded debt per capita totaled \$1,908, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized premium on debt, totaled \$2,148, based on the 2020 federal census.

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2022	\$ 120,645,000	\$ 8,717,728
Additions	4,275,000	0
Reductions	(1,860,000)	(2,467,187)
Balance, June 30, 2023	<u>\$ 123,060,000</u>	<u>\$ 6,250,541</u>
Balance Due Within One Year	<u>\$ 2,165,000</u>	<u>\$ 2,558,854</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 129,310,541
Less: Balance Due Within One Year - Debt	(4,723,854)
Add: Unamortized Premium on Debt	<u>9,207,767</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 133,794,454</u>

H. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2022	\$ 386,453
Additions	26,899
Reductions	(89,901)
Balance, June 30, 2023	\$ 323,451
Balance Due Within One Year	\$ 0

Other postemployment benefits will be paid from the employing funds, primarily the General, Solid Waste/Sanitation, and Highway/Public Works funds.

Discretely Presented Hamblen County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Hamblen County School Department for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2022	\$ 14,775,460	\$ 259,010
Additions	1,736,082	276,819
Reductions	(2,378,558)	(259,010)
Balance, June 30, 2023	\$ 14,132,984	\$ 276,819
Balance Due Within One Year	\$ 0	\$ 276,819

	Retirement Incentive	Retirement Honorary
Balance, July 1, 2022	\$ 180,313	\$ 1,116,007
Additions	75,355	93,930
Reductions	(77,508)	(59,697)
Balance, June 30, 2023	\$ 178,160	\$ 1,150,240
Balance Due Within One Year	\$ 91,503	\$ 50,972

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 15,738,203
Less: Balance Due Within One Year - Other	<u>(419,294)</u>

Noncurrent Liabilities - Due in More Than One Year - Other- Exhibit A	<u>\$ 15,318,909</u>
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Long-term liabilities of the school department will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

In addition to the obligations noted above, the Board of Education appropriates available school funds to be contributed to the primary government each year to help retire school debt, which is being paid from the county's General Debt Service Fund. During the year ended June 30, 2023, the school department contributed \$500,000 to the primary government for this purpose.

I. On-Behalf Payments

Discretely Presented Hamblen County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Hamblen County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2023, were \$443,573 and \$139,493, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

It is the policy of Hamblen County and the discretely presented Hamblen County School Department to purchase commercial insurance for the risks of losses to which they are exposed for general liability, property, casualty, and workers' compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The county elected to self-insure employee health and accident claims. The Employee Insurance – General Fund was established for risks associated with the employees' health insurance plan. The Employee Insurance – General Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$125,000 per claimant in a single year and approximately \$3,881,564 for all claims in any plan year. Stop/loss commercial insurance has been obtained to cover claims beyond these limits. Group dental and vision insurance premiums paid to a private insurance company are also recorded in this fund as are the costs associated with a health clinic.

All full-time employees of the primary government are eligible to participate. A premium is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$929,715 at June 30, 2023, and is reported as net position of the Employee Insurance – General Fund. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Employee Insurance – General Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Employee Insurance - General Fund

		Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-end
2021-2022	\$	134,893	\$ 2,448,411	\$ (2,468,661)	\$ 114,643
2022-2023		114,643	2,913,006	(2,876,960)	150,689

Current year claims and estimates are presented net of contracted prescription drug rebates of \$302,056 and excess risk insurance recovery of \$17,993.

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

B. Accounting Changes

GASB Statement No. 91, *Conduit Debt Obligations*, became effective for fiscal year ending June 30, 2023. This statement clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, became effective for fiscal year ending June 30, 2023. This statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, became effective for fiscal year ending June 30, 2023. This standard establishes a definition for SBITAs and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. This statement also establishes criteria for the recognition of implementation costs and requires a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement.

GASB Statement No. 99, *Omnibus 2022*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including Financial Guarantees; Derivative Instruments; Leases, PPPs, and SBITAs; LIBOR rate replacement; and other technical updates and corrections.

C. Contingent Liabilities

The county has received various federal and state grants and other assistance for specific purposes that are subject to review and audit by grantor agencies. Such audits could result in reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. County management is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

The county is involved in pending litigation. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the financial statements of the county.

D. Changes in Administration

On June 30, 2022, Dr. Jeff Perry left the position of Director of Schools and was succeeded by Hugh Clement as interim director.

On July 10, 2022, Hugh Clement left the position of Interim Director of Schools and was succeeded by Arnold Bunch, Jr as director.

On August 31, 2022, Penny Petty left the Office of County Clerk and was succeeded by Peggy Henderson and Esco Jarnagin left the Office of Sheriff and was succeeded by Chad Mullins.

On September 19, 2022, finance director Anne Bryant-Hurst passed away. Amanda Hale was appointed as finance director on October 1, 2022.

E. Joint Ventures

Primary Government

The Third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Third Judicial District, Greene, Hamblen, Hancock, and Hawkins counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Hamblen County made no contributions to the DTF for the year ended June 30, 2023.

The Hamblen County-Morristown Solid Waste Disposal System is a joint venture that is operated by Hamblen County and the city of Morristown. The board of directors of the system is comprised of eight members, three

appointed by the Hamblen County Commission and three appointed by the Morristown City Council. The county mayor and city mayor appoint one member each. The board has control, supervision, management, and use of the landfills. Further, any and all real estate purchases are to be titled in the name of the city of Morristown and Hamblen County, each owning an undivided one-half interest, and each having agreed to equally finance the costs of such acquisitions. The board is required to submit its annual budget to the Hamblen County Commission and the Morristown City Council for approval.

The Morristown-Hamblen Library is a joint venture between Hamblen County and the City of Morristown. The library was created to provide public library service to the general public. The board of directors consists of nine members; four appointed by the Hamblen County Commission, three appointed by the Morristown City Council, and two members from the regional library board. Hamblen County has indirect control of the budget through the amount of annual appropriations. The library's operating budget is adopted and controlled by its board without requiring approval of the Hamblen County Commission and the Morristown City Council.

Hamblen County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Third Judicial District Drug Task Force, Hamblen County-Morristown Solid Waste Disposal System, and Morristown-Hamblen Library can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Third Judicial District Drug Task Force
109 South Main Street, Suite 501
Greeneville, TN 37743

Hamblen County-Morristown Solid
Waste Disposal System
P.O. Box 2108
Morristown, TN 37816

Morristown-Hamblen Library
417 West Main Street
Morristown, TN 37814

Discretely Presented School Department

The discretely presented school department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Hamblen County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated*

and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee.

Complete financial statements for NETCO can be obtained from its administrative office at the following address:

Administrative Office:

Northeast Tennessee Cooperative
100 East Maple Street
P.O. Box 1517
Johnson City, TN 37605

F. Jointly Governed Organization

The East Tennessee Regional AgriBusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center and to further the economy and growth of the region served by the authority by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes. The authority is governed by a board of directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing each of the following: the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee consisting of the chairman, vice chairman, secretary, and treasurer of the board of directors, along with the center's manager as an ex officio member, is in charge of the daily operations of the center.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Hamblen County and non-certified employees of the discretely presented Hamblen County School Department are provided a defined benefit pension plan through the

Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 48.95 percent, the non-certified employees of the discretely presented school department comprise 51.05 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	479
Inactive Employees Entitled to But Not Yet Receiving Benefits	744
Active Employees	698
Total	<u>1,921</u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Hamblen County elected to make employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contribution for Hamblen County was \$1,822,026 based on a rate of 7 percent of covered payroll for general employees and 10.5 percent of covered payroll for public safety officers. The minimum rate set by the Board of Trustees as determined by an actuarial valuation was 6.31 percent for general employees and 9.81 percent for public safety officers. By law, employer contributions are required to be paid. The TCRS may intercept Hamblen County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Hamblen County's net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. 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, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income	6.57		20	
Real Estate	1.20		20	
Short-term Securities	4.38		10	
	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Hamblen County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2021	\$ 84,816,362	\$ 96,796,756	\$ (11,980,394)
Changes for the Year:			
Service Cost	\$ 2,291,779	\$ 0	\$ 2,291,779
Interest	5,756,429	0	5,756,429
Differences Between Expected and Actual Experience	1,245,850	0	1,245,850
Contributions-Employer	0	1,688,868	(1,688,868)
Contributions-Employees	0	1,157,293	(1,157,293)
Net Investment Income	0	(3,686,295)	3,686,295
Benefit Payments, Including Refunds of Employee Contributions	(3,655,415)	(3,655,415)	0
Administrative Expense	0	(67,999)	67,999
Net Changes	\$ 5,638,643	\$ (4,563,548)	\$ 10,202,191
Balance, June 30, 2022	\$ 90,455,005	\$ 92,233,208	\$ (1,778,203)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	48.95%	\$ 44,277,725	\$ 45,148,155	\$ (870,430)
School Department	51.05%	46,177,280	47,085,053	(907,773)
Total		\$ 90,455,005	\$ 92,233,208	\$ (1,778,203)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Hamblen County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower

(5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Hamblen County	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 10,209,056 \$ (1,778,203) \$ (11,724,213)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, Hamblen County recognized pension expense (negative pension expense) of 958,921.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Hamblen County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,068,872	\$ 937,583
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	207,496	0
Changes in Assumptions	3,902,338	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	1,822,026	N/A
Total	<u>\$ 7,000,732</u>	<u>\$ 937,583</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2022,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,436,912	\$ 458,947
School Department	3,563,820	478,636
Total	<u>\$ 7,000,732</u>	<u>\$ 937,583</u>

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

Year Ending June 30	Amount
2024	\$ 754,118
2025	709,286
2026	490,459
2027	2,287,264
2028	0
Thereafter	0

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

Discretely Presented Hamblen County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Hamblen County and non-certified employees of the discretely presented Hamblen County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 48.95 percent and the non-certified employees of the discretely presented school department comprise 51.05 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus

any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2023, to the Teacher Retirement Plan were \$468,072, which is 2.87 percent of covered payroll. In addition, employer contributions of \$169,099, which is 1.13 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$252,080) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was .832151 percent. The proportion as of June 30, 2021, was .851878 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense of \$356,341.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 13,784	\$ 153,154
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	79,457	0
Changes in Assumptions	295,299	0
Changes in Proportion of Net Pension Liability (Asset)	24,469	26,079
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	468,072	N/A
Total	<u>\$ 881,081</u>	<u>\$ 179,233</u>

The school department's employer contributions of \$468,072, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ 5,874
2025	6,683
2026	(6,373)
2027	132,021
2028	14,687
Thereafter	80,883

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, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. As a result of the 2020 actuarial experience study, investment and 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, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income	6.57		20	
Real Estate	1.20		20	
Short-term Securities	4.38		10	
	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 1,323,271 \$ (252,080) \$ (1,402,570)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Hamblen County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$2,850,305 which is 8.69 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 (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liability (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$12,954,329) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was 1.056285 percent. The proportion measured at June 30, 2021, was .993703 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of (\$125,640).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,130,939	\$ 2,188,888
Changes in Assumptions	8,115,263	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	221,513	0
Changes in Proportion of Net Pension Liability (Asset)	76,413	796,576
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	2,850,305	N/A
Total	<u>\$ 13,394,433</u>	<u>\$ 2,985,464</u>

The school department's employer contributions of \$2,850,305 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ 1,055,069
2025	2,186,937
2026	(2,520,627)
2027	6,837,284
2028	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation are based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. 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, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income	6.57		20	
Real Estate	1.20		20	
Short-term Securities	4.38		10	
	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 25,658,062 \$ (12,954,329) \$ (45,115,886)

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

2. **Deferred Compensation**

Primary Government

Hamblen County offers its employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 established participation, contribution, and withdrawal provisions for the plan.

Discretely Presented Hamblen County School Department

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute a minimum of two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$814,527 and teachers contributed \$483,350 to this deferred compensation pension plan.

H. **Other Postemployment Benefits (OPEB)**

Hamblen County and the discretely presented Hamblen County School Department provide OPEB benefits to their retirees under various plans, these include OPEB provided through a self-insured plan for the primary government and through state administered public entity risk pools for both the primary government and the discretely presented school department. For reporting purposes, the plans are all considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the

Governmental Accounting Standards Board (GASB). All of the plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through Self-Insured Health Plan (Primary Government)

Plan Description. Hamblen County participates in a self-insured postemployment benefits plan administered by BlueCross BlueShield for its retirees. Benefits are established and amended by the county commission. Eligible employees must be age 60 or have 30 years of service. Emergency personnel are eligible at age 55 or with 25 years of service. Eligible retirees may remain on the county health plan until attainment of age 65 when they become eligible for Medicare. Dependent coverage is not provided.

Benefits Provided. The plan provides healthcare benefits to eligible retirees. The benefit terms provide for retirees to pay 100 percent of their medical insurance premium.

Employees Covered by Benefit Terms

At July 1, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	4
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	273
Total	<u><u>277</u></u>

Total OPEB Liability

The plan's total OPEB liability of \$71,782 was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to the measurement date.

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

Actuarial Cost Method	Entry Age
Salary Increases	3.5%
Payroll Growth Rate	2.5%
Discount Rate	3.65%
Healthcare Cost Trend Rates	6% for 2023 decreasing to 4.5% by 2026
Retirees share of Health Premiums	100%

The discount rate was based on the Bond Buyer's 20 Bond Index as of June 30, 2023.

Mortality rates were based on RPH-2014 Total Dataset fully generational projected table with projection scale MP-2021.

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2022	\$ 73,689
Changes for the Year:	
Service Cost	\$ 5,708
Interest	2,639
Changes in Assumption and Other Inputs	(471)
Benefit Payments	<u>(9,783)</u>
Net Changes	<u>\$ (1,907)</u>
Balance June 30, 2023	<u><u>\$ 71,782</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the county recognized negative OPEB expense of \$4,958. At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 10,778
Changes of Assumptions/Inputs	21	3,031
Total	<u>\$ 21</u>	<u>\$ 13,809</u>

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

Year Ending June 30	Amount
2024	\$ (11,090)
2025	(2,668)
2026	(30)
2027	0
2028	0
Thereafter	0

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

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

<u>Discount Rate</u>	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Total OPEB Liability	\$ 76,161	\$ 71,782	\$ 67,652

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	(5% decreasing to 3.5%)	(6% decreasing to 4.5%)	(7% decreasing to 5.5%)
Total OPEB Liability	\$ 64,751	\$ 71,782	\$ 80,182

OPEB Provided through State Administered Public Entity Risk Pools

Post-65 retirees of Hamblen County primary government may join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. The school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. Employees of the school department may then join the Tennessee Plan - Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

The county and school department's total OPEB liability for each plan was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2022, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.54%
Healthcare Cost Trend Rates	LEP - Based on the Getzen Model, with trend starting at 8.37% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 7-year period to an ultimate trend rate of 4.5%. TNMs- The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.54 percent based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2022, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2022, valuations were the same as those employed in the July 1, 2020, 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, 2016 - June 30, 2020. 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 PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality projected generationally with MP-2020 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a six percent load for males and an 14 percent load for females, projected generationally with 2010 with MP-2020. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2020.

Changes in Assumptions. The discount rate changed from 2.16 percent as of the beginning of the measurement period to 3.54 percent as of the measurement date of June 30, 2022. This change in assumption decreased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2022 plan year was revised from 7.36 percent to 8.37 percent.

Closed Tennessee Plan – Medicare (Primary Government)

Plan description. Employees of Hamblen County who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan-Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and local education agencies. However, the amounts reflected in this note disclosure pertain only to the Hamblen County Primary Government. 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 TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNM 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 receive a benefit from the Tennessee Consolidated Retirement System (TCRS) 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. Hamblen County provides a direct monthly subsidy of between \$25 and \$50 for eligible retirees depending on years of service.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	6
Inactive Employees Entitled to But Not Yet Receiving Benefits	12
Active Employees Eligible for Benefits	174
Total	<u>192</u>

In accordance with *TCA 8-27-209*, the state insurance committees established by *TCA Sections 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. For the fiscal year ended June 30, 2023, the county paid \$3,524 for OPEB benefits as they came due.

Changes in the Total OPEB Liability

Balance July 1, 2021	\$ 312,764
Changes for the Year:	
Service Cost	11,584
Interest	6,968
Difference between Expected and Actual Experience	(19,169)
Changes in Assumptions and Other Inputs	(56,945)
Benefit Payments	<u>(3,533)</u>
Net Changes	<u>\$ (61,095)</u>
Balance June 30, 2022	<u>\$ 251,669</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the county recognized negative OPEB expense of \$82,209. At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 299,341
Changes of Assumptions/Inputs	50,715	151,546
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2022	<u>3,524</u>	<u>0</u>
Total	<u>\$ 54,239</u>	<u>\$ 450,887</u>

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

Year Ending June 30	Amount
2024	\$ (100,761)
2025	(100,761)
2026	(89,217)
2027	(64,143)
2028	(20,507)
Thereafter	(24,783)

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

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

<u>Discount Rate</u>	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Total OPEB Liability	\$ 291,445	\$ 251,669	\$ 218,583

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

Closed Local Education (LEP) OPEB Plan (Discretely Presented School Department)

Plan Description. Employees of the Hamblen County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits Provided. The Hamblen County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school department provides a direct subsidy ranging from \$473 to \$716 per month toward the cost of insurance for noncertified retirees based on coverage selected. The school department provides a direct subsidy ranging from \$260 to \$553 per month toward the cost of insurance for certified retirees based on years of service and insurance coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible certified retirees premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	125
Inactive Employees Entitled to But Not Yet Receiving Benefits	2
Active Employees Eligible for Benefits	760
Total	<u>887</u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$900,640 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		Total OPEB Liability
	Hamblen County School Department 66.8476%	State of TN 33.1524%	
Balance July 1, 2021	\$ 14,323,351	\$ 6,666,778	\$ 20,990,129
Changes for the Year:			
Service Cost	\$ 745,563	\$ 369,754	\$ 1,115,317
Interest	311,337	154,405	465,742
Difference between Expected and Actuarial Experience	798,805	396,160	1,194,965
Changes in Proportion	(291,952)	291,952	0
Changes in Assumption and Other Inputs	(1,390,878)	(689,792)	(2,080,670)
Benefit Payments	(730,307)	(362,189)	(1,092,496)
Net Changes	<u>\$ (557,432)</u>	<u>\$ 160,290</u>	<u>\$ (397,142)</u>
Balance June 30, 2022	<u>\$ 13,765,919</u>	<u>\$ 6,827,068</u>	<u>\$ 20,592,987</u>

The Hamblen County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired teachers participating in the LEP. The Hamblen County School Department's

proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$500,805 in revenues for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department employees.

During the year, the Hamblen County School Department's proportionate share of the collective OPEB liability was 66.8476 percent and the State of Tennessee's share was 33.1524 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department recognized OPEB expense of \$190,649, including the state's share of the expenses. At June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 701,032	\$ 4,248,989
Changes of Assumptions/Inputs	1,141,618	2,227,163
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	0	2,505,821
Benefits Paid After the Measurement Date of June 30, 2022	900,640	0
Total	<u>\$ 2,743,290</u>	<u>\$ 8,981,973</u>

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

<u>Year Ending June 30</u>	<u>School Department</u>
2024	\$ (1,367,056)
2025	(1,367,056)
2026	(1,367,056)
2027	(1,345,121)
2028	(1,229,449)
Thereafter	(463,585)

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%

Proportionate Share of the Collective Total OPEB Liability	\$ 14,766,320	\$ 13,765,919	\$ 12,821,813
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Curent Rates	1% Increase
	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 12,415,367	\$ 13,765,919	\$ 15,342,747
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Closed Tennessee Plan – Medicare (Discretely Presented School Department)

Plan Description. Employees of the Hamblen County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan - Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local education agencies, who choose coverage, participate in the TNM. The TNM 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. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers, noncertified employees, and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 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 Hamblen County School Department provided a direct monthly subsidy for retired certified employees of \$50 for retirees with 30 or more years of service, \$37.50 for retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service. The state, as a governmental nonemployer contributing entity contributes to the premiums of certain eligible retirees (teachers) of local education agencies based on years of service. The State of Tennessee provided a direct subsidy of \$50 for eligible retirees (teachers) with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	305
Inactive Employees Entitled to But Not Yet Receiving Benefits	137
Active Employees Eligible for Benefits	807
Total	<u><u>1,249</u></u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 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. For the fiscal year ended June 30, 2023, the school department paid \$18,624 to the TNM for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		<u>Total OPEB Liability</u>
	<u>Hamblen County School Department</u>	<u>State of TN</u>	
	<u>11.7787%</u>	<u>88.2213%</u>	
Balance July 1, 2021	\$ 452,109	\$ 3,282,698	\$ 3,734,807
Changes for the Year:			
Service Cost	\$ 8,768	\$ 65,669	\$ 74,437
Interest	9,492	71,094	80,586
Difference between Expected and Actuarial Experience	(1,791)	(13,417)	(15,208)
Changes in Proportion	(12,198)	12,198	0
Changes in Assumption and Other Inputs	(70,741)	(529,839)	(600,580)
Benefit Payments	(18,574)	(139,114)	(157,688)
Net Changes	<u>\$ (85,044)</u>	<u>\$ (533,409)</u>	<u>\$ (618,453)</u>
Balance June 30, 2022	<u>\$ 367,065</u>	<u>\$ 2,749,289</u>	<u>\$ 3,116,354</u>

The Hamblen County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNM. The Hamblen County School

Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$384,831 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the TNM for school department retirees.

During the year, the Hamblen County School Department's proportionate share of the collective OPEB liability for the TNM plan was 11.7787 percent and the State of Tennessee's share was 88.2213 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department recognized (negative) OPEB expense of (\$33,979), including the state's share of the expenses.

At June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,730	\$ 16,723
Changes of Assumptions/Inputs	54,057	134,574
Changes in Proportions	9,608	1,064,874
Benefits Paid After the Measurement Date of June 30, 2022	18,624	0
Total	<u>\$ 86,019</u>	<u>\$ 1,216,171</u>

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

<u>Year Ending June 30</u>	<u>School Department</u>
2024	\$ (437,070)
2025	(437,070)
2026	(229,843)
2027	(17,652)
2028	(12,331)
Thereafter	(14,810)

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

Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the TNM, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

<u>Discount Rate</u>		Current Discount Rate	
	1% Decrease		1% Increase
	2.54%	3.54%	4.54%
<hr/>			
Proportionate Share of the Collective Total OPEB Liability	\$ 416,404	\$ 367,065	\$ 326,190

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

I. Termination Benefits

The discretely presented Hamblen County School Department offers a voluntary termination benefits plan to its certified employees in accordance with contract provisions. To be eligible, employees must retire in the school year that they become 60 years of age or obtain 30 years of creditable service in the Tennessee Consolidated Retirement System, whichever comes first. Under the terms of the plan, employees can select between receiving \$4,500 for two years or \$3,500 for three years. During the 2023-24 year, 20 employees participated in the program. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$178,160. Of that amount, \$91,503 is due within one year. The governmental funds' financial statements reflect retirement incentive expenditures of \$77,508 in the General Purpose School Fund.

In addition to the previously mentioned retirement incentive, the discretely presented Hamblen County School Department also offers an additional retirement honorarium payment. To be eligible, certified employees must retire with at least ten years of service. Under the terms of the plan, employees receive \$100 for each year of service with Hamblen County and/or the former Morristown City School System. As of June 30, 2023, 489 employees met the requirements of this benefit. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$1,150,240. Of that amount, \$50,972 is due within one year. The governmental funds' financial statements reflect retirement honorarium expenditures of \$59,697 in the General Purpose School Fund.

J. Central Accounting and Budgeting

Office of Director of Finance

The Hamblen County Finance Department was established by an agreement between the county mayor and the county commission. This agreement provides for a finance director who is responsible for maintaining records for funds administered by the county mayor and the highway superintendent.

K. Purchasing Laws

Office of County Mayor

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Section 5-14-201, et seq., *Tennessee Code Annotated (TCA)*. This act provides for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Highway Superintendent

Chapter 313 of the Private Acts of 1949, as amended, and Section 54-7-113, *TCA* (Uniform Road Law), govern purchasing procedures for the road department. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Hamblen County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000. However, the Board of Education has adopted a more restrictive policy that requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$5,000.

L. Subsequent Events

On July 20, 2023, Hamblen County approved to issue an interfund Capital Outlay Note not to exceed \$560,000 from the General Debt Service Fund to the Highway Capital Projects Fund. As of the date of this report, the interfund loan has not been issued.

On December 22, 2023, Hamblen County issued a Capital Outlay Note totaling \$900,000 to purchase equipment to be donated to the Hamblen County-Morristown Solid Waste Disposal System. The Board of the Hamblen County-Morristown Solid Waste Disposal System will make contributions to Hamblen County to provide funding for payment of principal and interest on the capital outlay note.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 1,447,547	\$ 1,541,726	\$ 1,579,621	\$ 1,680,721	\$ 1,809,951	\$ 1,866,188	\$ 1,898,115	\$ 1,962,154	\$ 2,291,779
Interest	3,977,841	4,157,957	4,300,049	4,518,128	4,762,478	4,974,303	5,259,653	5,490,291	5,756,429
Differences Between Actual and Expected Experience	(439,779)	(1,125,375)	(209,832)	559,415	(569,584)	360,952	(609,801)	(1,156,104)	1,245,850
Changes in Assumptions	0	0	0	1,569,030	0	0	0	6,503,898	0
Benefit Payments, Including Refunds of Employee Contributions	(2,671,318)	(2,685,162)	(2,750,139)	(2,976,277)	(3,041,500)	(3,233,218)	(3,361,800)	(3,499,761)	(3,655,415)
Net Change in Total Pension Liability	\$ 2,314,291	\$ 1,889,146	\$ 2,919,699	\$ 5,351,017	\$ 2,961,345	\$ 3,968,225	\$ 3,186,167	\$ 9,300,478	\$ 5,638,643
Total Pension Liability, Beginning	52,925,994	55,240,285	57,129,431	60,049,130	65,400,147	68,361,492	72,329,717	75,515,884	84,816,362
Total Pension Liability, Ending (a)	\$ 55,240,285	\$ 57,129,431	\$ 60,049,130	\$ 65,400,147	\$ 68,361,492	\$ 72,329,717	\$ 75,515,884	\$ 84,816,362	\$ 90,455,005
Plan Fiduciary Net Position									
Contributions - Employer	\$ 1,550,676	\$ 1,572,279	\$ 1,662,880	\$ 1,774,445	\$ 1,852,370	\$ 1,920,593	\$ 1,552,202	\$ 1,623,618	\$ 1,688,868
Contributions - Employee	834,365	845,362	894,033	957,457	987,598	1,023,555	1,061,781	1,114,737	1,157,293
Net Investment Income	7,971,541	1,715,800	1,516,080	6,618,126	5,373,466	5,197,556	3,690,828	19,934,148	(3,686,295)
Benefit Payments, Including Refunds of Employee Contributions	(2,671,318)	(2,685,162)	(2,750,139)	(2,976,277)	(3,041,500)	(3,233,218)	(3,361,800)	(3,499,761)	(3,655,415)
Administrative Expense	(24,175)	(32,024)	(48,287)	(55,833)	(62,645)	(58,273)	(59,707)	(60,300)	(67,999)
Other	0	0	4,872	0	0	0	(26,538)	0	0
Net Change in Plan Fiduciary Net Position	\$ 7,661,089	\$ 1,416,255	\$ 1,279,439	\$ 6,317,918	\$ 5,109,289	\$ 4,850,213	\$ 2,856,766	\$ 19,112,442	\$ (4,563,548)
Plan Fiduciary Net Position, Beginning	48,193,345	55,854,434	57,270,689	58,550,128	64,868,046	69,977,335	74,827,548	77,684,314	96,796,756
Plan Fiduciary Net Position, Ending (b)	\$ 55,854,434	\$ 57,270,689	\$ 58,550,128	\$ 64,868,046	\$ 69,977,335	\$ 74,827,548	\$ 77,684,314	\$ 96,796,756	\$ 92,233,208
Net Pension Liability (Asset), Ending (a - b)	\$ (614,149)	\$ (141,258)	\$ 1,499,002	\$ 532,101	\$ (1,615,843)	\$ (2,497,831)	\$ (2,168,430)	\$ (11,980,394)	\$ (1,778,203)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.11%	100.25%	97.50%	99.19%	102.36%	103.45%	102.87%	114.13%	101.97%
Covered Payroll	\$ 16,490,699	\$ 16,906,305	\$ 17,876,001	\$ 18,974,846	\$ 19,751,857	\$ 20,446,464	\$ 21,235,563	\$ 22,027,921	\$ 23,145,797
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.72)%	(0.84)%	8.39%	2.80%	(8.18)%	(12.22)%	(10.21)%	(54.39)%	(7.68)%

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

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 1,550,676	\$ 1,572,279	\$ 1,662,880	\$ 1,774,445	\$ 1,852,370	\$ 1,920,593	\$ 1,352,586	\$ 1,414,048	\$ 1,409,502	\$ 1,645,793
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,550,676)	(1,572,279)	(1,662,880)	(1,774,445)	(1,852,370)	(1,920,593)	(1,552,202)	(1,623,618)	(1,688,868)	(1,822,026)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (199,616)	\$ (209,570)	\$ (279,366)	\$ (176,233)
Covered Payroll	\$ 16,490,699	\$ 16,906,305	\$ 17,876,001	\$ 18,974,846	\$ 19,751,857	\$ 20,446,464	\$ 21,235,563	\$ 22,027,921	\$ 23,145,797	\$ 24,976,827
Contributions as a Percentage of Covered Payroll	9.40%	9.30%	9.30%	9.35%	9.38%	9.39%	7.31%	7.37%	7.30%	7.29%

Note 1: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit F-3

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

	2015	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 73,033	\$ 213,998	\$ 278,242	\$ 173,768	\$ 212,143	\$ 248,349	\$ 285,634	\$ 468,072
Less: Contributions in Relation to the Contractually Required Contribution	(73,033)	(213,998)	(278,242)	(173,768)	(212,143)	(248,349)	(285,634)	(468,072)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,825,848	\$ 5,261,300	\$ 6,956,052	\$ 8,957,080	\$ 10,450,344	\$ 12,294,449	\$ 14,210,671	\$ 16,309,179
Contributions as a Percentage of Covered Payroll	4.00%	4.05%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).
2019: Pension - 1.94%, SRT - 2.02%
2020: Pension - 2.03%, SRT - 1.97%
2021: Pension - 2.02%, SRT - 1.98%
2022: Pension - 2.01%, SRT - 1.99%
2023: Pension - 2.87%, SRT - 1.13%

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 3,207,929	\$ 3,090,554	\$ 3,043,681	\$ 3,087,195	\$ 3,092,144	\$ 3,581,208	\$ 3,592,640	\$ 3,349,565	\$ 3,580,452	\$ 2,850,305
Less: Contributions in Relation to the Contractually Required Contribution	(3,207,929)	(3,090,554)	(3,043,681)	(3,087,195)	(3,092,144)	(3,581,208)	(3,592,640)	(3,349,565)	(3,580,452)	(2,850,305)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 36,125,331	\$ 34,187,512	\$ 33,669,025	\$ 34,221,953	\$ 34,054,462	\$ 34,243,795	\$ 33,797,191	\$ 32,863,184	\$ 34,761,632	\$ 32,799,862
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.02%	9.08%	10.46%	10.63%	10.19%	10.30%	8.69%

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.860622%	0.851112%	0.815121%	0.795997%	0.846447%	0.828132%	0.851878%	0.832151%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (35,352)	\$ (88,603)	\$ (215,056)	\$ (361,007)	\$ (477,808)	\$ (470,910)	\$ (922,764)	\$ (252,080)
Covered Payroll	\$ 1,825,848	\$ 3,744,929	\$ 5,278,396	\$ 6,956,052	\$ 8,957,080	\$ 10,450,344	\$ 12,294,449	\$ 14,210,671
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.07)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.920393%	0.913250%	0.932712%	0.966078%	0.972519%	1.021047%	1.015461%	0.993703%	1.056285%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (149,560)	\$ 374,099	\$ 5,828,936	\$ (316,085)	\$ (3,422,212)	\$ (10,498,202)	\$ (7,743,641)	\$ (42,860,813)	\$ (12,954,329)
Covered Payroll	\$ 36,125,331	\$ 34,187,512	\$ 33,669,025	\$ 34,221,953	\$ 34,054,462	\$ 34,243,795	\$ 33,797,191	\$ 32,863,184	\$ 34,761,632
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.92)%	(10.05)%	(30.66)%	(22.91)%	(130.42)%	(37.27)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%

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

Exhibit F-7

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

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service Cost	\$ 8,012	\$ 7,909	\$ 6,194	\$ 7,432	\$ 6,540	\$ 5,708
Interest	4,480	4,976	3,551	2,445	1,764	2,639
Differences Between Actual and Expected Experience	0	0	(34,147)	0	(28,304)	0
Changes in Assumptions or Other Inputs	(2,338)	3,022	8,235	291	(7,109)	(471)
Benefit Payments	(5,409)	(7,795)	(8,195)	(10,207)	(7,455)	(9,783)
Net Change in Total OPEB Liability	\$ 4,745	\$ 8,112	\$ (24,362)	\$ (39)	\$ (34,564)	\$ (1,907)
Total OPEB Liability, Beginning	119,797	124,542	132,654	108,292	108,253	73,689
Total OPEB Liability, Ending	\$ 124,542	\$ 132,654	\$ 108,292	\$ 108,253	\$ 73,689	\$ 71,782
Covered Employee Payroll	\$ 8,098,137	\$ 8,300,590	\$ 8,080,408	\$ 8,282,418	\$ 8,778,874	\$ 8,998,346
Net OPEB Liability as a Percentage of Covered Employee Payroll	1.54%	1.60%	1.34%	1.31%	0.84%	0.80%

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

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

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

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

Exhibit F-8

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 42,176	\$ 36,027	\$ 24,217	\$ 9,814	\$ 15,195	\$ 11,584
Interest	25,339	29,676	24,721	11,985	9,203	6,968
Differences Between Actual and Expected Experience	0	(193,258)	(378,994)	(25,172)	(16,079)	(19,169)
Changes in Assumptions or Other Inputs	(92,045)	(6,439)	8,001	77,179	(94,859)	(56,945)
Benefit Payments	(2,550)	(4,438)	(5,388)	(4,570)	(3,843)	(3,533)
Net Change in Total OPEB Liability	\$ (27,080)	\$ (138,432)	\$ (327,443)	\$ 69,236	\$ (90,383)	\$ (61,095)
Total OPEB Liability, Beginning	826,866	799,786	661,354	333,911	403,147	312,764
Total OPEB Liability, Ending	<u>\$ 799,786</u>	<u>\$ 661,354</u>	<u>\$ 333,911</u>	<u>\$ 403,147</u>	<u>\$ 312,764</u>	<u>\$ 251,669</u>
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A

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

Note 2: Changes in assumptions:

The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%

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

Exhibit F-9

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 2,191,512	\$ 2,049,205	\$ 1,662,908	\$ 914,698	\$ 1,058,160	\$ 1,115,317
Interest	1,056,172	1,282,386	1,144,133	701,438	470,508	465,742
Changes in Benefit Terms	0	(2,454,445)	(4,681,775)	0	0	0
Differences Between Actual and Expected Experience	0	(3,928,886)	(6,134,679)	(1,392,995)	(115,483)	1,194,965
Changes in Assumptions or Other Inputs	(1,607,785)	681,741	(1,506,109)	2,086,587	(59,351)	(2,080,670)
Benefit Payments	(1,562,359)	(1,729,244)	(1,604,785)	(1,106,840)	(1,184,526)	(1,092,496)
Net Change in Total OPEB Liability	\$ 77,540	\$ (4,099,243)	\$ (11,120,307)	\$ 1,202,888	\$ 169,308	\$ (397,142)
Total OPEB Liability, Beginning	34,759,943	34,837,483	30,738,240	19,617,933	20,820,821	20,990,129
Total OPEB Liability, Ending	\$ 34,837,483	\$ 30,738,240	\$ 19,617,933	\$ 20,820,821	\$ 20,990,129	\$ 20,592,987
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 7,393,385	\$ 7,028,268	\$ 5,358,343	\$ 5,956,586	\$ 6,666,778	\$ 6,827,068
Employer Proportionate Share of the Total OPEB Liability	27,444,098	23,709,972	14,259,590	14,864,235	14,323,351	13,765,919
Covered Employee Payroll	\$ 47,750,736	\$ 50,462,098	\$ 52,896,548	\$ 53,979,815	\$ 55,374,066	\$ 58,579,402
Net OPEB Liability as a Percentage of Covered Employee Payroll	57.47%	46.99%	26.96%	27.54%	25.87%	23.50%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%

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

Exhibit F-10

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 175,194	\$ 143,603	\$ 67,205	\$ 59,950	\$ 88,822	\$ 74,437
Interest	230,692	260,628	122,572	121,823	94,732	80,586
Changes in Benefit Terms	0	(3,660,869)	0	0	0	0
Differences Between Actual and Expected Experience	0	(360,073)	6,704	46,229	(12,124)	(15,208)
Changes in Assumptions or Other Inputs	(672,478)	(26,374)	44,529	711,990	(556,024)	(600,580)
Benefit Payments	(278,100)	(284,323)	(148,075)	(149,903)	(155,773)	(157,688)
Net Change in Total OPEB Liability	\$ (544,692)	\$ (3,927,408)	\$ 92,935	\$ 790,089	\$ (540,367)	\$ (618,453)
Total OPEB Liability, Beginning	7,864,250	7,319,558	3,392,150	3,485,085	4,275,174	3,734,807
Total OPEB Liability, Ending	<u>\$ 7,319,558</u>	<u>\$ 3,392,150</u>	<u>\$ 3,485,085</u>	<u>\$ 4,275,174</u>	<u>\$ 3,734,807</u>	<u>\$ 3,116,354</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,402,753	\$ 2,916,805	\$ 3,060,686	\$ 3,771,397	\$ 3,282,698	\$ 2,749,289
Employer Proportionate Share of the Total OPEB Liability	3,916,805	475,345	424,399	503,777	452,109	367,065
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A

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

Note 2: Changes in assumptions:

The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%

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

HAMBLEN COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2023 were calculated based on the July 1, 2021, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation Averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for opioid settlement funds.

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

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county's highway department.

Debt Service Fund

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

Special Debt Service Fund – The Special Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related cost of debt issued for the Hamblen County-Morristown Solid Waste Disposal System.

Capital Projects Funds

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

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

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for expenditures related to road repairs.

Other General Government Capital Projects Fund – The Other General Government Capital Projects fund is used to account for resources provided by the American Rescue Plan Act.

Exhibit G-1

Hamblen County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Special Revenue Funds					
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	Total
<u>ASSETS</u>						
Cash	\$ 41	\$ 0	\$ 0	\$ 12,584	\$ 0	\$ 12,625
Equity in Pooled Cash and Investments	2,869,367	346,472	1,215,841	0	545,760	4,977,440
Accounts Receivable	13,108	0	0	86,648	0	99,756
Due from Other Governments	175,707	0	0	0	600,228	775,935
Property Taxes Receivable	1,403,494	0	0	0	0	1,403,494
Allowance for Uncollectible Property Taxes	(18,317)	0	0	0	0	(18,317)
Notes Receivable - Long-term	0	0	0	0	0	0
Total Assets	\$ 4,443,400	\$ 346,472	\$ 1,215,841	\$ 99,232	\$ 1,145,988	\$ 7,250,933
<u>LIABILITIES</u>						
Accounts Payable	\$ 174,458	\$ 11,038	\$ 0	\$ 0	\$ 177,787	\$ 363,283
Accrued Payroll	40,399	0	0	0	59,263	99,662
Contracts Payable	0	0	0	0	272,608	272,608
Due to Other Funds	20,809	0	0	99,232	30,711	150,752
Due to Other Governments	0	0	0	0	0	0
Due to Joint Ventures	0	0	0	0	0	0
Total Liabilities	\$ 235,666	\$ 11,038	\$ 0	\$ 99,232	\$ 540,369	\$ 886,305
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 1,353,868	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,353,868
Deferred Delinquent Property Taxes	27,483	0	0	0	0	27,483

(Continued)

Exhibit G-1

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	Total
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 10,129	\$ 0	\$ 0	\$ 0	\$ 368,053	\$ 378,182
Total Deferred Inflows of Resources	\$ 1,391,480	\$ 0	\$ 0	\$ 0	\$ 368,053	\$ 1,759,533
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 335,434	\$ 0	\$ 0	\$ 0	\$ 335,434
Restricted for Public Health and Welfare	0	0	295,602	0	0	295,602
Restricted for Highways/Public Works	0	0	0	0	237,566	237,566
Restricted for Debt Service	0	0	0	0	0	0
Restricted for Capital Projects	0	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	2,816,254	0	0	0	0	2,816,254
Committed for Capital Projects	0	0	0	0	0	0
Committed for Other Purposes	0	0	920,239	0	0	920,239
Total Fund Balances	\$ 2,816,254	\$ 335,434	\$ 1,215,841	\$ 0	\$ 237,566	\$ 4,605,095
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,443,400	\$ 346,472	\$ 1,215,841	\$ 99,232	\$ 1,145,988	\$ 7,250,933

(Continued)

Exhibit G-1

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

	Debt Service Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Special Debt Service	General Capital Projects	Other General Government Capital Projects	Total	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,625
Equity in Pooled Cash and Investments	4,552,906	54,326	2,922,946	2,977,272	12,507,618
Accounts Receivable	0	0	0	0	99,756
Due from Other Governments	0	0	0	0	775,935
Property Taxes Receivable	0	0	0	0	1,403,494
Allowance for Uncollectible Property Taxes	0	0	0	0	(18,317)
Notes Receivable - Long-term	4,275,000	0	0	0	4,275,000
Total Assets	\$ 8,827,906	\$ 54,326	\$ 2,922,946	\$ 2,977,272	\$ 19,056,111
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 4,500	\$ 0	\$ 4,500	\$ 367,783
Accrued Payroll	0	0	0	0	99,662
Contracts Payable	0	0	0	0	272,608
Due to Other Funds	0	0	0	0	150,752
Due to Other Governments	0	0	2,822,185	2,822,185	2,822,185
Due to Joint Ventures	4,502,207	0	0	0	4,502,207
Total Liabilities	\$ 4,502,207	\$ 4,500	\$ 2,822,185	\$ 2,826,685	\$ 8,215,197
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,353,868
Deferred Delinquent Property Taxes	0	0	0	0	27,483

(Continued)

Exhibit G-1

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

	Debt Service Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Special Debt Service	General Capital Projects	Other General Government Capital Projects	Total	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Other Deferred/Unavailable Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 378,182
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,759,533
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 0	\$ 335,434
Restricted for Public Health and Welfare	0	0	0	0	295,602
Restricted for Highways/Public Works	0	0	0	0	237,566
Restricted for Debt Service	4,325,699	0	0	0	4,325,699
Restricted for Capital Projects	0	7,603	0	7,603	7,603
Committed:					
Committed for Public Health and Welfare	0	0	0	0	2,816,254
Committed for Capital Projects	0	42,223	100,761	142,984	142,984
Committed for Other Purposes	0	0	0	0	920,239
Total Fund Balances	\$ 4,325,699	\$ 49,826	\$ 100,761	\$ 150,587	\$ 9,081,381
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,827,906	\$ 54,326	\$ 2,922,946	\$ 2,977,272	\$ 19,056,111

Exhibit G-2

Hamblen County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue Funds						
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	Total	
<u>Revenues</u>							
Local Taxes	\$ 3,180,688	\$ 0	\$ 0	\$ 0	\$ 155,217	\$ 3,335,905	
Licenses and Permits	1,852	0	0	0	0	1,852	
Fines, Forfeitures, and Penalties	0	165,903	0	0	0	165,903	
Charges for Current Services	0	0	0	28,389	0	28,389	
Other Local Revenues	13,605	14,675	62,553	0	941	91,774	
State of Tennessee	19,200	0	291,339	0	2,892,646	3,203,185	
Federal Government	0	0	0	0	0	0	
Other Governments and Citizens Groups	0	7,599	437,586	0	0	445,185	
Total Revenues	\$ 3,215,345	\$ 188,177	\$ 791,478	\$ 28,389	\$ 3,048,804	\$ 7,272,193	
<u>Expenditures</u>							
Current:							
Finance	\$ 0	\$ 0	\$ 0	\$ 677	\$ 0	\$ 677	
Administration of Justice	0	0	0	27,712	0	27,712	
Public Safety	0	145,709	0	0	0	145,709	
Public Health and Welfare	3,875,898	0	500,000	0	0	4,375,898	
Highways	0	0	0	0	4,116,486	4,116,486	
Debt Service:							
Interest on Debt	0	0	0	0	0	0	
Other Debt Service	0	0	0	0	0	0	
Capital Projects	0	0	176,500	0	0	176,500	
Capital Projects - Donated	0	0	383,397	0	0	383,397	
Total Expenditures	\$ 3,875,898	\$ 145,709	\$ 1,059,897	\$ 28,389	\$ 4,116,486	\$ 9,226,379	

(Continued)

Exhibit G-2

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	Total
Excess (Deficiency) of Revenues Over Expenditures	\$ (660,553)	\$ 42,468	\$ (268,419)	\$ 0	\$ (1,067,682)	\$ (1,954,186)
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Premiums on Debt Sold	0	0	0	0	0	0
Insurance Recovery	39,852	0	0	0	0	39,852
Transfers Out	(72,464)	0	(343,750)	0	(89,591)	(505,805)
Total Other Financing Sources (Uses)	\$ (32,612)	\$ 0	\$ (343,750)	\$ 0	\$ (89,591)	\$ (465,953)
Net Change in Fund Balances	\$ (693,165)	\$ 42,468	\$ (612,169)	\$ 0	\$ (1,157,273)	\$ (2,420,139)
Fund Balance, July 1, 2022	3,509,419	292,966	1,828,010	0	1,394,839	7,025,234
Fund Balance, June 30, 2023	\$ 2,816,254	\$ 335,434	\$ 1,215,841	\$ 0	\$ 237,566	\$ 4,605,095

(Continued)

Exhibit G-2

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

	Debt Service Fund		Capital Projects Funds					Total Nonmajor Governmental Funds
	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects	Total			
<u>Revenues</u>								
Local Taxes	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000	\$		3,585,905
Licenses and Permits	0	0	0	0	0			1,852
Fines, Forfeitures, and Penalties	0	0	0	0	0			165,903
Charges for Current Services	0	0	0	0	0			28,389
Other Local Revenues	50,699	0	0	90,328	90,328			232,801
State of Tennessee	0	0	0	0	0			3,203,185
Federal Government	0	60,374	0	377,994	438,368			438,368
Other Governments and Citizens Groups	57,412	0	0	0	0			502,597
Total Revenues	\$ 108,111	\$ 60,374	\$ 250,000	\$ 468,322	\$ 778,696	\$		8,159,000
<u>Expenditures</u>								
Current:								
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$		677
Administration of Justice	0	0	0	0	0			27,712
Public Safety	0	0	0	0	0			145,709
Public Health and Welfare	0	0	0	0	0			4,375,898
Highways	0	0	0	0	0			4,116,486
Debt Service:								
Interest on Debt	57,412	0	0	0	0			57,412
Other Debt Service	322,967	0	0	0	0			322,967
Capital Projects	0	60,374	648,789	377,994	1,087,157			1,263,657
Capital Projects - Donated	0	0	0	0	0			383,397
Total Expenditures	\$ 380,379	\$ 60,374	\$ 648,789	\$ 377,994	\$ 1,087,157	\$		10,693,915

(Continued)

Exhibit G-2

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

	Debt Service Fund		Capital Projects Funds				Total Nonmajor Governmental Funds
	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects	Total		
Excess (Deficiency) of Revenues Over Expenditures	\$ (272,268)	\$ 0	\$ (398,789)	\$ 90,328	\$ (308,461)	\$	(2,534,915)
<u>Other Financing Sources (Uses)</u>							
Bonds Issued	\$ 4,275,000	\$ 0	\$ 0	\$ 0	\$ 0	\$	4,275,000
Premiums on Debt Sold	322,967	0	0	0	0		322,967
Insurance Recovery	0	0	0	0	0		39,852
Transfers Out	0	0	0	0	0		(505,805)
Total Other Financing Sources (Uses)	\$ 4,597,967	\$ 0	\$ 0	\$ 0	\$ 0	\$	4,132,014
Net Change in Fund Balances	\$ 4,325,699	\$ 0	\$ (398,789)	\$ 90,328	\$ (308,461)	\$	1,597,099
Fund Balance, July 1, 2022	0	49,826	398,789	10,433	459,048		7,484,282
Fund Balance, June 30, 2023	\$ 4,325,699	\$ 49,826	\$ 0	\$ 100,761	\$ 150,587	\$	9,081,381

Exhibit G-3

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 3,180,688	\$ 0	\$ 3,180,688	\$ 3,112,139	\$ 2,862,139	\$ 318,549
Licenses and Permits	1,852	0	1,852	1,500	1,500	352
Other Local Revenues	13,605	0	13,605	5,000	5,000	8,605
State of Tennessee	19,200	0	19,200	18,000	18,000	1,200
Total Revenues	\$ 3,215,345	\$ 0	\$ 3,215,345	\$ 3,136,639	\$ 2,886,639	\$ 328,706
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Sanitation Management	\$ 3,875,898	\$ (249,816)	\$ 3,626,082	\$ 3,619,571	\$ 4,318,795	\$ 692,713
Total Expenditures	\$ 3,875,898	\$ (249,816)	\$ 3,626,082	\$ 3,619,571	\$ 4,318,795	\$ 692,713
Excess (Deficiency) of Revenues Over Expenditures	\$ (660,553)	\$ 249,816	\$ (410,737)	\$ (482,932)	\$ (1,432,156)	\$ 1,021,419
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 39,852	\$ 0	\$ 39,852	\$ 0	\$ 36,309	\$ 3,543
Transfers Out	(72,464)	0	(72,464)	(20,100)	(72,464)	0
Total Other Financing Sources	\$ (32,612)	\$ 0	\$ (32,612)	\$ (20,100)	\$ (36,155)	\$ 3,543
Net Change in Fund Balance	\$ (693,165)	\$ 249,816	\$ (443,349)	\$ (503,032)	\$ (1,468,311)	\$ 1,024,962
Fund Balance, July 1, 2022	3,509,419	(249,816)	3,259,603	3,082,759	3,082,759	176,844
Fund Balance, June 30, 2023	\$ 2,816,254	\$ 0	\$ 2,816,254	\$ 2,579,727	\$ 1,614,448	\$ 1,201,806

Exhibit G-4

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 165,903	\$ 29,000	\$ 29,000	\$ 136,903
Other Local Revenues	14,675	250	250	14,425
Other Governments and Citizens Groups	7,599	10,000	10,000	(2,401)
Total Revenues	<u>\$ 188,177</u>	<u>\$ 39,250</u>	<u>\$ 39,250</u>	<u>\$ 148,927</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 145,709	\$ 133,911	\$ 182,108	\$ 36,399
Total Expenditures	<u>\$ 145,709</u>	<u>\$ 133,911</u>	<u>\$ 182,108</u>	<u>\$ 36,399</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 42,468</u>	<u>\$ (94,661)</u>	<u>\$ (142,858)</u>	<u>\$ 185,326</u>
Net Change in Fund Balance	\$ 42,468	\$ (94,661)	\$ (142,858)	\$ 185,326
Fund Balance, July 1, 2022	<u>292,966</u>	<u>216,867</u>	<u>216,867</u>	<u>76,099</u>
Fund Balance, June 30, 2023	<u><u>\$ 335,434</u></u>	<u><u>\$ 122,206</u></u>	<u><u>\$ 74,009</u></u>	<u><u>\$ 261,425</u></u>

Exhibit G-5

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 62,553	\$ 0	\$ 0	\$ 62,553
State of Tennessee	291,339	0	0	291,339
Other Governments and Citizens Groups	437,586	0	0	437,586
Total Revenues	<u>\$ 791,478</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 791,478</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Regional Mental Health Center	\$ 500,000	\$ 0	\$ 500,000	\$ 0
<u>Capital Projects</u>				
Public Safety Projects	176,500	0	176,500	0
<u>Capital Projects - Donated</u>				
Capital Projects Donated to Other Entities	383,397	0	383,397	0
Total Expenditures	<u>\$ 1,059,897</u>	<u>\$ 0</u>	<u>\$ 1,059,897</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (268,419)</u>	<u>\$ 0</u>	<u>\$ (1,059,897)</u>	<u>\$ 791,478</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (343,750)	\$ 0	\$ (343,750)	\$ 0
Total Other Financing Sources	<u>\$ (343,750)</u>	<u>\$ 0</u>	<u>\$ (343,750)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (612,169)	\$ 0	\$ (1,403,647)	\$ 791,478
Fund Balance, July 1, 2022	<u>1,828,010</u>	<u>0</u>	<u>1,403,647</u>	<u>424,363</u>
Fund Balance, June 30, 2023	<u><u>\$ 1,215,841</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,215,841</u></u>

Exhibit G-6

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 155,217	\$ 0	\$ 0	\$ 155,217	\$ 136,000	\$ 136,000	\$ 19,217
Other Local Revenues	941	0	0	941	1,000	1,000	(59)
State of Tennessee	2,892,646	0	0	2,892,646	3,112,904	3,112,904	(220,258)
Total Revenues	\$ 3,048,804	\$ 0	\$ 0	\$ 3,048,804	\$ 3,249,904	\$ 3,249,904	\$ (201,100)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 446,220	\$ 0	\$ 0	\$ 446,220	\$ 471,522	\$ 471,522	\$ 25,302
Highway and Bridge Maintenance	1,853,498	0	0	1,853,498	1,977,365	2,042,365	188,867
Operation and Maintenance of Equipment	484,288	0	4,123	488,411	453,679	527,679	39,268
Employee Benefits	14,719	0	0	14,719	24,725	24,725	10,006
Capital Outlay	1,317,761	(89,675)	157,892	1,385,978	1,103,000	1,589,434	203,456
Total Expenditures	\$ 4,116,486	\$ (89,675)	\$ 162,015	\$ 4,188,826	\$ 4,030,291	\$ 4,655,725	\$ 466,899
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,067,682)	\$ 89,675	\$ (162,015)	\$ (1,140,022)	\$ (780,387)	\$ (1,405,821)	\$ 265,799
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (89,591)	\$ 0	\$ 0	\$ (89,591)	\$ (28,500)	\$ (89,591)	\$ 0
Total Other Financing Sources	\$ (89,591)	\$ 0	\$ 0	\$ (89,591)	\$ (28,500)	\$ (89,591)	\$ 0
Net Change in Fund Balance	\$ (1,157,273)	\$ 89,675	\$ (162,015)	\$ (1,229,613)	\$ (808,887)	\$ (1,495,412)	\$ 265,799
Fund Balance, July 1, 2022	1,394,839	(89,675)	0	1,305,164	1,359,042	2,045,567	(740,403)
Fund Balance, June 30, 2023	\$ 237,566	\$ 0	\$ (162,015)	\$ 75,551	\$ 550,155	\$ 550,155	\$ (474,604)

Exhibit G-7

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Debt Service Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 50,699	\$ 0	\$ 50,699	\$ 0
Other Governments and Citizens Groups	57,412	0	57,412	0
Total Revenues	<u>\$ 108,111</u>	<u>\$ 0</u>	<u>\$ 108,111</u>	<u>\$ 0</u>
<u>Expenditures</u>				
<u>Interest on Debt</u>				
General Government	\$ 57,412	\$ 0	\$ 57,412	\$ 0
<u>Other Debt Service</u>				
General Government	322,967	0	322,967	0
Total Expenditures	<u>\$ 380,379</u>	<u>\$ 0</u>	<u>\$ 380,379</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (272,268)</u>	<u>\$ 0</u>	<u>\$ (272,268)</u>	<u>\$ 0</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 4,275,000	\$ 0	\$ 4,275,000	\$ 0
Premiums on Debt Sold	322,967	0	322,967	0
Total Other Financing Sources	<u>\$ 4,597,967</u>	<u>\$ 0</u>	<u>\$ 4,597,967</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 4,325,699	\$ 0	\$ 4,325,699	\$ 0
Fund Balance, July 1, 2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2023	<u><u>\$ 4,325,699</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 4,325,699</u></u>	<u><u>\$ 0</u></u>

Exhibit G-8

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway Capital Projects Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 250,000	\$ 0	\$ 250,000	\$ 0
Total Revenues	\$ 250,000	\$ 0	\$ 250,000	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Highway and Street Capital Projects	\$ 648,789	\$ 398,789	\$ 648,789	\$ 0
Total Expenditures	\$ 648,789	\$ 398,789	\$ 648,789	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (398,789)	\$ (398,789)	\$ (398,789)	\$ 0
Net Change in Fund Balance	\$ (398,789)	\$ (398,789)	\$ (398,789)	\$ 0
Fund Balance, July 1, 2022	398,789	398,789	398,789	0
Fund Balance, June 30, 2023	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit G-9

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other General Government Capital Projects Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 90,328	\$ 0	\$ 90,328	\$ 0	\$ 0	\$ 90,328
Federal Government	377,994	0	377,994	0	691,795	(313,801)
Total Revenues	<u>\$ 468,322</u>	<u>\$ 0</u>	<u>\$ 468,322</u>	<u>\$ 0</u>	<u>\$ 691,795</u>	<u>\$ (223,473)</u>
<u>Expenditures</u>						
<u>Capital Projects</u>						
Public Safety Projects	\$ 377,994	\$ 313,801	\$ 691,795	\$ 0	\$ 691,795	\$ 0
Total Expenditures	<u>\$ 377,994</u>	<u>\$ 313,801</u>	<u>\$ 691,795</u>	<u>\$ 0</u>	<u>\$ 691,795</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 90,328</u>	<u>\$ (313,801)</u>	<u>\$ (223,473)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (223,473)</u>
Net Change in Fund Balance	\$ 90,328	\$ (313,801)	\$ (223,473)	\$ 0	\$ 0	\$ (223,473)
Fund Balance, July 1, 2022	<u>10,433</u>	<u>0</u>	<u>10,433</u>	<u>0</u>	<u>0</u>	<u>10,433</u>
Fund Balance, June 30, 2023	<u><u>\$ 100,761</u></u>	<u><u>\$ (313,801)</u></u>	<u><u>\$ (213,040)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (213,040)</u></u>

Major Governmental Fund

Debt Service Fund

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

Exhibit H

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,610,308	\$ 7,453,440	\$ 7,453,440	\$ 156,868
Fines, Forfeitures, and Penalties	45,277	50,000	50,000	(4,723)
Other Local Revenues	2,044,927	760,000	760,000	1,284,927
Total Revenues	\$ 9,700,512	\$ 8,263,440	\$ 8,263,440	\$ 1,437,072
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,443,509	\$ 1,470,000	\$ 1,470,000	\$ 26,491
Highways and Streets	166,144	320,000	166,144	0
Education	2,717,534	2,570,000	2,723,856	6,322
<u>Interest on Debt</u>				
General Government	3,632,865	3,670,000	3,670,000	37,135
Highways and Streets	3,323	6,400	3,323	0
Education	1,586,524	1,590,000	1,593,077	6,553
<u>Other Debt Service</u>				
General Government	191,668	160,000	205,869	14,201
Education	152,871	18,280	157,664	4,793
Total Expenditures	\$ 9,894,438	\$ 9,804,680	\$ 9,989,933	\$ 95,495
Excess (Deficiency) of Revenues Over Expenditures	\$ (193,926)	\$ (1,541,240)	\$ (1,726,493)	\$ 1,532,567
Net Change in Fund Balance	\$ (193,926)	\$ (1,541,240)	\$ (1,726,493)	\$ 1,532,567
Fund Balance, July 1, 2022	13,171,662	13,013,299	13,013,299	158,363
Fund Balance, June 30, 2023	\$ 12,977,736	\$ 11,472,059	\$ 11,286,806	\$ 1,690,930

Custodial Funds

Custodial Funds are used to account for assets held by the county in a custodial capacity or as an agent for individuals, private organizations, and other governments. Custodial Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial fund reporting focuses on net position and changes in net position. Custodial funds are distinguished from trust funds by the absence of a trust agreement or equivalent arrangement.

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

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

Other Custodial Fund – The Other Custodial Fund is used to account for the operations of the flexible benefits program for Hamblen County employees.

Exhibit I-1

Hamblen County, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2023

	Custodial Funds			
	Cities -	Constitu -	Other	Total
	Sales	tional	Custodial	
	Tax	Officers -		
		Custodial		
<u>ASSETS</u>				
Cash	\$ 0	\$ 5,640,321	\$ 0	\$ 5,640,321
Equity in Pooled Cash and Investments	0	0	6,451	6,451
Accounts Receivable	0	327	0	327
Due from Other Governments	3,246,534	0	0	3,246,534
Total Assets	\$ 3,246,534	\$ 5,640,648	\$ 6,451	\$ 8,893,633
<u>LIABILITIES</u>				
Due to Other Taxing Units	\$ 3,246,534	\$ 0	\$ 0	\$ 3,246,534
Total Liabilities	\$ 3,246,534	\$ 0	\$ 0	\$ 3,246,534
<u>NET POSITION</u>				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 5,640,648	\$ 6,451	\$ 5,647,099
Total Net Position	\$ 0	\$ 5,640,648	\$ 6,451	\$ 5,647,099

Exhibit I-2

Hamblen County, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2023

	Custodial Funds			
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Other Custodial	Total
<u>Additions</u>				
Sales Tax Collections for Other Governments	\$ 18,222,439	\$ 0	\$ 0	\$ 18,222,439
Fines/Fees and Other Collections	0	15,887,161	0	15,887,161
Other Employee Benefit Charges/Contributions	0	0	26,748	26,748
Total Additions	\$ 18,222,439	\$ 15,887,161	\$ 26,748	\$ 34,136,348
<u>Deductions</u>				
Payment of Sales Tax Collections for Other Governments	\$ 18,222,439	\$ 0	\$ 0	\$ 18,222,439
Payments to State	0	7,926,276	0	7,926,276
Payments to Individuals and Others	0	8,531,165	0	8,531,165
Payments of Fringe Benefit Expenses	0	0	26,748	26,748
Total Deductions	\$ 18,222,439	\$ 16,457,441	\$ 26,748	\$ 34,706,628
Change in Net Position	\$ 0	\$ (570,280)	\$ 0	\$ (570,280)
Net Position July 1, 2022	0	6,210,928	6,451	6,217,379
Net Position June 30, 2023	\$ 0	\$ 5,640,648	\$ 6,451	\$ 5,647,099

Hamblen County School Department

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

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

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

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

Internal School Fund – The Internal School Fund is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities.

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

Exhibit J-1

Hamblen County, Tennessee
Statement of Activities
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 64,791,349	\$ 613,021	\$ 8,698,109	\$ 2,824,162	\$ (52,656,057)
Support Services	36,012,559	509,612	2,831,348	0	(32,671,599)
Operation of Non-instructional Services	11,896,010	1,424,450	11,375,106	0	903,546
Total Governmental Activities	<u>\$ 112,699,918</u>	<u>\$ 2,547,083</u>	<u>\$ 22,904,563</u>	<u>\$ 2,824,162</u>	<u>\$ (84,424,110)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 11,009,250
Local Option Sales Taxes					20,431,932
Mixed Drink Tax					96,728
Grants and Contributions Not Restricted to Specific Programs					62,340,927
Unrestricted Investment Income					225,463
Miscellaneous					41,216
Gain on Disposal of Capital Assets					1,973
Total General Revenues					<u>\$ 94,147,489</u>
Change in Net Position					\$ 9,723,379
Net Position, July 1, 2022					<u>121,174,368</u>
Net Position, June 30, 2023					<u>\$ 130,897,747</u>

Exhibit J-2

Hamblen County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Hamblen County School Department
June 30, 2023

	Major Funds				Nonmajor Fund	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Internal School	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,841,722	\$ 2,841,722
Equity in Pooled Cash and Investments	17,334,833	1,266,250	8,926,835	0	0	27,527,918
Inventories	0	0	92,441	0	2,014	94,455
Accounts Receivable	85,980	481	64,204	0	0	150,665
Due from Other Governments	6,386,710	1,596,762	96,137	0	0	8,079,609
Due from Other Funds	519,669	2,250	9,147	0	0	531,066
Due from Primary Government	0	0	0	22,012,400	0	22,012,400
Property Taxes Receivable	9,755,332	0	0	0	0	9,755,332
Allowance for Uncollectible Property Taxes	(142,472)	0	0	0	0	(142,472)
Restricted Assets	1,225,856	0	0	0	0	1,225,856
Total Assets	<u>\$ 35,165,908</u>	<u>\$ 2,865,743</u>	<u>\$ 9,188,764</u>	<u>\$ 22,012,400</u>	<u>\$ 2,843,736</u>	<u>\$ 72,076,551</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 388,596	\$ 32,268	\$ 14,878	\$ 0	\$ 0	\$ 435,742
Accrued Payroll	72,503	0	33,788	0	0	106,291
Contracts Payable	0	579,395	0	0	0	579,395
Retainage Payable	15,465	11,630	0	0	0	27,095
Due to Other Funds	10,251	155,815	365,000	0	0	531,066
Other Current Liabilities	1,146,815	0	57,244	0	0	1,204,059
Total Liabilities	<u>\$ 1,633,630</u>	<u>\$ 779,108</u>	<u>\$ 470,910</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,883,648</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 9,339,385	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,339,385

(Continued)

Exhibit J-2

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

	Major Funds				Nonmajor Fund	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Internal School	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Deferred Delinquent Property Taxes	\$ 229,811	\$ 0	\$ 0	\$ 0	\$ 0	\$ 229,811
Other Deferred/Unavailable Revenue	2,826,712	71,833	0	0	0	2,898,545
Total Deferred Inflows of Resources	<u>\$ 12,395,908</u>	<u>\$ 71,833</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,467,741</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Inventory	\$ 0	\$ 0	\$ 92,441	\$ 0	\$ 2,014	\$ 94,455
Restricted:						
Restricted for Education	292,631	14,802	8,625,413	0	2,841,722	11,774,568
Restricted for Capital Projects	0	0	0	22,012,400	0	22,012,400
Restricted for Hybrid Retirement Stabilization Funds	1,225,856	0	0	0	0	1,225,856
Committed:						
Committed for Education	813,144	2,000,000	0	0	0	2,813,144
Assigned:						
Assigned for Education	1,579,117	0	0	0	0	1,579,117
Assigned for Capital Projects	8,325,219	0	0	0	0	8,325,219
Unassigned	8,900,403	0	0	0	0	8,900,403
Total Fund Balances	<u>\$ 21,136,370</u>	<u>\$ 2,014,802</u>	<u>\$ 8,717,854</u>	<u>\$ 22,012,400</u>	<u>\$ 2,843,736</u>	<u>\$ 56,725,162</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 35,165,908</u>	<u>\$ 2,865,743</u>	<u>\$ 9,188,764</u>	<u>\$ 22,012,400</u>	<u>\$ 2,843,736</u>	<u>\$ 72,076,551</u>

Exhibit J-3

Hamblen County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Hamblen County School Department
June 30, 2023

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

Total fund balances - balance sheet- governmental funds (Exhibit J-2)		\$	56,725,162
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.			
Add: land	\$	6,469,353	
Add: construction in progress		3,728,367	
Add: buildings and improvements net of accumulated depreciation		44,398,722	
Add: other capital assets net of accumulated depreciation		<u>11,244,642</u>	65,841,084
(2) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			3,128,356
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: OPEB liability	\$	(14,132,984)	
Less: compensated absences payable		(276,819)	
Less: retirement incentive		(178,160)	
Less: retirement honorarium		<u>(1,150,240)</u>	(15,738,203)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	17,839,334	
Less: deferred inflows of resources related to pensions		(3,643,333)	
Add: deferred outflows of resources related to OPEB		2,829,309	
Less: deferred inflows of resources related to OPEB		<u>(10,198,144)</u>	6,827,166
(5) Net pensions assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	907,773	
Add: net pension asset - teacher retirement plan		252,080	
Add: net pension asset - teacher legacy pension plan		<u>12,954,329</u>	<u>14,114,182</u>
Net position of governmental activities (Exhibit A)			<u>\$ 130,897,747</u>

Exhibit J-4

Hamblen County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

	Major Funds				Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Internal School	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 31,685,431	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,685,431
Charges for Current Services	1,077,106	0	1,466,457	0	0	2,543,563
Other Local Revenues	415,371	0	229,532	0	2,987,772	3,632,675
State of Tennessee	61,080,872	0	56,151	0	0	61,137,023
Federal Government	129,368	15,259,105	6,826,811	0	0	22,215,284
Total Revenues	\$ 94,388,148	\$ 15,259,105	\$ 8,578,951	\$ 0	\$ 2,987,772	\$ 121,213,976
<u>Expenditures</u>						
Current:						
Instruction	\$ 59,690,546	\$ 8,344,901	\$ 0	\$ 0	\$ 0	\$ 68,035,447
Support Services	29,360,393	3,664,340	0	0	0	33,024,733
Operation of Non-Instructional Services	1,489,143	466,970	7,093,972	0	2,757,183	11,807,268
Capital Outlay	2,596,584	2,512,110	0	0	0	5,108,694
Debt Service:						
Other Debt Service	500,000	0	0	0	0	500,000
Total Expenditures	\$ 93,636,666	\$ 14,988,321	\$ 7,093,972	\$ 0	\$ 2,757,183	\$ 118,476,142
Excess (Deficiency) of Revenues Over Expenditures	\$ 751,482	\$ 270,784	\$ 1,484,979	\$ 0	\$ 230,589	\$ 2,737,834
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 2,237	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,237
Transfers In	435,624	500,000	0	0	0	935,624
Transfers Out	(500,000)	(70,624)	(365,000)	0	0	(935,624)
Total Other Financing Sources (Uses)	\$ (62,139)	\$ 429,376	\$ (365,000)	\$ 0	\$ 0	\$ 2,237
Net Change in Fund Balances	\$ 689,343	\$ 700,160	\$ 1,119,979	\$ 0	\$ 230,589	\$ 2,740,071
Fund Balance, July 1, 2022	20,447,027	1,314,642	7,597,875	22,012,400	2,613,147	53,985,091
Fund Balance, June 30, 2023	\$ 21,136,370	\$ 2,014,802	\$ 8,717,854	\$ 22,012,400	\$ 2,843,736	\$ 56,725,162

Exhibit J-5

Hamblen County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 2,740,071
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 4,799,012	
Less: current-year depreciation expense	<u>(3,918,288)</u>	880,724
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(82)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 3,128,356	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(2,221,606)</u>	906,750
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (17,809)	
Change in OPEB liability	642,476	
Change in retirement incentive	2,153	
Change in retirement honorarium	(34,233)	
Change in net pension asset/liability	(35,605,680)	
Change in deferred outflows related to pensions	(1,618,086)	
Change in deferred inflows related to pensions	40,821,341	
Change in deferred outflows related to OPEB	630,160	
Change in deferred inflows related to OPEB	<u>375,594</u>	<u>5,195,916</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 9,723,379</u>

Exhibit J-6

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
General Purpose School Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 31,685,431	\$ 0	\$ 0	\$ 31,685,431	\$ 28,029,487	\$ 28,029,487	\$ 3,655,944
Charges for Current Services	1,077,106	0	0	1,077,106	807,000	807,000	270,106
Other Local Revenues	415,371	0	0	415,371	194,455	361,339	54,032
State of Tennessee	61,080,872	0	0	61,080,872	60,045,088	66,230,685	(5,149,813)
Federal Government	129,368	0	0	129,368	55,729	117,047	12,321
Total Revenues	\$ 94,388,148	\$ 0	\$ 0	\$ 94,388,148	\$ 89,131,759	\$ 95,545,558	\$ (1,157,410)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 48,208,045	\$ (171,750)	\$ 186,575	\$ 48,222,870	\$ 48,080,323	\$ 49,737,640	\$ 1,514,770
Special Education Program	7,408,087	(6,458)	622	7,402,251	7,602,423	7,602,423	200,172
Career and Technical Education Program	3,890,666	(4,115)	18,877	3,905,428	4,020,013	7,960,550	4,055,122
Student Body Education Program	183,748	(10,517)	1,900	175,131	193,000	193,000	17,869
<u>Support Services</u>							
Attendance	3,996	0	0	3,996	4,025	4,025	29
Health Services	890,656	(636)	0	890,020	915,651	942,919	52,899
Other Student Support	1,858,190	0	0	1,858,190	1,875,786	1,942,752	84,562
Regular Instruction Program	2,888,184	(53,342)	30,031	2,864,873	2,905,655	3,190,910	326,037
Special Education Program	1,094,819	0	0	1,094,819	1,172,516	1,233,834	139,015
Career and Technical Education Program	262,726	0	425	263,151	271,509	276,509	13,358
Technology	1,963,028	(46,110)	43,960	1,960,878	2,032,845	2,032,845	71,967
Other Programs	583,066	0	0	583,066	0	583,066	0
Board of Education	1,375,846	0	146	1,375,992	1,459,147	1,459,147	83,155
Director of Schools	737,095	(313)	0	736,782	763,710	763,710	26,928
Office of the Principal	5,212,052	0	0	5,212,052	5,351,945	5,383,441	171,389
Fiscal Services	580,071	(1,933)	0	578,138	624,461	624,461	46,323
Operation of Plant	6,447,166	(732)	185	6,446,619	6,721,876	6,961,462	514,843
Maintenance of Plant	1,638,119	(22,878)	8,670	1,623,911	1,670,985	1,670,985	47,074
Transportation	3,825,379	(33,914)	103,255	3,894,720	4,011,842	4,400,113	505,393

(Continued)

Exhibit J-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 0	\$ 0	\$ 6,000	\$ 6,000	\$ 0	\$ 6,000	\$ 0
Community Services	125,715	(5,014)	150	120,851	608,881	608,881	488,030
Early Childhood Education	1,363,428	(7,353)	695	1,356,770	1,442,000	1,442,000	85,230
<u>Capital Outlay</u>							
Regular Capital Outlay	2,596,584	(906,512)	1,700,374	3,390,446	3,915,000	4,093,158	702,712
<u>Interest on Debt</u>							
Education	0	0	0	0	500,000	0	0
<u>Other Debt Service</u>							
Education	500,000	0	0	500,000	0	500,000	0
Total Expenditures	\$ 93,636,666	\$ (1,271,577)	\$ 2,101,865	\$ 94,466,954	\$ 96,143,593	\$ 103,613,831	\$ 9,146,877
Excess (Deficiency) of Revenues Over Expenditures	\$ 751,482	\$ 1,271,577	\$ (2,101,865)	\$ (78,806)	\$ (7,011,834)	\$ (8,068,273)	\$ 7,989,467
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 2,237	\$ 0	\$ 0	\$ 2,237	\$ 10,000	\$ 10,000	\$ (7,763)
Transfers In	435,624	0	0	435,624	429,684	429,684	5,940
Transfers Out	(500,000)	0	0	(500,000)	(28,244)	(528,244)	28,244
Total Other Financing Sources	\$ (62,139)	\$ 0	\$ 0	\$ (62,139)	\$ 411,440	\$ (88,560)	\$ 26,421
Net Change in Fund Balance	\$ 689,343	\$ 1,271,577	\$ (2,101,865)	\$ (140,945)	\$ (6,600,394)	\$ (8,156,833)	\$ 8,015,888
Fund Balance, July 1, 2022	20,447,027	(1,271,577)	0	19,175,450	18,934,988	18,934,988	240,462
Fund Balance, June 30, 2023	\$ 21,136,370	\$ 0	\$ (2,101,865)	\$ 19,034,505	\$ 12,334,594	\$ 10,778,155	\$ 8,256,350

Exhibit J-7

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
School Federal Projects Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 15,259,105	\$ 0	\$ 0	\$ 15,259,105	\$ 22,427,408	\$ 28,716,735	\$ (13,457,630)
Total Revenues	\$ 15,259,105	\$ 0	\$ 0	\$ 15,259,105	\$ 22,427,408	\$ 28,716,735	\$ (13,457,630)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 4,855,492	\$ (230,158)	\$ 252,520	\$ 4,877,854	\$ 6,714,346	\$ 7,934,288	\$ 3,056,434
Special Education Program	2,524,113	0	0	2,524,113	2,504,576	3,113,496	589,383
Career and Technical Education Program	965,296	(368,967)	151,019	747,348	440,344	1,116,505	369,157
<u>Support Services</u>							
Attendance	7,961	0	0	7,961	0	8,100	139
Health Services	445,701	(5,062)	419	441,058	592,896	598,611	157,553
Other Student Support	806,698	(8,127)	1,988	800,559	632,519	1,234,402	433,843
Regular Instruction Program	1,474,597	(43,304)	0	1,431,293	1,915,889	2,629,038	1,197,745
Special Education Program	243,602	0	0	243,602	189,373	464,845	221,243
Career and Technical Education Program	47,074	0	0	47,074	10,623	47,592	518
Technology	303,180	(12,428)	0	290,752	277,941	368,929	78,177
Office of the Principal	0	0	0	0	46,660	23,330	23,330
Fiscal Services	50,159	0	8,190	58,349	117,725	178,082	119,733
Operation of Plant	169,022	(12,778)	4,957	161,201	193,585	205,362	44,161
Maintenance of Plant	0	0	0	0	1,576	0	0
Transportation	116,346	0	124,222	240,568	168,503	309,847	69,279
<u>Operation of Non-Instructional Services</u>							
Community Services	466,970	0	34,036	501,006	0	553,605	52,599
<u>Capital Outlay</u>							
Regular Capital Outlay	2,512,110	(1,456,153)	5,285,912	6,341,869	8,551,486	10,060,217	3,718,348
Total Expenditures	\$ 14,988,321	\$ (2,136,977)	\$ 5,863,263	\$ 18,714,607	\$ 22,358,042	\$ 28,846,249	\$ 10,131,642
Excess (Deficiency) of Revenues Over Expenditures	\$ 270,784	\$ 2,136,977	\$ (5,863,263)	\$ (3,455,502)	\$ 69,366	\$ (129,514)	\$ (3,325,988)

(Continued)

Exhibit J-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 500,000	\$ 0
Transfers Out	(70,624)	0	0	(70,624)	(69,366)	(78,428)	7,804
Total Other Financing Sources	\$ 429,376	\$ 0	\$ 0	\$ 429,376	\$ (69,366)	\$ 421,572	\$ 7,804
Net Change in Fund Balance	\$ 700,160	\$ 2,136,977	\$ (5,863,263)	\$ (3,026,126)	\$ 0	\$ 292,058	\$ (3,318,184)
Fund Balance, July 1, 2022	1,314,642	(2,136,977)	0	(822,335)	0	207,942	(1,030,277)
Fund Balance, June 30, 2023	\$ 2,014,802	\$ 0	\$ (5,863,263)	\$ (3,848,461)	\$ 0	\$ 500,000	\$ (4,348,461)

Exhibit J-8

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,466,457	\$ 0	\$ 0	\$ 1,466,457	\$ 1,395,000	\$ 1,395,000	\$ 71,457
Other Local Revenues	229,532	0	0	229,532	18,000	18,000	211,532
State of Tennessee	56,151	0	0	56,151	62,000	62,000	(5,849)
Federal Government	6,826,811	0	0	6,826,811	3,811,012	4,124,455	2,702,356
Total Revenues	<u>\$ 8,578,951</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,578,951</u>	<u>\$ 5,286,012</u>	<u>\$ 5,599,455</u>	<u>\$ 2,979,496</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 7,093,972	\$ (22,115)	\$ 12,433	\$ 7,084,290	\$ 10,904,045	\$ 11,217,488	\$ 4,133,198
Total Expenditures	<u>\$ 7,093,972</u>	<u>\$ (22,115)</u>	<u>\$ 12,433</u>	<u>\$ 7,084,290</u>	<u>\$ 10,904,045</u>	<u>\$ 11,217,488</u>	<u>\$ 4,133,198</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,484,979</u>	<u>\$ 22,115</u>	<u>\$ (12,433)</u>	<u>\$ 1,494,661</u>	<u>\$ (5,618,033)</u>	<u>\$ (5,618,033)</u>	<u>\$ 7,112,694</u>
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (365,000)	\$ 0	\$ 0	\$ (365,000)	\$ (365,000)	\$ (365,000)	\$ 0
Total Other Financing Sources	<u>\$ (365,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (365,000)</u>	<u>\$ (365,000)</u>	<u>\$ (365,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,119,979	\$ 22,115	\$ (12,433)	\$ 1,129,661	\$ (5,983,033)	\$ (5,983,033)	\$ 7,112,694
Fund Balance, July 1, 2022	<u>7,597,875</u>	<u>(22,115)</u>	<u>0</u>	<u>7,575,760</u>	<u>7,505,308</u>	<u>7,505,308</u>	<u>70,452</u>
Fund Balance, June 30, 2023	<u><u>\$ 8,717,854</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (12,433)</u></u>	<u><u>\$ 8,705,421</u></u>	<u><u>\$ 1,522,275</u></u>	<u><u>\$ 1,522,275</u></u>	<u><u>\$ 7,183,146</u></u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Hamblen County, Tennessee
Schedule of Changes in Long-term Other Loans and Bonds
For the Year Ended June 30, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-22	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-23
<u>OTHER LOANS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Local Government Public Improvement Bonds, Series E-4-A - Refunding	\$ 10,100,000	Variable (1)	8-13-08	6-1-25	\$ 5,450,000	\$ 0	\$ 1,720,000	\$ 3,730,000
Qualified School Construction Bonds	11,280,000	1.515 %	12-17-09	7-1-26	2,951,061	0	703,854	2,247,207
Revolving Fund Loan Agreement with Appalachian Electric Cooperative	360,000	0	7-20-20	5-1-30	316,667	0	43,333	273,334
Total Other Loans Payable					<u>\$ 8,717,728</u>	<u>\$ 0</u>	<u>\$ 2,467,187</u>	<u>\$ 6,250,541</u>
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation Bonds, Series 2014	5,200,000	1.446	3-28-14	6-1-23	\$ 320,000	\$ 0	\$ 320,000	\$ 0
General Obligation Bonds, Series 2020A	19,995,000	2 to 5	1-31-20	6-1-49	19,895,000	0	740,000	19,155,000
General Obligation Bonds, Series 2021	9,405,000	2 to 4	12-17-21	6-1-51	9,405,000	0	0	9,405,000
General Obligation Bonds, Series 2022	91,025,000	4 to 5	5-13-22	6-1-52	91,025,000	0	800,000	90,225,000
Total Payable through General Debt Service Fund					<u>\$ 120,645,000</u>	<u>\$ 0</u>	<u>\$ 1,860,000</u>	<u>\$ 118,785,000</u>
<u>Payable through Special Debt Service Fund</u>								
General Obligation Bonds, Series 2023	4,275,000	4 to 5	2-10-23	2-10-37	\$ 0	\$ 4,275,000	\$ 0	\$ 4,275,000
Total Payable through Special Debt Service Fund					<u>\$ 0</u>	<u>\$ 4,275,000</u>	<u>\$ 0</u>	<u>\$ 4,275,000</u>
Total Bonds Payable					<u>\$ 120,645,000</u>	<u>\$ 4,275,000</u>	<u>\$ 1,860,000</u>	<u>\$ 123,060,000</u>

(1) This issue was swapped to a synthetic fixed rate by execution of a swap agreement in a prior year. The interest rate swap agreement associated with this loan was terminated during the year. A fee of \$185,253 was paid to the counterparty to terminate the agreement.

Exhibit K-2

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

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2024	\$ 2,558,854	\$ 338,723	\$ 6,881	\$ 2,904,458
2025	2,658,854	257,057	0	2,915,911
2026	813,140	170,892	0	984,032
2027	106,359	14,241	0	120,600
2028	40,000	0	0	40,000
2029	40,000	0	0	40,000
2030	33,334	0	0	33,334
Total	\$ 6,250,541	\$ 780,913	\$ 6,881	\$ 7,038,335

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 2,165,000	\$ 5,015,233	\$ 7,180,233
2025	2,270,000	4,907,983	7,177,983
2026	4,180,000	4,797,933	8,977,933
2027	4,625,000	4,592,383	9,217,383
2028	4,640,000	4,364,583	9,004,583
2029	4,655,000	4,136,033	8,791,033
2030	4,670,000	3,906,733	8,576,733
2031	4,680,000	3,679,683	8,359,683
2032	4,695,000	3,477,883	8,172,883
2033	4,700,000	3,278,932	7,978,932
2034	4,715,000	3,076,233	7,791,233
2035	4,730,000	2,872,014	7,602,014
2036	4,740,000	2,666,276	7,406,276
2037	4,755,000	2,463,589	7,218,589
2038	4,360,000	2,292,233	6,652,233
2039	4,360,000	2,136,676	6,496,676
2040	4,360,000	1,981,120	6,341,120
2041	4,360,000	1,824,645	6,184,645
2042	4,360,000	1,668,170	6,028,170
2043	4,360,000	1,511,350	5,871,350
2044	4,360,000	1,354,530	5,714,530
2045	4,360,000	1,197,710	5,557,710
2046	4,360,000	1,040,890	5,400,890
2047	4,360,000	882,979	5,242,979
2048	4,360,000	725,068	5,085,068
2049	4,360,000	567,156	4,927,156
2050	3,620,000	408,900	4,028,900
2051	3,620,000	270,050	3,890,050
2052	3,280,000	131,200	3,411,200
Total	\$ 123,060,000	\$ 71,228,168	\$ 194,288,168

Hamblen County, Tennessee
Schedule of Notes Receivable
Primary Government
June 30, 2023

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate		Balance 6-30-23
<u>PRIMARY GOVERNMENT</u>							
<u>Special Debt Service Fund</u>							
Payment of Bond Principal and Interest	Hamblen County-Morristown Solid Waste Disposal System	\$ 4,275,000	2-10-23	2-10-37	4 to 5	%	<u>\$ 4,275,000</u>
Total Notes Receivable Primary Government							<u><u>\$ 4,275,000</u></u>

Exhibit K-4

Hamblen County, TennesseeSchedule of TransfersPrimary Government and Discretely Presented Hamblen County School DepartmentFor the Year Ended June 30, 2023

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Other Capital Projects	Capital expenditures	\$ 650,000
"	Employee Insurance - General	Subsidize operations of employee health plan	665,218
Solid Waste/Sanitation	"	"	72,464
Other Special Revenue	General	Subsidize the purchase of the new health department building	343,750
Highway/Public Works	Employee Insurance - General	Subsidize operations of employee health plan	<u>89,591</u>
Total Transfers Primary Government			<u>\$ 1,821,023</u>
<u>DISCRETELY PRESENTED HAMBLEN COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 70,624
Central Cafeteria	"	"	365,000
General Purpose School	School Federal Projects	Cash flow	<u>500,000</u>
Total Transfers Discretely Presented Hamblen County School Department			<u>\$ 935,624</u>

Hamblen County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

Official	Authorization	Bond	Surety
County Mayor	Section 8-24-102, TCA	\$ (1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 115,121</u>		
Highway Superintendent	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 106,901</u>		
Director of Schools Interim - Hugh Clement (7/1/22-7/10/22)	State Board of Education and	(1)	Liberty Mutual Insurance Company
Base salary/Total compensation	<u>\$ 4,023</u>		
Director of Schools - Arnold Bunch, Jr. (7/1/22-6/30/23)	County Board of Education State Board of Education and	(1)	Liberty Mutual Insurance Company
Base salary	\$ 170,977		
Travel allowance	11,725		
403(b) Contribution	11,725		
Bonus	1,436		
Chief executive officer training supplement	<u>1,000</u>		
Total compensation	<u>\$ 196,863</u>		
Total director of schools compensation	<u>\$ 200,886</u>		
Trustee	Section 8-24-102, TCA	(2)	
Base salary/Total compensation	<u>\$ 97,183</u>		
Assessor of Property	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 97,183		
Travel supplement	<u>2,032</u>		
Total compensation	<u>\$ 99,215</u>		
County Clerk - Penny Petty (7/1/22-8/31/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 16,197</u>		
County Clerk - Peggy Henderson (9/1/22-6/30/23)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 80,986</u>		
Total county clerk compensation	<u>\$ 97,183</u>		
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 97,183</u>		
Clerk and Master	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 97,183		
Special commissioner fees	<u>27,229</u>		
Total compensation	<u>\$ 124,412</u>		
Register of Deeds	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 97,183</u>		
Sheriff - Esco Jarnagin (7/1/22-8/31/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 17,817		
Superintendent of workhouse	<u>456</u>		
Total compensation	<u>\$ 18,273</u>		
Sheriff - Chad Mullins (9/1/22-6/30/23)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 89,084		
Superintendent of workhouse	<u>2,282</u>		
Total compensation	<u>\$ 91,366</u>		
Total sheriff compensation	<u>\$ 109,639</u>		
Finance Director - Anne Bryant-Hurst (7/1/22-9/19/22)	County Commission	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 15,756</u>		
Finance Director - Amanda Hale (10/1/22-6/30/23)	County Commission	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 63,750</u>		
Total finance director compensation	<u>\$ 79,506</u>		
Employee Blanket Bonds:			
Employee Fidelity - County Departments		400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department		400,000	Liberty Mutual Insurance Company

(1) Official is under the employee fidelity insurance coverage.

(2) Official is under the employee fidelity insurance coverage through Tennessee Risk Management Trust and obtained a \$3,290,585 bond through The Cincinnati Insurance Company.

Exhibit K-6

Hamblen County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2023

	Special Revenue Funds					Constitu - tional Officers -
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Fees	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 10,514,636	\$ 1,291,935	\$ 0	\$ 0	\$ 0	
Discount on Property Taxes	486,612	0	0	0	0	
Trustee's Collections - Prior Year	223,181	33,998	0	0	0	
Trustee's Collections - Bankruptcy	4,469	1,112	0	0	0	
Circuit Clerk/Clerk and Master Collections - Prior Years	148,931	25,909	0	0	0	
Interest and Penalty	108,019	18,205	0	0	0	
Payments in-Lieu-of Taxes - T.V.A.	973	0	0	0	0	
Payments in-Lieu-of Taxes - Local Utilities	159,040	0	0	0	0	
Payments in-Lieu-of Taxes - Other	150,916	0	0	0	0	
<u>County Local Option Taxes</u>						
Local Option Sales Tax	9,333	1,672,756	0	0	0	
Hotel/Motel Tax	21,096	0	0	0	0	
Wheel Tax	1,742,973	0	0	0	0	
Litigation Tax - General	131,430	0	0	0	0	
Litigation Tax - Special Purpose	55,878	0	0	0	0	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	
Litigation Tax - Courthouse Security	120,136	0	0	0	0	
Business Tax	1,577,458	0	0	0	0	
Mineral Severance Tax	0	0	0	0	0	
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	
Wholesale Beer Tax	0	136,773	0	0	0	
Total Local Taxes	\$ 15,455,081	\$ 3,180,688	\$ 0	\$ 0	\$ 0	

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue		
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 5,054	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	324,052	0	0	0	0	0
<u>Permits</u>						
Beer Permits	0	1,852	0	0	0	0
Building Permits	177,267	0	0	0	0	0
Total Licenses and Permits	\$ 506,373	\$ 1,852	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 2,668	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	14,670	0	0	0	0	0
Drug Control Fines	16,676	0	2,194	0	0	0
Drug Court Fees	2,641	0	0	0	0	0
Jail Fees	90	0	0	0	0	0
DUI Treatment Fines	626	0	0	0	0	0
Data Entry Fee - Circuit Court	3,445	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	21,891	0	0	0	0	0
Fines for Littering	489	0	0	0	0	0
Officers Costs	46,457	0	0	0	0	0
Game and Fish Fines	70	0	0	0	0	0
Drug Control Fines	0	0	7,275	0	0	0
Drug Court Fees	9,605	0	0	0	0	0
Jail Fees	51,653	0	0	0	0	0
Interpreter Fee	24	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu -
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue		tional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 7,982	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - General Sessions Court	19,138	0	0	0	0	0
Courtroom Security Fee	368	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	1,912	0	0	0	0	0
Officers Costs	4,126	0	0	0	0	0
Drug Control Fines	3,978	0	0	0	0	0
Interpreter Fee	289	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,853	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	285	0	0	0	0	0
Data Entry Fee - Chancery Court	10,404	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	1,142	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	156,434	0	0	0
Other Fines, Forfeitures, and Penalties	47	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 222,529	\$ 0	\$ 165,903	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Patient Charges	\$ 11,364	\$ 0	\$ 0	\$ 0	\$ 0	0
Work Release Charges for Board	7,290	0	0	0	0	0
<u>Fees</u>						
Recreation Fees	189,904	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Constitu -
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	tional Officers - Fees
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Copy Fees	\$ 3,691	\$ 0	\$ 0	\$ 0	\$ 0
Telephone Commissions	33,665	0	0	0	0
Vending Machine Collections	56	0	0	0	0
Tourism Fees	47,200	0	0	0	0
Electronic Citation Fee	220	0	0	0	0
Additional Fees - Titling and Registration	83,517	0	0	0	0
Constitutional Officers' Fees and Commissions	80	0	0	0	1,160
Special Commissioner Fees/Special Master Fees	0	0	0	0	27,229
Data Processing Fee - Register	17,940	0	0	0	0
Probation Fees	3,044	0	0	0	0
Data Processing Fee - Sheriff	9,941	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,450	0	0	0	0
Data Processing Fee - County Clerk	9,438	0	0	0	0
Vehicle Registration Reinstatement Fees	9,880	0	0	0	0
<u>Education Charges</u>					
Community Service Fees - Adults	8,488	0	0	0	0
Total Charges for Current Services	\$ 442,168	\$ 0	\$ 0	\$ 0	\$ 28,389
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 1,422	\$ 0	\$ 8,404	\$ 61,147	\$ 0
Lease/Rentals	81,043	0	0	0	0
Sale of Materials and Supplies	0	13,550	0	0	0
Commissary Sales	15,360	0	0	0	0
Miscellaneous Refunds	208,797	0	122	1,406	0
Expenditure Credits	2,755	55	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu -
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue		tional Officers - Fees
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Sale of Equipment	\$ 33,165	\$ 0	\$ 0	\$ 0	\$ 0	0
Sale of Property	1,137,383	0	0	0	0	0
Damages Recovered from Individuals	0	0	6,149	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	5,309	0	0	0	0	0
Total Other Local Revenues	\$ 1,485,234	\$ 13,605	\$ 14,675	\$ 62,553	\$ 0	0
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 956,391	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	284,566	0	0	0	0	0
General Sessions Court Clerk	651,963	0	0	0	0	0
Clerk and Master	321,135	0	0	0	0	0
Juvenile Court Clerk	43,639	0	0	0	0	0
Register	325,653	0	0	0	0	0
Sheriff	20,059	0	0	0	0	0
Trustee	1,236,426	0	0	0	0	0
Total Fees Received From County Officials	\$ 3,839,832	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Solid Waste Grants	89,848	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	28,800	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu -
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue		tional Officers - Fees
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Health Department Programs	\$ 537,606	\$ 0	\$ 0	\$ 0	\$	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0		0
Litter Program	12,675	0	0	0		0
<u>Other State Revenues</u>						
Beer Tax	0	19,200	0	0		0
Vehicle Certificate of Title Fees	15,201	0	0	0		0
Alcoholic Beverage Tax	117,910	0	0	0		0
Opioid Settlement Funds - TN Abatement Council	0	0	0	291,339		0
State Revenue Sharing - T.V.A.	812,173	0	0	0		0
State Revenue Sharing - Telecommunications	57,631	0	0	0		0
State Shared Sports Gaming Privilege Tax	56,182	0	0	0		0
Contracted Prisoner Boarding	814,776	0	0	0		0
Gasoline and Motor Fuel Tax	0	0	0	0		0
Petroleum Special Tax	0	0	0	0		0
Registrar's Salary Supplement	15,164	0	0	0		0
Other State Grants	182,479	0	0	0		0
Other State Revenues	421,550	0	0	0		0
Total State of Tennessee	\$ 3,170,995	\$ 19,200	\$ 0	\$ 291,339	\$	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 22,000	\$ 0	\$ 0	\$ 0	\$	0
Homeland Security Grants	19,417	0	0	0		0
Other Federal through State	10,729	0	0	0		0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	\$ 72,263	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 124,409	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 254,104	\$ 0	\$ 7,599	\$ 0	\$ 0
Contracted Services	25,171	0	0	0	0
<u>Citizens Groups</u>					
Donations	356	0	0	0	0
<u>Other</u>					
Other	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	0	0	0	437,586	0
Total Other Governments and Citizens Groups	\$ 279,631	\$ 0	\$ 7,599	\$ 437,586	\$ 0
Total	\$ 25,526,252	\$ 3,215,345	\$ 188,177	\$ 791,478	\$ 28,389

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 6,904,107	\$ 0	\$ 0	\$ 0	\$ 0
Discount on Property Taxes	0	0	0	0	0	0
Trustee's Collections - Prior Year	0	179,700	0	0	0	0
Trustee's Collections - Bankruptcy	0	2,789	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	0	103,291	0	0	0	0
Interest and Penalty	0	74,248	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	624	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	102,070	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	32,462	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	86,000	63,000	0	0	250,000	0
Hotel/Motel Tax	0	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	111,967	0	0	0	0
Litigation Tax - Courthouse Security	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mineral Severance Tax	69,217	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	36,050	0	0	0	0
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 155,217	\$ 7,610,308	\$ 0	\$ 0	\$ 250,000	\$ 0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	0	0	0	0	0	0
<u>Permits</u>						
Beer Permits	0	0	0	0	0	0
Building Permits	0	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	2,088	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	43,189	0	0	0	0
Interpreter Fee	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Interpreter Fee	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	0	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	0
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 45,277	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Work Release Charges for Board	0	0	0	0	0	0
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Copy Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Telephone Commissions	0	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	0
Tourism Fees	0	0	0	0	0	0
Electronic Citation Fee	0	0	0	0	0	0
Additional Fees - Titling and Registration	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Probation Fees	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0	0
<u>Education Charges</u>						
Community Service Fees - Adults	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 1,544,927	\$ 50,699	\$ 0	\$ 0	\$ 90,328
Lease/Rentals	0	0	0	0	0	0
Sale of Materials and Supplies	50	0	0	0	0	0
Commissary Sales	0	0	0	0	0	0
Miscellaneous Refunds	84	0	0	0	0	0
Expenditure Credits	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Sale of Equipment	\$ 807	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Property	0	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	0	500,000	0	0	0	0
Total Other Local Revenues	\$ 941	\$ 2,044,927	\$ 50,699	\$ 0	\$ 0	\$ 90,328
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Works Grants</u>						
State Aid Program	264,006	0	0	0	0	0
Litter Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Beer Tax	0	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	200,000	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	2,385,904	0	0	0	0	0
Petroleum Special Tax	42,736	0	0	0	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 2,892,646	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	0	0	0	0	0	0
Other Federal through State	0	0	0	60,374	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds		Capital Projects Funds		
	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects	Highway Capital Projects	Other General Government Capital Projects
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 377,994
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 60,374	\$ 0	\$ 377,994
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	0	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	0
<u>Other</u>						
Other	0	0	57,412	0	0	0
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 57,412	\$ 0	\$ 0	\$ 0
Total	\$ 3,048,804	\$ 9,700,512	\$ 108,111	\$ 60,374	\$ 250,000	\$ 468,322

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	Other Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 18,710,678
Discount on Property Taxes	0	486,612
Trustee's Collections - Prior Year	0	436,879
Trustee's Collections - Bankruptcy	0	8,370
Circuit Clerk/Clerk and Master Collections - Prior Years	0	278,131
Interest and Penalty	0	200,472
Payments in-Lieu-of Taxes - T.V.A.	0	1,597
Payments in-Lieu-of Taxes - Local Utilities	0	261,110
Payments in-Lieu-of Taxes - Other	0	183,378
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	2,081,089
Hotel/Motel Tax	0	21,096
Wheel Tax	0	1,742,973
Litigation Tax - General	0	131,430
Litigation Tax - Special Purpose	0	55,878
Litigation Tax - Jail, Workhouse, or Courthouse	0	111,967
Litigation Tax - Courthouse Security	0	120,136
Business Tax	0	1,577,458
Mineral Severance Tax	0	69,217
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	36,050
Wholesale Beer Tax	0	136,773
Total Local Taxes	\$ 0	\$ 26,651,294

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<hr/>				
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$	0	\$	5,054
Cable TV Franchise		0		324,052
<u>Permits</u>				
Beer Permits		0		1,852
Building Permits		0		177,267
Total Licenses and Permits	\$	0	\$	508,225
<hr/>				
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$	0	\$	2,668
Officers Costs		0		14,670
Drug Control Fines		0		18,870
Drug Court Fees		0		2,641
Jail Fees		0		2,178
DUI Treatment Fines		0		626
Data Entry Fee - Circuit Court		0		3,445
<u>General Sessions Court</u>				
Fines		0		21,891
Fines for Littering		0		489
Officers Costs		0		46,457
Game and Fish Fines		0		70
Drug Control Fines		0		7,275
Drug Court Fees		0		9,605
Jail Fees		0		94,842
Interpreter Fee		0		24

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<hr/>				
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>General Sessions Court (Cont.)</u>				
DUI Treatment Fines	\$	0	\$	7,982
Data Entry Fee - General Sessions Court		0		19,138
Courtroom Security Fee		0		368
<u>Juvenile Court</u>				
Fines		0		1,912
Officers Costs		0		4,126
Drug Control Fines		0		3,978
Interpreter Fee		0		289
Data Entry Fee - Juvenile Court		0		1,853
<u>Chancery Court</u>				
Officers Costs		0		285
Data Entry Fee - Chancery Court		0		10,404
<u>Other Courts - In-county</u>				
Drug Court Fees		0		1,142
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property		0		156,434
Other Fines, Forfeitures, and Penalties		0		47
Total Fines, Forfeitures, and Penalties	\$	0	\$	433,709
<hr/>				
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Patient Charges	\$	0	\$	11,364
Work Release Charges for Board		0		7,290
<u>Fees</u>				
Recreation Fees		0		189,904

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<hr/>				
<u>Charges for Current Services (Cont.)</u>				
<u>Fees (Cont.)</u>				
Copy Fees	\$	0	\$	3,691
Telephone Commissions		0		33,665
Vending Machine Collections		0		56
Tourism Fees		0		47,200
Electronic Citation Fee		0		220
Additional Fees - Titling and Registration		0		83,517
Constitutional Officers' Fees and Commissions		0		1,240
Special Commissioner Fees/Special Master Fees		0		27,229
Data Processing Fee - Register		0		17,940
Probation Fees		0		3,044
Data Processing Fee - Sheriff		0		9,941
Sexual Offender Registration Fee - Sheriff		0		6,450
Data Processing Fee - County Clerk		0		9,438
Vehicle Registration Reinstatement Fees		0		9,880
<u>Education Charges</u>				
Community Service Fees - Adults		0		8,488
Total Charges for Current Services	\$	0	\$	470,557
<hr/>				
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$	2,287,160	\$	4,044,087
Lease/Rentals		0		81,043
Sale of Materials and Supplies		0		13,600
Commissary Sales		0		15,360
Miscellaneous Refunds		0		210,409
Expenditure Credits		0		2,810

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<hr/>				
<u>Other Local Revenues (Cont.)</u>				
<u>Nonrecurring Items</u>				
Sale of Equipment	\$	0	\$	33,972
Sale of Property		0		1,137,383
Damages Recovered from Individuals		0		6,149
<u>Other Local Revenues</u>				
Other Local Revenues		0		505,309
Total Other Local Revenues	\$	2,287,160	\$	6,050,122
<hr/>				
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$	0	\$	956,391
Circuit Court Clerk		0		284,566
General Sessions Court Clerk		0		651,963
Clerk and Master		0		321,135
Juvenile Court Clerk		0		43,639
Register		0		325,653
Sheriff		0		20,059
Trustee		0		1,236,426
Total Fees Received From County Officials	\$	0	\$	3,839,832
<hr/>				
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$	0	\$	9,000
Solid Waste Grants		0		89,848
<u>Public Safety Grants</u>				
Law Enforcement Training Programs		0		28,800

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<u>State of Tennessee (Cont.)</u>				
<u>Health and Welfare Grants</u>				
Health Department Programs	\$	0	\$	537,606
<u>Public Works Grants</u>				
State Aid Program		0		264,006
Litter Program		0		12,675
<u>Other State Revenues</u>				
Beer Tax		0		19,200
Vehicle Certificate of Title Fees		0		15,201
Alcoholic Beverage Tax		0		117,910
Opioid Settlement Funds - TN Abatement Council		0		291,339
State Revenue Sharing - T.V.A.		0		1,012,173
State Revenue Sharing - Telecommunications		0		57,631
State Shared Sports Gaming Privilege Tax		0		56,182
Contracted Prisoner Boarding		0		814,776
Gasoline and Motor Fuel Tax		0		2,385,904
Petroleum Special Tax		0		42,736
Registrar's Salary Supplement		0		15,164
Other State Grants		0		182,479
Other State Revenues		0		421,550
Total State of Tennessee	\$	0	\$	6,374,180
<u>Federal Government</u>				
<u>Federal Through State</u>				
Civil Defense Reimbursement	\$	0	\$	22,000
Homeland Security Grants		0		19,417
Other Federal through State		0		71,103

(Continued)

Exhibit K-6

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

	Capital Projects Fund		Other Capital Projects	Total
<hr/>				
<u>Federal Government (Cont.)</u>				
<u>Direct Federal Revenue</u>				
Other Direct Federal Revenue	\$	0	\$	450,257
Total Federal Government	\$	0	\$	562,777
<hr/>				
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$	0	\$	261,703
Contracted Services		0		25,171
<u>Citizens Groups</u>				
Donations		0		356
<u>Other</u>				
Other		0		57,412
Opioid Settlement Funds - Past Remediation		0		437,586
Total Other Governments and Citizens Groups	\$	0	\$	782,228
<hr/>				
Total	\$	2,287,160	\$	45,672,924

Exhibit K-7

Hamblen County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 10,358,658	\$ 0	\$ 0	\$ 0	\$ 10,358,658	
Trustee's Collections - Prior Year	257,717	0	0	0	257,717	
Trustee's Collections - Bankruptcy	5,066	0	0	0	5,066	
Circuit Clerk/Clerk and Master Collections - Prior Years	185,964	0	0	0	185,964	
Interest and Penalty	135,455	0	0	0	135,455	
Payments in-Lieu-of Taxes - T.V.A.	958	0	0	0	958	
Payments in-Lieu-of Taxes - Local Utilities	156,666	0	0	0	156,666	
Payments in-Lieu-of Taxes - Other	49,825	0	0	0	49,825	
<u>County Local Option Taxes</u>						
Local Option Sales Tax	20,294,195	0	0	0	20,294,195	
Mixed Drink Tax	96,728	0	0	0	96,728	
<u>Statutory Local Taxes</u>						
Bank Excise Tax	144,199	0	0	0	144,199	
Total Local Taxes	\$ 31,685,431	\$ 0	\$ 0	\$ 0	\$ 31,685,431	
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 248,440	\$ 0	\$ 0	\$ 0	\$ 248,440	
Tuition - Other	364,581	0	0	0	364,581	
Lunch Payments - Children	0	0	1,257,499	0	1,257,499	
Lunch Payments - Adults	0	0	112,955	0	112,955	
A la Carte Sales	0	0	50,476	0	50,476	
Receipts from Individual Schools	258,765	0	0	0	258,765	
Other Charges for Services	205,320	0	45,527	0	250,847	
Total Charges for Current Services	\$ 1,077,106	\$ 0	\$ 1,466,457	\$ 0	\$ 2,543,563	

(Continued)

Exhibit K-7

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 73,493	\$ 0	\$ 225,463	\$ 0	\$ 298,956
Lease/Rentals	1,600	0	0	0	1,600
Sale of Materials and Supplies	1,920	0	0	0	1,920
Miscellaneous Refunds	39,822	0	0	0	39,822
<u>Nonrecurring Items</u>					
Sale of Equipment	1,973	0	0	0	1,973
Damages Recovered from Individuals	312	0	0	0	312
Contributions and Gifts	295,169	0	4,069	0	299,238
<u>Other Local Revenues</u>					
Other Local Revenues	1,082	0	0	2,987,772	2,988,854
Total Other Local Revenues	\$ 415,371	\$ 0	\$ 229,532	\$ 2,987,772	\$ 3,632,675
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 583,066	\$ 0	\$ 0	\$ 0	\$ 583,066
<u>State Education Funds</u>					
Basic Education Program	59,130,576	0	0	0	59,130,576
Early Childhood Education	743,287	0	0	0	743,287
School Food Service	0	0	56,151	0	56,151
Other State Education Funds	31,414	0	0	0	31,414
Career Ladder Program	89,418	0	0	0	89,418
<u>Other State Revenues</u>					
Other State Grants	311,583	0	0	0	311,583
Safe Schools	191,528	0	0	0	191,528
Total State of Tennessee	\$ 61,080,872	\$ 0	\$ 56,151	\$ 0	\$ 61,137,023

(Continued)

Exhibit K-7

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 4,293,077	\$ 0	\$ 4,293,077
USDA - Commodities	0	0	551,818	0	551,818
Breakfast	0	0	1,383,621	0	1,383,621
USDA - Other	0	0	598,295	0	598,295
Vocational Education - Basic Grants to States	0	254,678	0	0	254,678
Title I Grants to Local Education Agencies	0	2,858,703	0	0	2,858,703
Special Education - Grants to States	61,318	2,481,313	0	0	2,542,631
Special Education Preschool Grants	0	77,652	0	0	77,652
English Language Acquisition Grants	0	201,020	0	0	201,020
Education for Homeless Children and Youth	0	67,814	0	0	67,814
Eisenhower Professional Development State Grants	0	290,234	0	0	290,234
COVID-19 Grant B	0	2,805,816	0	0	2,805,816
COVID-19 Grant D	0	113,000	0	0	113,000
COVID-19 Grant E	0	750,047	0	0	750,047
American Rescue Plan Act Grant #1	0	4,327,154	0	0	4,327,154
American Rescue Plan Act Grant #2	0	215,553	0	0	215,553
American Rescue Plan Act Grant #3	0	10,689	0	0	10,689
American Rescue Plan Act Grant #4	0	50,764	0	0	50,764
Other Federal through State	68,050	754,668	0	0	822,718
Total Federal Government	\$ 129,368	\$ 15,259,105	\$ 6,826,811	\$ 0	\$ 22,215,284
Total	\$ 94,388,148	\$ 15,259,105	\$ 8,578,951	\$ 2,987,772	\$ 121,213,976

Exhibit K-8

Hamblen County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2023

General FundGeneral GovernmentCounty Commission

Part-time Personnel	\$	575	
Board and Committee Members Fees		85,650	
Social Security		36	
Pensions		2,818	
Life Insurance		353	
Medical Insurance		47,403	
Employer Medicare		1,173	
Audit Services		27,090	
Contracts with Private Agencies		200	
Dues and Memberships		5,702	
Pauper Burials		1,000	
Travel		2,665	
Other Contracted Services		6,000	
Office Supplies		450	
Other Charges		8,964	
Total County Commission			\$ 190,079

Board of Equalization

Board and Committee Members Fees	\$	1,110	
Total Board of Equalization			1,110

County Mayor/Executive

County Official/Administrative Officer	\$	115,121	
Assistant(s)		43,183	
Longevity Pay		300	
Social Security		9,314	
Pensions		11,102	
Life Insurance		50	
Medical Insurance		22,226	
Employer Medicare		2,178	
Communication		1,834	
Dues and Memberships		1,940	
Postal Charges		4,201	
Rentals		6,560	
Travel		4,043	
Office Supplies		1,354	
Other Charges		17,718	
Total County Mayor/Executive			241,124

County Attorney

Other Salaries and Wages	\$	1,200	
Social Security		74	
Employer Medicare		18	
Legal Services		20,809	
Total County Attorney			22,101

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	87,465	
Assistant(s)		36,794	
Deputy(ies)		30,712	
Longevity Pay		975	
Overtime Pay		1,262	
Election Commission		14,200	
Election Workers		50,551	
Social Security		10,977	
Pensions		10,916	
Life Insurance		76	
Medical Insurance		23,615	
Employer Medicare		2,568	
Communication		175	
Contracts with Private Agencies		22,370	
Legal Notices, Recording, and Court Costs		12,786	
Maintenance Agreements		23,981	
Postal Charges		3,336	
Printing, Stationery, and Forms		1,025	
Rentals		979	
Travel		1,742	
Office Supplies		9,261	
Office Equipment		10,918	
Total Election Commission			\$ 356,684

Register of Deeds

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		144,699	
Part-time Personnel		29,439	
Longevity Pay		5,100	
Social Security		16,650	
Pensions		17,289	
Life Insurance		126	
Medical Insurance		36,117	
Employer Medicare		3,894	
Communication		17	
Dues and Memberships		1,103	
Postal Charges		735	
Travel		45	
Office Supplies		4,427	
Data Processing Equipment		18,556	
Total Register of Deeds			375,380

Planning

County Official/Administrative Officer	\$	50,138	
Deputy(ies)		49,641	
Secretary(ies)		34,377	
Part-time Personnel		14,722	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

Longevity Pay	\$	2,550	
Board and Committee Members Fees		17,250	
Social Security		10,047	
Pensions		10,719	
Life Insurance		88	
Medical Insurance		32,988	
Employer Medicare		2,350	
Communication		2,065	
Contracts with Private Agencies		16,700	
Dues and Memberships		130	
Legal Services		3,495	
Legal Notices, Recording, and Court Costs		962	
Maintenance and Repair Services - Vehicles		1,903	
Postal Charges		473	
Printing, Stationery, and Forms		775	
Rentals		760	
Gasoline		1,319	
Office Supplies		4,572	
Refunds		75	
In Service/Staff Development		250	
Data Processing Equipment		290	
Total Planning			\$ 258,639

Codes Compliance

Deputy(ies)	\$	44,610	
Longevity Pay		225	
Social Security		2,756	
Pensions		3,138	
Life Insurance		25	
Medical Insurance		6,251	
Employer Medicare		645	
Legal Services		2,142	
Uniforms		174	
Total Codes Compliance			59,966

Geographical Information Systems

Deputy(ies)	\$	38,000	
Social Security		2,180	
Pensions		2,660	
Life Insurance		25	
Medical Insurance		9,714	
Employer Medicare		510	
Contracts with Government Agencies		30,072	
Office Supplies		481	
Data Processing Equipment		350	
Total Geographical Information Systems			83,992

(Continued)

Exhibit K-8

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

General Fund (Cont.)General Government (Cont.)Other Facilities

Supervisor/Director	\$	45,908	
Custodial Personnel		91,022	
Maintenance Personnel		78,286	
Part-time Personnel		19,256	
Longevity Pay		6,450	
Overtime Pay		10,339	
Social Security		14,744	
Pensions		16,095	
Life Insurance		151	
Medical Insurance		60,949	
Employer Medicare		3,448	
Communication		30,567	
Maintenance Agreements		35,955	
Maintenance and Repair Services - Buildings		41,263	
Maintenance and Repair Services - Equipment		2,080	
Maintenance and Repair Services - Vehicles		2,391	
Pest Control		4,135	
Other Contracted Services		601	
Custodial Supplies		28,289	
Electricity		314,822	
Gasoline		5,207	
Natural Gas		31,349	
Uniforms		2,975	
Maintenance Equipment		1,579	
Total Other Facilities			\$ 847,861

Preservation of Records

Supervisor/Director	\$	14,880	
Social Security		923	
Employer Medicare		216	
Postal Charges		7	
Rentals		718	
Office Supplies		10,386	
Total Preservation of Records			27,130

FinanceAccounting and Budgeting

County Official/Administrative Officer	\$	79,506	
Accountants/Bookkeepers		215,673	
Longevity Pay		2,475	
Social Security		17,412	
Pensions		20,836	
Life Insurance		159	
Medical Insurance		61,517	
Employer Medicare		4,072	
Advertising		2,186	
Contracts with Private Agencies		175	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Dues and Memberships	\$	1,256	
Maintenance Agreements		16,343	
Printing, Stationery, and Forms		3,530	
Office Supplies		5,766	
In Service/Staff Development		3,284	
Total Accounting and Budgeting			\$ 434,190

Property Assessor's Office

County Official/Administrative Officer	\$	99,215	
Deputy(ies)		115,647	
Data Processing Personnel		44,109	
Longevity Pay		5,550	
Social Security		15,779	
Pensions		18,516	
Life Insurance		126	
Medical Insurance		39,580	
Employer Medicare		3,690	
Communication		35	
Contracts with Government Agencies		16,941	
Dues and Memberships		1,350	
Maintenance and Repair Services - Vehicles		2,027	
Postal Charges		2,359	
Data Processing Supplies		112	
Gasoline		2,981	
Office Supplies		1,457	
Total Property Assessor's Office			369,474

Reappraisal Program

Deputy(ies)	\$	31,769	
Longevity Pay		1,725	
Social Security		1,889	
Pensions		2,345	
Life Insurance		25	
Medical Insurance		11,113	
Employer Medicare		442	
Contracts with Government Agencies		5,975	
Contracts with Private Agencies		66,360	
Legal Services		50	
Rentals		726	
Other Contracted Services		2,551	
Office Supplies		1,690	
Total Reappraisal Program			126,660

County Trustee's Office

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		136,203	
Part-time Personnel		14,660	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Finance (Cont.)County Trustee's Office (Cont.)

Longevity Pay	\$	1,275	
Social Security		14,292	
Pensions		16,426	
Life Insurance		126	
Medical Insurance		44,626	
Employer Medicare		3,466	
Dues and Memberships		953	
Legal Notices, Recording, and Court Costs		730	
Maintenance Agreements		15,199	
Postal Charges		11,119	
Printing, Stationery, and Forms		10,207	
Rentals		774	
Travel		2,374	
Office Supplies		2,023	
Premiums on Corporate Surety Bonds		14,109	
Office Equipment		4,287	
Total County Trustee's Office			\$ 390,032

County Clerk's Office

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		306,031	
Longevity Pay		6,750	
Social Security		24,724	
Pensions		28,570	
Life Insurance		261	
Medical Insurance		63,176	
Employer Medicare		5,783	
Communication		858	
Dues and Memberships		1,403	
Maintenance Agreements		22,772	
Maintenance and Repair Services - Office Equipment		275	
Postal Charges		38,973	
Printing, Stationery, and Forms		2,199	
Rentals		892	
Travel		3,467	
Office Supplies		7,034	
Data Processing Equipment		5,981	
Total County Clerk's Office			616,332

Data Processing

Supervisor/Director	\$	48,265	
Longevity Pay		1,275	
Social Security		2,743	
Pensions		3,468	
Life Insurance		25	
Medical Insurance		16,091	
Employer Medicare		641	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Finance (Cont.)Data Processing (Cont.)

Communication	\$	319	
Contracts with Private Agencies		18,754	
Data Processing Services		32,620	
Maintenance Agreements		6,510	
In Service/Staff Development		1,590	
Data Processing Equipment		22,011	
Total Data Processing			\$ 154,312

Other Finance

Deputy(ies)	\$	188,799	
Longevity Pay		5,625	
Social Security		11,603	
Pensions		13,479	
Life Insurance		142	
Medical Insurance		44,741	
Employer Medicare		2,713	
Communication		1,701	
Data Processing Services		1,417	
Lease Payments		27,534	
Maintenance and Repair Services - Buildings		339	
Rentals		838	
Electricity		10,141	
Office Supplies		3,337	
Total Other Finance			312,409

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		435,858	
Part-time Personnel		58,471	
Longevity Pay		11,250	
Overtime Pay		1,406	
Jury and Witness Expense		15,316	
Social Security		35,971	
Pensions		38,199	
Life Insurance		350	
Medical Insurance		119,175	
Employer Medicare		8,413	
Communication		859	
Dues and Memberships		1,338	
Legal Notices, Recording, and Court Costs		376	
Maintenance Agreements		52,293	
Postal Charges		5,817	
Printing, Stationery, and Forms		6,521	
Rentals		5,402	
Travel		952	
Other Contracted Services		2,265	
Office Supplies		11,045	
Total Circuit Court			908,460

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Judge(s)	\$	368,616	
Other Salaries and Wages		99,909	
Social Security		26,674	
Pensions		31,590	
Life Insurance		105	
Medical Insurance		42,368	
Employer Medicare		6,639	
Communication		33	
Dues and Memberships		2,119	
Rentals		704	
Travel		5,778	
Other Contracted Services		6,109	
Office Supplies		1,638	
In Service/Staff Development		1,530	
Data Processing Equipment		426	
Total General Sessions Court			\$ 594,238

Drug Court

Supervisor/Director	\$	41,637	
Deputy(ies)		40,554	
Longevity Pay		825	
Social Security		4,988	
Pensions		5,838	
Life Insurance		49	
Medical Insurance		16,438	
Employer Medicare		1,166	
Communication		3,303	
Dues and Memberships		270	
Evaluation and Testing		12,225	
Printing, Stationery, and Forms		90	
Rentals		782	
Travel		3,322	
Drug Treatment		1,708	
Gasoline		381	
Office Supplies		1,145	
Other Supplies and Materials		1,834	
In Service/Staff Development		4,004	
Total Drug Court			140,559

Chancery Court

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		146,099	
Part-time Personnel		8,857	
Longevity Pay		4,800	
Jury and Witness Expense		960	
Social Security		15,139	
Pensions		17,366	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Administration of Justice (Cont.)Chancery Court (Cont.)

Life Insurance	\$	127	
Medical Insurance		46,535	
Employer Medicare		3,541	
Advertising		7,879	
Communication		344	
Dues and Memberships		1,283	
Maintenance Agreements		23,397	
Maintenance and Repair Services - Buildings		460	
Postal Charges		6,954	
Printing, Stationery, and Forms		444	
Rentals		1,066	
Travel		919	
Office Supplies		3,062	
In Service/Staff Development		500	
Total Chancery Court			\$ 386,915

Juvenile Court

Assistant(s)	\$	32,200	
Supervisor/Director		57,933	
Probation Officer(s)		36,706	
Social Workers		31,185	
Educational Assistants		34,125	
Attendants		14,530	
Longevity Pay		2,025	
Social Security		12,283	
Pensions		13,592	
Life Insurance		118	
Medical Insurance		46,005	
Employer Medicare		2,873	
Communication		1,395	
Contracts with Government Agencies		37,020	
Dues and Memberships		100	
Evaluation and Testing		1,320	
Postal Charges		338	
Rentals		1,079	
Travel		623	
Other Contracted Services		9,201	
Food Supplies		1,245	
Gasoline		510	
Office Supplies		8,164	
In Service/Staff Development		1,866	
Total Juvenile Court			346,436

Courtroom Security

Deputy(ies)	\$	279,535
Lieutenant(s)		50,643
Sergeant(s)		46,179

(Continued)

Exhibit K-8

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

General Fund (Cont.)Administration of Justice (Cont.)Courtroom Security (Cont.)

Salary Supplements	\$	3,900	
Part-time Personnel		126,704	
Longevity Pay		3,450	
Overtime Pay		87,421	
Social Security		34,122	
Pensions		39,105	
Life Insurance		236	
Medical Insurance		107,891	
Employer Medicare		8,305	
Evaluation and Testing		1,550	
Maintenance Agreements		3,200	
Travel		1,009	
Uniforms		11,553	
In Service/Staff Development		11,140	
Law Enforcement Equipment		7,691	
Total Courtroom Security			\$ 823,634

Public SafetySheriff's Department

County Official/Administrative Officer	\$	109,639
Supervisor/Director		76,305
Deputy(ies)		730,774
Captain(s)		53,923
Lieutenant(s)		333,053
Sergeant(s)		476,059
Salary Supplements		27,900
Clerical Personnel		178,408
Longevity Pay		34,650
Overtime Pay		149,157
Social Security		128,596
Pensions		212,426
Life Insurance		1,017
Medical Insurance		386,844
Employer Medicare		30,074
Advertising		92
Communication		37,418
Dues and Memberships		2,642
Maintenance Agreements		84,563
Maintenance and Repair Services - Equipment		4,002
Maintenance and Repair Services - Vehicles		52,917
Postal Charges		2,438
Printing, Stationery, and Forms		3,766
Rentals		3,378
Towing Services		1,595
Travel		30,210
Other Contracted Services		4,941
Gasoline		139,298

(Continued)

Exhibit K-8

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

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

Law Enforcement Supplies	\$	12,432	
Lubricants		2,914	
Office Supplies		10,644	
Tires and Tubes		6,308	
Uniforms		6,849	
Other Supplies and Materials		1,695	
In Service/Staff Development		21,854	
Other Charges		7,520	
Data Processing Equipment		8,732	
Law Enforcement Equipment		31,839	
Total Sheriff's Department			\$ 3,406,872

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$	2,300	
Travel		646	
Office Supplies		869	
In Service/Staff Development		630	
Other Equipment		243	
Total Administration of the Sexual Offender Registry			4,688

Jail

Captain(s)	\$	59,609	
Lieutenant(s)		94,001	
Sergeant(s)		233,624	
Guards		1,349,124	
Cafeteria Personnel		106,510	
Longevity Pay		17,925	
Overtime Pay		110,949	
Social Security		117,557	
Pensions		138,878	
Life Insurance		1,167	
Medical Insurance		402,787	
Employer Medicare		27,493	
Evaluation and Testing		6,700	
Maintenance Agreements		49,678	
Maintenance and Repair Services - Buildings		55,577	
Maintenance and Repair Services - Equipment		12,196	
Medical and Dental Services		887,602	
Rentals		1,750	
Travel		3,340	
Custodial Supplies		90,656	
Drugs and Medical Supplies		554	
Food Supplies		340,541	
Office Supplies		10,259	
Prisoners Clothing		15,411	
Uniforms		9,662	
In Service/Staff Development		3,135	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

Other Charges	\$	21,957	
Food Service Equipment		8,660	
Law Enforcement Equipment		15,792	
Other Equipment		13,130	
Total Jail			\$ 4,206,224

Workhouse

Guards	\$	73,777	
Longevity Pay		1,575	
Social Security		4,494	
Pensions		5,275	
Life Insurance		50	
Medical Insurance		17,364	
Employer Medicare		1,051	
Total Workhouse			103,586

Work Release Program

Supervisor/Director	\$	48,321	
Laborers		51,031	
Secretary(ies)		35,989	
Longevity Pay		6,000	
Other Salaries and Wages		1,056	
Social Security		8,330	
Pensions		9,968	
Life Insurance		101	
Medical Insurance		28,593	
Employer Medicare		1,948	
Communication		1,056	
Maintenance and Repair Services - Vehicles		2,575	
Postal Charges		12	
Printing, Stationery, and Forms		738	
Other Contracted Services		98,047	
Gasoline		3,383	
Office Supplies		604	
Other Supplies and Materials		363	
Total Work Release Program			298,115

Fire Prevention and Control

Contributions	\$	300,000	
Total Fire Prevention and Control			300,000

Civil Defense

Supervisor/Director	\$	54,488	
Part-time Personnel		16,918	
Longevity Pay		825	
Social Security		4,384	
Pensions		4,902	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Public Safety (Cont.)Civil Defense (Cont.)

Life Insurance	\$	38	
Medical Insurance		11,808	
Employer Medicare		1,026	
Communication		706	
Evaluation and Testing		294	
Maintenance and Repair Services - Vehicles		2,611	
Postal Charges		29	
Travel		677	
Gasoline		4,458	
Office Supplies		1,049	
Uniforms		475	
Liability Insurance		2,400	
Other Charges		1,824	
Total Civil Defense			\$ 108,912

Other Emergency Management

Contributions	\$	187,789	
Total Other Emergency Management			187,789

Inspection and Regulation

Board and Committee Members Fees	\$	5,400	
Social Security		335	
Employer Medicare		78	
Total Inspection and Regulation			5,813

County Coroner/Medical Examiner

Communication	\$	2,307	
Contracts with Private Agencies		119,049	
Other Contracted Services		65,785	
Drugs and Medical Supplies		2,301	
Office Supplies		2,779	
Total County Coroner/Medical Examiner			192,221

Other Public Safety

Other Equipment	\$	24,246	
Total Other Public Safety			24,246

Public Health and WelfareLocal Health Center

Clerical Personnel	\$	409,833	
Longevity Pay		10,275	
Social Security		23,884	
Pensions		28,520	
Life Insurance		286	
Medical Insurance		105,100	
Employer Medicare		5,586	
Communication		2,995	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

Janitorial Services	\$	18,000	
Maintenance and Repair Services - Buildings		345	
Pest Control		540	
Rentals		207	
Travel		5,415	
Custodial Supplies		762	
Office Supplies		3,552	
Utilities		18,869	
Other Charges		2,415	
Total Local Health Center			\$ 636,584

Rabies and Animal Control

Supervisor/Director	\$	43,054	
Deputy(ies)		31,763	
Overtime Pay		13,611	
Social Security		5,458	
Pensions		6,190	
Life Insurance		49	
Medical Insurance		11,981	
Employer Medicare		1,276	
Communication		1,730	
Contracts with Private Agencies		240,000	
Maintenance and Repair Services - Vehicles		3,029	
Gasoline		6,184	
Tires and Tubes		470	
Uniforms		829	
Other Supplies and Materials		2,342	
In Service/Staff Development		279	
Total Rabies and Animal Control			368,245

Nursing Home

Contributions	\$	5,000	
Total Nursing Home			5,000

Alcohol and Drug Programs

Contributions	\$	5,500	
Total Alcohol and Drug Programs			5,500

Appropriation to State

Contributions	\$	115,233	
Total Appropriation to State			115,233

Aid to Dependent Children

Contributions	\$	10,000	
Total Aid to Dependent Children			10,000

(Continued)

Exhibit K-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Other Local Welfare Services

Contributions	\$ 25,680	
Total Other Local Welfare Services		\$ 25,680

Sanitation Management

Contracts with Government Agencies	\$ 10,727	
Total Sanitation Management		10,727

Other Public Health and Welfare

Contracts with Government Agencies	\$ 89,848	
Total Other Public Health and Welfare		89,848

Social, Cultural, and Recreational ServicesAdult Activities

Contributions	\$ 11,600	
Total Adult Activities		11,600

Senior Citizens Assistance

Contributions	\$ 6,500	
Total Senior Citizens Assistance		6,500

Libraries

Contributions	\$ 311,400	
Total Libraries		311,400

Parks and Fair Boards

Supervisor/Director	\$ 45,632
Maintenance Personnel	34,567
Part-time Personnel	29,546
Overtime Pay	18,007
Social Security	6,314
Pensions	6,614
Life Insurance	52
Medical Insurance	18,068
Employer Medicare	1,806
Communication	2,131
Maintenance and Repair Services - Equipment	5,497
Maintenance and Repair Services - Vehicles	67
Custodial Supplies	7,110
Diesel Fuel	3,361
Electricity	58,271
Gasoline	4,116
Office Supplies	132
Uniforms	1,012
Water and Sewer	30,120
Other Supplies and Materials	2,672
Liability Insurance	6,798
Refunds	430

(Continued)

Exhibit K-8

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

General Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Parks and Fair Boards (Cont.)

Workers' Compensation Insurance	\$	2,504	
Other Charges		2,432	
Other Construction		19,371	
Total Parks and Fair Boards			\$ 306,630

Other Social, Cultural, and Recreational

Contributions	\$	351,000	
Total Other Social, Cultural, and Recreational			351,000

Agriculture and Natural ResourcesAgricultural Extension Service

Salary Supplements	\$	180,336	
Communication		60	
Travel		829	
Office Supplies		1,967	
Total Agricultural Extension Service			183,192

Forest Service

Contributions	\$	1,000	
Total Forest Service			1,000

Soil Conservation

Secretary(ies)	\$	31,697	
Longevity Pay		1,725	
Social Security		1,827	
Pensions		2,340	
Life Insurance		25	
Medical Insurance		15,469	
Employer Medicare		427	
Total Soil Conservation			53,510

Storm Water Management

Contracts with Government Agencies	\$	3,460	
Contracts with Other Public Agencies		4,500	
Engineering Services		5,460	
Other Contracted Services		5,614	
Instructional Supplies and Materials		2,774	
Total Storm Water Management			21,808

Other OperationsTourism

Contributions	\$	22,500	
Other Contracted Services		62,025	
Total Tourism			84,525

Industrial Development

Contributions	\$	91,000	
Contracts for Development Costs		481,794	
Total Industrial Development			572,794

(Continued)

Exhibit K-8

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

General Fund (Cont.)Other Operations (Cont.)Veterans' Services

County Official/Administrative Officer	\$	27,578	
Longevity Pay		225	
Social Security		1,724	
Pensions		1,946	
Life Insurance		25	
Employer Medicare		403	
Communication		37	
Maintenance Agreements		449	
Postal Charges		152	
Travel		530	
Office Supplies		435	
Total Veterans' Services			\$ 33,504

Employee Benefits

Handling Charges and Administrative Costs	\$	968	
Unemployment Compensation		7,148	
Other Fringe Benefits		1,626	
Liability Insurance		445,625	
Workers' Compensation Insurance		115,406	
Liability Claims		39,792	
Total Employee Benefits			610,565

Miscellaneous

Contracts with Other Public Agencies	\$	15,760	
Other Contracted Services		5,185	
Trustee's Commission		286,709	
Total Miscellaneous			307,654

Operation of Non-Instructional ServicesCommunity Services

Contributions	\$	5,000	
Total Community Services			5,000

Capital ProjectsGeneral Administration Projects

Communication Equipment	\$	144,158	
Motor Vehicles		28,638	
Voting Machines		418,050	
Total General Administration Projects			590,846

Public Safety Projects

Building Improvements	\$	18,131	
Motor Vehicles		190,490	
Other Construction		285,545	
Total Public Safety Projects			494,166

(Continued)

Exhibit K-8

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

General Fund (Cont.)Capital Projects (Cont.)Public Health and Welfare Projects

Architects	\$ 33,549	
Building Purchases	1,830,000	
Total Public Health and Welfare Projects		\$ 1,863,549

Social, Cultural, and Recreation Projects

Maintenance Equipment	\$ 15,500	
Total Social, Cultural, and Recreation Projects		15,500

Total General Fund \$ 23,997,743

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

Supervisor/Director	\$ 64,743	
Mechanic(s)	31,460	
Equipment Operators - Heavy	215,221	
Truck Drivers	304,637	
Laborers	209,548	
Longevity Pay	13,350	
Overtime Pay	3,646	
Social Security	49,472	
Pensions	58,942	
Life Insurance	566	
Medical Insurance	207,549	
Employer Medicare	11,570	
Other Fringe Benefits	450	
Advertising	3,579	
Contracts with Private Agencies	28	
Maintenance and Repair Services - Equipment	296,883	
Towing Services	2,700	
Disposal Fees	1,070,289	
Diesel Fuel	206,332	
Gasoline	7,320	
Lubricants	10,150	
Office Supplies	594	
Small Tools	2,301	
Tires and Tubes	35,954	
Uniforms	9,089	
Other Supplies and Materials	12,723	
Liability Insurance	39,111	
Trustee's Commission	45,743	
Workers' Compensation Insurance	43,757	
Building Improvements	21,587	
Land	350,000	
Motor Vehicles	487,036	
Solid Waste Equipment	59,568	
Total Sanitation Management		\$ 3,875,898

Total Solid Waste/Sanitation Fund 3,875,898

(Continued)

Exhibit K-8

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

Drug Control FundPublic SafetyDrug Enforcement

Salary Supplements	\$	6,000	
Social Security		372	
Pensions		630	
Employer Medicare		87	
Confidential Drug Enforcement Payments		10,000	
Dues and Memberships		72	
Rentals		13,280	
Travel		9,977	
Veterinary Services		165	
Animal Food and Supplies		843	
Electricity		6,859	
Law Enforcement Supplies		5,671	
Trustee's Commission		1,357	
In Service/Staff Development		3,137	
Law Enforcement Equipment		12,796	
Motor Vehicles		74,463	
Total Drug Enforcement			\$ 145,709

Total Drug Control Fund \$ 145,709

Other Special Revenue FundPublic Health and WelfareRegional Mental Health Center

Contributions	\$	500,000	
Total Regional Mental Health Center			\$ 500,000

Capital ProjectsPublic Safety Projects

Law Enforcement Equipment	\$	176,500	
Total Public Safety Projects			176,500

Capital Projects - DonatedCapital Projects Donated to Other Entities

Building Purchases	\$	383,397	
Total Capital Projects Donated to Other Entities			383,397

Total Other Special Revenue Fund 1,059,897

Constitutional Officers - Fees FundFinanceCounty Clerk's Office

Constitutional Officers' Operating Expenses	\$	677	
Total County Clerk's Office			\$ 677

Administration of JusticeCircuit Court

Constitutional Officers' Operating Expenses	\$	483	
Total Circuit Court			483

(Continued)

Exhibit K-8

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

Constitutional Officers - Fees Fund (Cont.)Administration of Justice (Cont.)Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 27,229	
Total Chancery Court		\$ 27,229

Total Constitutional Officers - Fees Fund \$ 28,389

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$ 106,901	
Assistant(s)	43,084	
Accountants/Bookkeepers	42,404	
Longevity Pay	2,325	
Board and Committee Members Fees	19,125	
Social Security	12,880	
Pensions	10,829	
Life Insurance	77	
Medical Insurance	23,615	
Employer Medicare	3,012	
Advertising	1,064	
Communication	3,686	
Dues and Memberships	3,609	
Legal Services	1,058	
Other Contracted Services	800	
Electricity	35,282	
Office Supplies	621	
Propane Gas	15,667	
Water and Sewer	1,333	
Liability Insurance	44,261	
Trustee's Commission	27,783	
Vehicle and Equipment Insurance	28,606	
Other Charges	18,198	
Total Administration		\$ 446,220

Highway and Bridge Maintenance

Supervisor/Director	\$ 57,947	
Equipment Operators	307,980	
Truck Drivers	381,640	
Laborers	169,245	
Longevity Pay	17,850	
Overtime Pay	33,352	
Social Security	56,461	
Pensions	67,671	
Life Insurance	587	
Medical Insurance	251,313	
Employer Medicare	13,205	
Contracts with Private Agencies	91,760	
Rentals	4,197	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Highway and Bridge Maintenance (Cont.)

Asphalt - Hot Mix	\$	226,737	
Concrete		1,142	
Crushed Stone		69,184	
General Construction Materials		3,568	
Pipe - Metal		22,681	
Road Signs		6,467	
Salt		22,929	
Uniforms		10,512	
Fencing		37,070	
Total Highway and Bridge Maintenance			\$ 1,853,498

Operation and Maintenance of Equipment

Supervisor/Director	\$	53,788	
Mechanic(s)		44,287	
Longevity Pay		900	
Overtime Pay		1,724	
Social Security		5,758	
Pensions		7,049	
Life Insurance		50	
Medical Insurance		21,705	
Employer Medicare		1,347	
Diesel Fuel		78,079	
Equipment Parts - Heavy		172,658	
Garage Supplies		7,234	
Gasoline		34,717	
Lubricants		4,875	
Small Tools		4,865	
Tires and Tubes		39,844	
Other Supplies and Materials		5,408	
Total Operation and Maintenance of Equipment			484,288

Employee Benefits

Workers' Compensation Insurance	\$	14,719	
Total Employee Benefits			14,719

Capital Outlay

Building Improvements	\$	21,587	
Highway Equipment		29,500	
Motor Vehicles		89,675	
Office Equipment		1,995	
State Aid Projects		272,948	
Other Construction		902,056	
Total Capital Outlay			1,317,761

Total Highway/Public Works Fund \$ 4,116,486

(Continued)

Exhibit K-8

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

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$ 974,304	
Principal on Other Loans	469,205	
Total General Government		\$ 1,443,509

Highways and Streets

Principal on Bonds	\$ 166,144	
Total Highways and Streets		166,144

Education

Principal on Bonds	\$ 719,552	
Principal on Other Loans	1,997,982	
Total Education		2,717,534

Interest on DebtGeneral Government

Interest on Bonds	\$ 3,565,121	
Interest on Other Loans	67,744	
Total General Government		3,632,865

Highways and Streets

Interest on Bonds	\$ 3,323	
Total Highways and Streets		3,323

Education

Interest on Bonds	\$ 1,209,773	
Interest on Other Loans	376,751	
Total Education		1,586,524

Other Debt ServiceGeneral Government

Trustee's Commission	\$ 145,799	
Termination Fee - Interest Rate Swap Agreement	45,869	
Total General Government		191,668

Education

Termination Fee - Interest Rate Swap Agreement	\$ 139,384	
Other Debt Service	13,487	
Total Education		152,871

Total General Debt Service Fund \$ 9,894,438

Special Debt Service FundInterest on DebtGeneral Government

Interest on Bonds	\$ 57,412	
Total General Government		\$ 57,412

(Continued)

Exhibit K-8

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

Special Debt Service Fund (Cont.)Other Debt ServiceGeneral Government

Contributions	\$ 227,207	
Underwriter's Discount	26,565	
Other Debt Issuance Charges	69,195	
Total General Government		\$ 322,967

Total Special Debt Service Fund \$ 380,379

General Capital Projects FundCapital ProjectsPublic Health and Welfare Projects

Other Construction	\$ 60,374	
Total Public Health and Welfare Projects		\$ 60,374

Total General Capital Projects Fund 60,374

Highway Capital Projects FundCapital ProjectsHighway and Street Capital Projects

Highway Construction	\$ 648,789	
Total Highway and Street Capital Projects		\$ 648,789

Total Highway Capital Projects Fund 648,789

Other General Government Capital Projects FundCapital ProjectsPublic Safety Projects

Communication Equipment	\$ 377,994	
Total Public Safety Projects		\$ 377,994

Total Other General Government Capital Projects Fund 377,994

Other Capital Projects FundCapital ProjectsPublic Safety Projects

Architects	\$ 526,361	
Other Contracted Services	597,299	
Building Construction	31,058,707	
Site Development	500	
Total Public Safety Projects		\$ 32,182,867

Total Other Capital Projects Fund 32,182,867

Total Governmental Funds - Primary Government \$ 76,768,963

Exhibit K-9

Hamblen County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2023

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 30,717,463	
Career Ladder Program	58,730	
Salary Supplements	585,701	
Educational Assistants	1,549,514	
Other Salaries and Wages	87,669	
Certified Substitute Teachers	483,178	
Non-certified Substitute Teachers	7,825	
Social Security	1,936,580	
Pensions	2,683,636	
Life Insurance	29,005	
Medical Insurance	5,458,938	
Unemployment Compensation	9,214	
Employer Medicare	467,179	
Other Fringe Benefits	631,440	
Other Contracted Services	96,944	
Instructional Supplies and Materials	518,080	
Textbooks - Electronic	61,966	
Textbooks - Bound	932,064	
Other Supplies and Materials	49,579	
Other Charges	133,955	
Regular Instruction Equipment	1,709,385	
Total Regular Instruction Program		\$ 48,208,045

Special Education Program

Teachers	\$ 4,018,388	
Career Ladder Program	3,000	
Educational Assistants	844,955	
Speech Pathologist	550,439	
Certified Substitute Teachers	53,578	
Non-certified Substitute Teachers	10,712	
Social Security	318,523	
Pensions	438,692	
Life Insurance	5,628	
Medical Insurance	1,003,635	
Unemployment Compensation	1,782	
Employer Medicare	75,214	
Instructional Supplies and Materials	45,527	
Special Education Equipment	38,014	
Total Special Education Program		7,408,087

Career and Technical Education Program

Teachers	\$ 2,876,078	
Career Ladder Program	4,490	
Certified Substitute Teachers	50,068	
Social Security	170,212	
Pensions	239,358	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Instruction (Cont.)Career and Technical Education Program (Cont.)

Life Insurance	\$	2,361	
Medical Insurance		434,685	
Unemployment Compensation		747	
Employer Medicare		40,639	
Instructional Supplies and Materials		51,530	
Other Supplies and Materials		16,392	
Vocational Instruction Equipment		4,106	
Total Career and Technical Education Program			\$ 3,890,666

Student Body Education Program

Other Contracted Services	\$	23,056	
Other Supplies and Materials		92,826	
Other Charges		67,866	
Total Student Body Education Program			183,748

Support ServicesAttendance

Travel	\$	3,996	
Total Attendance			3,996

Health Services

Supervisor/Director	\$	60,466	
Medical Personnel		535,836	
Other Salaries and Wages		26,912	
Social Security		35,585	
Pensions		49,968	
Life Insurance		857	
Medical Insurance		166,292	
Unemployment Compensation		286	
Employer Medicare		8,325	
Travel		692	
Drugs and Medical Supplies		4,342	
Other Supplies and Materials		870	
In Service/Staff Development		225	
Total Health Services			890,656

Other Student Support

Career Ladder Program	\$	500	
Guidance Personnel		1,364,671	
School Resource Officer		45,877	
Other Salaries and Wages		10,179	
Social Security		76,914	
Pensions		113,476	
Life Insurance		1,065	
Medical Insurance		206,131	
Unemployment Compensation		358	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Other Student Support (Cont.)

Employer Medicare	\$	19,403	
Evaluation and Testing		19,616	
Total Other Student Support			\$ 1,858,190

Regular Instruction Program

Supervisor/Director	\$	241,636	
Librarians		1,133,216	
Secretary(ies)		211,986	
Other Salaries and Wages		195,090	
In-service Training		52,285	
Social Security		100,783	
Pensions		132,781	
Life Insurance		1,390	
Medical Insurance		262,720	
Unemployment Compensation		454	
Employer Medicare		23,970	
Travel		37,899	
Other Contracted Services		76,261	
Library Books/Media		24,628	
Other Supplies and Materials		20,278	
In Service/Staff Development		162,955	
Other Charges		84,703	
Other Equipment		125,149	
Total Regular Instruction Program			2,888,184

Special Education Program

Supervisor/Director	\$	67,462	
Psychological Personnel		243,462	
Medical Personnel		53,845	
Secretary(ies)		77,986	
Clerical Personnel		28,403	
Other Salaries and Wages		122,038	
Social Security		33,483	
Pensions		42,218	
Life Insurance		460	
Medical Insurance		87,534	
Unemployment Compensation		168	
Employer Medicare		8,407	
Maintenance and Repair Services - Equipment		157	
Travel		12,934	
Other Contracted Services		296,984	
Other Supplies and Materials		4,602	
In Service/Staff Development		14,676	
Total Special Education Program			1,094,819

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Career and Technical Education Program

Supervisor/Director	\$	80,715	
Secretary(ies)		40,779	
Other Salaries and Wages		76,054	
Social Security		11,306	
Pensions		16,478	
Life Insurance		139	
Medical Insurance		26,404	
Unemployment Compensation		47	
Employer Medicare		2,644	
Travel		6,743	
Other Supplies and Materials		1,417	
Total Career and Technical Education Program			\$ 262,726

Technology

Supervisor/Director	\$	91,187	
Computer Programmer(s)		62,628	
Secretary(ies)		39,277	
Other Salaries and Wages		587,054	
Social Security		46,010	
Pensions		54,610	
Life Insurance		706	
Medical Insurance		114,320	
Unemployment Compensation		218	
Employer Medicare		10,761	
Communication		70,836	
Consultants		3,139	
Internet Connectivity		225,961	
Travel		5,932	
Office Supplies		10,467	
Uniforms		4,912	
Cabling		5,915	
Software		439,332	
In Service/Staff Development		2,490	
Data Processing Equipment		187,273	
Total Technology			1,963,028

Other Programs

On-behalf Payments to OPEB	\$	583,066	
Total Other Programs			583,066

Board of Education

Board and Committee Members Fees	\$	45,650	
Social Security		2,830	
Pensions		2,034	
Life Insurance		261	
Medical Insurance		19,248	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Board of Education (Cont.)

Employer Medicare	\$	662	
Audit Services		42,115	
Dues and Memberships		15,912	
Legal Services		29,625	
Travel		27,126	
Liability Insurance		289,637	
Premiums on Corporate Surety Bonds		1,739	
Trustee's Commission		547,767	
Workers' Compensation Insurance		343,859	
Other Charges		7,381	
Total Board of Education			\$ 1,375,846

Director of Schools

County Official/Administrative Officer	\$	176,436	
Assistant(s)		226,057	
Career Ladder Program		2,000	
Secretary(ies)		127,610	
Social Security		34,490	
Pensions		54,401	
Life Insurance		1,331	
Medical Insurance		37,489	
Unemployment Compensation		76	
Employer Medicare		7,981	
Communication		15,186	
Postal Charges		9,000	
Travel		16,023	
Other Contracted Services		9,190	
Office Supplies		11,472	
Other Charges		8,353	
Total Director of Schools			737,095

Office of the Principal

Principals	\$	1,739,018	
Career Ladder Program		9,250	
Assistant Principals		1,328,279	
Secretary(ies)		862,346	
Social Security		233,841	
Pensions		325,938	
Life Insurance		3,053	
Medical Insurance		562,161	
Unemployment Compensation		996	
Employer Medicare		54,863	
Communication		92,307	
Total Office of the Principal			5,212,052

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Fiscal Services

Supervisor/Director	\$	100,682	
Accountants/Bookkeepers		186,229	
Social Security		16,393	
Pensions		18,885	
Life Insurance		190	
Medical Insurance		33,986	
Unemployment Compensation		70	
Employer Medicare		4,082	
Travel		7,948	
Other Contracted Services		13,164	
Data Processing Supplies		2,652	
Office Supplies		4,061	
Administration Equipment		191,729	
Total Fiscal Services			\$ 580,071

Operation of Plant

Custodial Personnel	\$	2,070,053	
Other Salaries and Wages		23,106	
Social Security		122,071	
Pensions		135,629	
Life Insurance		2,735	
Medical Insurance		481,647	
Unemployment Compensation		934	
Employer Medicare		29,422	
Other Contracted Services		335,806	
Custodial Supplies		234,952	
Electricity		2,207,557	
Natural Gas		300,955	
Water and Sewer		457,641	
Other Supplies and Materials		16,380	
Other Charges		4,236	
Plant Operation Equipment		24,042	
Total Operation of Plant			6,447,166

Maintenance of Plant

Supervisor/Director	\$	69,786	
Maintenance Personnel		725,231	
Social Security		46,861	
Pensions		54,798	
Life Insurance		878	
Medical Insurance		158,961	
Unemployment Compensation		280	
Employer Medicare		10,959	
Maintenance and Repair Services - Buildings		349,781	
Maintenance and Repair Services - Equipment		85,508	
Equipment and Machinery Parts		96,988	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Maintenance of Plant (Cont.)

Uniforms	\$	9,351	
Other Charges		1,000	
Maintenance Equipment		27,737	
Total Maintenance of Plant			\$ 1,638,119

Transportation

Supervisor/Director	\$	65,786	
Mechanic(s)		213,210	
Bus Drivers		1,407,243	
Clerical Personnel		42,807	
Social Security		96,618	
Pensions		119,713	
Life Insurance		2,213	
Medical Insurance		379,121	
Unemployment Compensation		980	
Employer Medicare		23,330	
Contracts with Parents		92	
Maintenance and Repair Services - Vehicles		19,638	
Medical and Dental Services		7,756	
Travel		350	
Diesel Fuel		448,222	
Garage Supplies		2,238	
Gasoline		51,616	
Lubricants		15,533	
Tires and Tubes		52,122	
Uniforms		3,838	
Vehicle Parts		209,447	
Other Supplies and Materials		7	
Vehicle and Equipment Insurance		150,815	
Other Charges		57,200	
Transportation Equipment		455,484	
Total Transportation			3,825,379

Operation of Non-Instructional ServicesCommunity Services

Supervisor/Director	\$	8,610	
Other Salaries and Wages		76,895	
Social Security		1,409	
Pensions		2,456	
Life Insurance		50	
Medical Insurance		8,004	
Unemployment Compensation		405	
Employer Medicare		329	
Other Supplies and Materials		26,727	
Other Equipment		830	
Total Community Services			125,715

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Operation of Non-Instructional Services (Cont.)Early Childhood Education

Teachers	\$	655,088	
Educational Assistants		414,711	
Certified Substitute Teachers		8,330	
Non-certified Substitute Teachers		7,490	
Social Security		62,053	
Pensions		56,815	
Life Insurance		630	
Medical Insurance		122,156	
Unemployment Compensation		452	
Employer Medicare		15,110	
Instructional Supplies and Materials		11,957	
In Service/Staff Development		4,528	
Other Charges		4,108	
Total Early Childhood Education			\$ 1,363,428

Capital OutlayRegular Capital Outlay

Building Improvements	\$	2,596,584	
Total Regular Capital Outlay			2,596,584

Other Debt ServiceEducation

Other Debt Service	\$	500,000	
Total Education			500,000

Total General Purpose School Fund \$ 93,636,666

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	1,469,537	
Educational Assistants		1,098,083	
Other Salaries and Wages		85,235	
Certified Substitute Teachers		16,858	
Non-certified Substitute Teachers		4,045	
Social Security		145,166	
Pensions		162,948	
Life Insurance		2,473	
Medical Insurance		365,812	
Unemployment Compensation		998	
Employer Medicare		37,054	
Other Fringe Benefits		2,201	
Other Contracted Services		369,937	
Instructional Supplies and Materials		484,135	
Textbooks - Bound		72,774	
Other Supplies and Materials		8,106	
Regular Instruction Equipment		530,130	
Total Regular Instruction Program			\$ 4,855,492

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Special Education Program

Teachers	\$	17,785	
Educational Assistants		1,703,718	
Speech Pathologist		16,650	
Non-certified Substitute Teachers		19,570	
Social Security		101,257	
Pensions		110,693	
Life Insurance		3,208	
Medical Insurance		517,250	
Unemployment Compensation		772	
Employer Medicare		24,334	
Instructional Supplies and Materials		8,876	
Total Special Education Program			\$ 2,524,113

Career and Technical Education Program

Teachers	\$	202,497	
Other Salaries and Wages		1,824	
Social Security		12,419	
Pensions		16,382	
Life Insurance		189	
Medical Insurance		36,189	
Unemployment Compensation		11	
Employer Medicare		2,906	
Maintenance and Repair Services - Equipment		405	
Instructional Supplies and Materials		90,223	
Other Supplies and Materials		24,508	
Vocational Instruction Equipment		577,743	
Total Career and Technical Education Program			965,296

Support ServicesAttendance

Other Salaries and Wages	\$	7,847	
Employer Medicare		114	
Total Attendance			7,961

Health Services

Social Workers	\$	115,795	
Medical Personnel		115,367	
Social Security		13,959	
Pensions		18,177	
Life Insurance		311	
Medical Insurance		44,626	
Unemployment Compensation		65	
Employer Medicare		3,265	
Contracts with Private Agencies		13,528	
Drugs and Medical Supplies		44,882	
Other Supplies and Materials		7,969	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Health Services (Cont.)

In Service/Staff Development	\$	115	
Health Equipment		8,760	
Other Equipment		58,882	
Total Health Services			\$ 445,701

Other Student Support

Guidance Personnel	\$	108,531	
Social Workers		105,364	
School Resource Officer		120,870	
Other Salaries and Wages		134,138	
Social Security		32,011	
Pensions		38,439	
Life Insurance		482	
Medical Insurance		86,087	
Unemployment Compensation		83	
Employer Medicare		7,487	
Other Fringe Benefits		510	
Travel		19,499	
Other Supplies and Materials		101,129	
In Service/Staff Development		50,735	
Other Equipment		1,333	
Total Other Student Support			806,698

Regular Instruction Program

Supervisor/Director	\$	159,106	
Educational Assistants		7,298	
Other Salaries and Wages		695,733	
Certified Substitute Teachers		2,882	
Non-certified Substitute Teachers		1,075	
Social Security		47,544	
Pensions		66,532	
Life Insurance		522	
Medical Insurance		92,969	
Unemployment Compensation		95	
Employer Medicare		12,149	
Other Fringe Benefits		1,022	
Contracts with Private Agencies		39,197	
Travel		6,558	
Other Contracted Services		151,146	
Other Supplies and Materials		19,092	
In Service/Staff Development		136,289	
Other Equipment		35,388	
Total Regular Instruction Program			1,474,597

Special Education Program

Psychological Personnel	\$	60,220	
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(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Special Education Program (Cont.)

Other Salaries and Wages	\$	137,047	
Social Security		8,556	
Pensions		12,427	
Life Insurance		101	
Medical Insurance		20,099	
Unemployment Compensation		22	
Employer Medicare		2,775	
Other Contracted Services		2,355	
Total Special Education Program			\$ 243,602

Career and Technical Education Program

Other Salaries and Wages	\$	35,250	
Social Security		2,108	
Pensions		2,923	
Employer Medicare		494	
In Service/Staff Development		6,299	
Total Career and Technical Education Program			47,074

Technology

Other Salaries and Wages	\$	83,497	
Social Security		5,175	
Pensions		4,999	
Life Insurance		80	
Medical Insurance		13,275	
Unemployment Compensation		22	
Employer Medicare		1,210	
Software		176,987	
Other Supplies and Materials		17,935	
Total Technology			303,180

Fiscal Services

Accountants/Bookkeepers	\$	26,769	
Social Security		1,572	
Pensions		1,874	
Life Insurance		32	
Medical Insurance		4,973	
Unemployment Compensation		11	
Employer Medicare		368	
Other Contracted Services		14,560	
Total Fiscal Services			50,159

Operation of Plant

Custodial Supplies	\$	315	
Plant Operation Equipment		168,707	
Total Operation of Plant			169,022

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Transportation

Bus Drivers	\$	52,052	
Social Security		1,619	
Pensions		1,352	
Unemployment Compensation		34	
Employer Medicare		538	
Diesel Fuel		2,751	
Transportation Equipment		58,000	
Total Transportation			\$ 116,346

Operation of Non-Instructional ServicesCommunity Services

Other Salaries and Wages	\$	405,700	
Social Security		25,234	
Pensions		5,595	
Employer Medicare		5,902	
Other Supplies and Materials		10,198	
Other Charges		14,341	
Total Community Services			466,970

Capital OutlayRegular Capital Outlay

Building Construction	\$	1,124,620	
Building Improvements		883,340	
Plant Operation Equipment		504,150	
Total Regular Capital Outlay			<u>2,512,110</u>

Total School Federal Projects Fund \$ 14,988,321

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	71,071	
Accountants/Bookkeepers		44,539	
Clerical Personnel		38,237	
Cafeteria Personnel		2,042,940	
Other Salaries and Wages		42,001	
In-service Training		46,007	
Social Security		139,152	
Pensions		79,177	
Life Insurance		2,115	
Medical Insurance		363,401	
Unemployment Compensation		1,377	
Employer Medicare		32,543	
Maintenance and Repair Services - Equipment		59,390	
Travel		13,973	
Other Contracted Services		472,748	

(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Food Preparation Supplies	\$	31,525	
Food Supplies		2,579,645	
Office Supplies		6,252	
Uniforms		10,446	
USDA - Commodities		551,818	
Other Supplies and Materials		271,103	
In Service/Staff Development		5,000	
Other Charges		45,863	
Food Service Equipment		143,649	
Total Food Service			\$ 7,093,972

Total Central Cafeteria Fund \$ 7,093,972

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	2,757,183	
Total Community Services			\$ 2,757,183

Total Internal School Fund 2,757,183

Total Governmental Funds - Hamblen County School Department \$ 118,476,142

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Hamblen County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 9, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Hamblen County School Department, as described in our report on Hamblen County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2023-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hamblen County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2023-001.

Hamblen County's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on Hamblen County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Hamblen County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Hamblen County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2024

JEM/gc



JASON E. MUMPOWER
Comptroller

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Hamblen County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hamblen County's major federal programs for the year ended June 30, 2023. Hamblen County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Hamblen County complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Hamblen County, Tennessee, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does

not provide a legal determination of Hamblen County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Hamblen County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Hamblen County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Hamblen County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Hamblen County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Hamblen County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Hamblen County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Hamblen County's basic financial statements. We issued our report thereon dated February 9, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2024

JEM/gc

Hamblen County, Tennessee, and the Hamblen County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)
For the Year-Ended June 30, 2023

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	\$ 1,535,473
National School Lunch Program	10.555	N/A	4,856,714 (6)
National School Lunch Program (Supply Chain Assistance Fund)	10.555	N/A	509,017 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	5,950
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	551,818 (6)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-75557	196,929
Total U.S. Department of Agriculture			<u>\$ 7,655,901</u>
U.S. Department of Housing and Urban Development:			
Passed-through Tennessee Housing Development Agency:			
HOME Investment Partnership Program	14.239	N/A	\$ 60,374
Total U.S. Department of Housing and Urban Development			<u>\$ 60,374</u>
U.S. Department of Justice:			
Direct Programs:			
State Criminal Alien Assistance Program	16.606	N/A	\$ 20,707
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	31,130
Total U.S. Department of Justice			<u>\$ 51,837</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 377,994
Total U.S. Department of the Treasury			<u>\$ 377,994</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,859,510
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	N/A	2,542,631 (6)
COVID 19 - Special Education - Grant to States (ARP)	84.027	84.027X	215,553 (6)
Special Education - Preschool Grants	84.173	N/A	77,652 (6)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	84.173X	10,689 (6)
Career and Technical Education - Basic Grants to States	84.048	N/A	254,678
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	52,545
Education for Homeless Children and Youth	84.196	N/A	65,322
Twenty-first Century Community Learning Centers	84.287	N/A	64,844
English Language Acquisition State Grants	84.365	N/A	201,001
Supporting Effective Instruction State Grants	84.367	N/A	289,505
Student Support and Academic Enrichment Program	84.424	N/A	198,368
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER II)	84.425D	N/A	2,720,939 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Innovative High School Grant (ESSER II)	84.425D	N/A	688,964 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Literacy Training Stipend Grant (ESSER II)	84.425D	N/A	73,000 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Early Literacy Network Grant (ESSER II)	84.425D	N/A	40,000 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Math Implementation Grant (ESSER II)	84.425D	N/A	71,000 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Fiscal Pre-Monitoring Grant (ESSER II)	84.425D	N/A	14,560 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	4,003,869 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	50,632 (6)
Total U.S. Department of Education			<u>\$ 14,495,262</u>

(Continued)

Hamblen County, Tennessee, and the Hamblen County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Commission:			
Passed-through Tennessee Secretary of State:			
Supplemental COVID 19 Election Security Grant (Noncash Assistance)	90.404	N/A	\$ 10,729
Total U.S. Election Commission			<u>\$ 10,729</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Family Planning Services	93.217	GG-23-75557	\$ 14,177
Cooperative Agreement for Emergency Response - Public Health Crisis Response	93.354	N/A	34,655
Medicaid Cluster: (5)			
Medical Assistance Program	93.778	GG-23-75557	26,436
HIV Prevention Activities - Health Department Based	93.940	GG-23-75557	12,264
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	GG-23-75557	62,067
Maternal and Child Health Services Block Grant to the States	93.994	GG-23-75557	76,543
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	N/A	175,922
Temporary Assistance for Needy Families	93.558	(4)	361,740
CCDF Cluster: (5)			
COVID 19 - Child Care and Development Block Grant - ARP	93.575	N/A	466,969
Total U.S. Department of Health and Human Services			<u>\$ 1,230,773</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(4)	\$ 22,000
Homeland Security Grant Program	97.067	N/A	19,417
Total U.S. Department of Homeland Security			<u>\$ 41,417</u>
Total Expenditures of Federal Grants			<u>\$ 23,924,287</u>

State Grants		Contract Number	
Health Department Programs - State Department of Health	N/A	GG-23-75557	\$ 149,190
Mental Health Transport - State Department of Finance and Administration	N/A	(4)	86,479
Litter Program - State Department of Transportation	N/A	(4)	12,675
Juvenile Justice - State Commission on Children and Youth	N/A	(4)	9,000
State Aid Program - State Department of Transportation	N/A	(4)	264,006
Voter-Verifiable Paper Trail Audit Grant - Secretary of State of Tennessee	N/A	(4)	418,050
Drug Court Recovery Program - State Office of Criminal Justice Programs	N/A	(4)	96,000
Coordinated School Health - State Department of Education	N/A	(4)	99,657
Law Enforcement Training - State Department of Safety	N/A	(4)	28,800
Family Resource Center - State Department of Education	N/A	(4)	59,223
Safe Schools Act of 1998 - State Department of Education	N/A	(4)	191,528
CTE Middle School STEM Grant - State Department of Education	N/A	(4)	16,584
Early Childhood Education - State Department of Education	N/A	(4)	743,287
After School Program - State Department of Human Services	N/A	(4)	23,785
Summer Learning Camps - State Department of Education	N/A	(4)	709,269
Total State Grants			<u>\$ 2,907,533</u>

FAL = Federal Assistance Listing
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Hamblen County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
(3) No amounts (\$0) were passed-through to subrecipients.
(4) Information not available.
(5) Child Nutrition Cluster total \$7,453,022; Special Education Cluster total \$2,846,525; Medicaid Cluster total \$26,436;
CCDF Cluster total \$466,969.
(6) Total for FAL No. 10.555 \$5,917,549; FAL No. 84.027 \$2,758,184; FAL No. 84.173 \$88,341; FAL No. 84.425 \$7,662,964.
(7) CONSOLIDATED ADMINISTRATION

Program Title	FAL Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 169,186
Supporting Effective Instruction State Grants	84.367	18,657
English Language Acquisition State Grants	84.365	481
Student Support Academic Enrichment Program	84.424	1,520
Total amounts consolidated for administration purposes		<u>\$ 189,844</u>

Hamblen County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2023

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Hamblen County, Tennessee, for the year ended June 30, 2023.

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

HAMBLEN COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 84.010 Title I Grants to Local Education Agencies
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2023-001

HAMBLÉN COUNTY EMERGENCY MANAGEMENT AGENCY IS CURRENTLY UNDER INVESTIGATION (Noncompliance Under *Government Auditing Standards*)

The Hamblen County Emergency Management Agency is currently under investigation by the State Comptroller's Division of Investigations. Findings, if any, resulting from this investigation will be included in a subsequent report.

OFFICE OF HIGHWAY SUPERINTENDENT

FINDING 2023-002

THE SANITATION DEPARTMENT HAD DEFICIENCIES RELATED TO TIME AND ATTENDANCE RECORDS (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

On June 16, 2023, an allegation was filed with the Comptroller of the Treasury regarding operations at the highway department and the sanitation department. One of the allegations alleged that sanitation employees were getting paid for hours not worked. Chapter 161 of the Private Acts of 1996, as amended, adds the responsibility for overseeing the sanitation department to the duties of the highway superintendent. The allegation was assigned to the Division of Investigations. Investigators met with the highway superintendent and reviewed time records for employees of the sanitation department. Their investigation concluded that the sanitation employees were most likely working less hours than reflected on their time records. However, there was no way to determine the actual hours worked versus the hours reflected on their time records. The investigation also determined that the practice was authorized by the superintendent and started during Covid to protect and retain employees.

RECOMMENDATION

Employees' time sheets should reflect actual time worked. Employees should only be paid for time worked.

MANAGEMENT'S RESPONSE – HIGHWAY SUPERINTENDENT

No formal management's response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2023.

Hamblen County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2023

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF HIGHWAY SUPERINTENDENT

2023-002	The sanitation department had deficiencies related to time and attendance records.	239
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Hamblen County Highway Department

3373 Herbert Harville Drive
Morristown, TN 37813
Office: (423) 586-3273 Fax: (423) 586-5298

Office of Highway Superintendent of Hamblen County, Tennessee

The Sanitation Department had deficiencies related to Time and Attendance Records

Response and Corrective Action Plan Prepared by:
Barry Poole

Person Responsible for Implementing the Correction Action:
Barry Poole

Anticipated Completion Date of Corrective Action:
March 31, 2024

Repeat Finding:
No

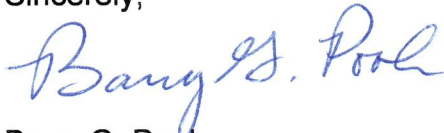
Planned Corrective Action:

There are two (2) groups of employees that operate from the same building owned by Hamblen County at 3373 Herbert Harville Drive, Morristown, TN 37813: The Hamblen County Highway Department employees and the Hamblen County Sanitation Department employees. When the COVID virus first impacted our nation separation from one another was key to having at least some control of the situation. The employees of the Sanitation Department would terminate the work of the day and leave the premises when their route was completed and their truck was parked back on the premises. That practice not only helped significantly with the spread of COVID, but it also helped greatly with the retention of employees for the Sanitation Department.

Because of the continued success, the practice of allowing the employees of the Sanitation Department to leave immediately after their route is completed has continued. The retention of employees is not a significant problem in the Highway Department.

The majority of employees of Hamblen County Government are paid twenty-four (24) times a year in equal amounts unless overtime or something similar affects the check amount. The annual budget includes twenty-four (24) checks. The hourly rate is calculated based on 2080 hours per year. The employees of the Hamblen County Sanitation Department will be considered salary employees with no overtime payment benefits. The sick and vacation records will include the policies stipulated by the Hamblen County Employee Handbook. There will be nine (9) hours recorded for any sick or vacation day used or accrued as it is with the Hamblen County Highway Department employees who work four (4) days for nine (9) hours per day (Monday-Thursday) and one (1) four (4) hour day on Friday.

Sincerely,



Barry G. Poole
Hamblen County Road Superintendent

BEST PRACTICE

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

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

HAMBLEN COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Hamblen County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Hamblen County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.