

**TOWN OF ROGERSVILLE, TENNESSEE**

**FINANCIAL STATEMENTS**

**June 30, 2022**

**TOWN OF ROGERSVILLE, TENNESSEE**  
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**June 30, 2022**

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**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF PRINCIPAL OFFICIALS  
June 30, 2022**

**Town of Rogersville, Tennessee – Officials and Mayor**

Jim Sells	Mayor
Brian Hartness	Vice Mayor
Glenn D. Hutchens, Jr.	City Recorder/CMFO
Linda Winegar	Deputy Recorder/CMFO

**Town of Rogersville, Tennessee – Aldermen**

Sonda Price  
Todd Biggs  
Eloise Edwards  
Brock Gladson  
Mark DeWitte

**Board of Education – Officials**

Edwin Jarnagin	Director of Schools
Karen Davis-Beggs	Federal Projects Director
Karen Willis	Finance Director

**Board of Education – Board Members**

Reed Matney	Chairman
Scott Trent	Vice-Chairman
Barbara Combs	
Julie Phillips	
Carol Gibson	

**DAVID M. ELLIS**  
*Certified Public Accountant*

*Member, American Institute of  
Certified Public Accountants*

*Member, Tennessee Society of  
Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Mayor and Aldermen  
Town of Rogersville, Tennessee

**Report on the Audit of the Financial Statements**

***Opinions***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rogersville, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rogersville, Tennessee, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Rogersville City School Operating Fund, and the Rogersville City School PL 89-10 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Town and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the Town'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***

My 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 my 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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, I:

- 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 the Town of Rogersville, Tennessee'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Rogersville, Tennessee's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6-13 and the schedules and analysis, as detailed within the Required Supplementary Information section of the table of contents on pages 82-93 be

presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Rogersville, Tennessee's basic financial statements. The combining and individual nonmajor fund financial statements and other supplementary information on pages 94-111 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance on pages 112-113 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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 my opinion, the combining and individual nonmajor fund financial statements and the other supplementary information, including the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Principal Officials on page 1 but does not include the basic financial statements and my auditor's report thereon. My opinions on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my 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 in the work performed, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated November 9, 2023, on my consideration of the Town of Rogersville, Tennessee's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Rogersville, Tennessee'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 the Town of Rogersville, Tennessee's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "David M. Ellis".

David M. Ellis, CPA  
Greeneville, Tennessee  
November 9, 2023

**TOWN OF ROGERSVILLE, TENNESSEE**  
**MANAGEMENT'S DISCUSSION & ANALYSIS**  
**(Unaudited-Required Supplementary Information)**  
**For the Year Ended June 30, 2022**

As management of the Town of Rogersville, Tennessee (i.e., the Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2022.

**Financial Highlights**

Key financial highlights for the year ended June 30, 2022, are as follows:

- The assets and deferred outflow of resources of the Town of Rogersville exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$30,120,245 (net position). Of this amount, \$1,598,853 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Town of Rogersville's governmental funds reported combined ending fund balances of \$7,095,344 and total fund balances increased \$795,739 over the prior year fund balance of \$6,299,605.
- At the end of the fiscal year, the Town's General Fund has an unassigned fund balance totaling \$2,751,338 in comparison to General Fund expenditures in the amount of \$5,801,409.
- The Town's Proprietary Fund (Rogersville Water Commission) net position increased \$578,855 in the current year.
- In the current year, the Town of Rogersville had no new debt issues.

**Overview of the Financial Statements**

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

**Government-Wide Financial Statements**

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

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

The Statement of Activities presents information showing how the Town's net position changed during the year. All changes in net position are reported when the underlying event giving rise to the change occurs,

regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government and administration, public safety – police and fire, public works (including streets and sanitation), culture & recreation, and an elementary school system. The business-type activities of the Town include water and sewer services.

### **Fund Financial Statements**

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

### **Governmental Funds**

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

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

The Town maintains ten governmental funds for financial reporting. With the implementation of GASB Statement no. 54, the operations for solid waste are now included within the General Fund. Supplemental information on solid waste activities has been included in this report. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is always considered to be a major fund. The Rogersville City Board of Education Fund is also a major fund in the current year in addition to the federal project fund being the PL-89-10 fund. Individual fund data for the non-major governmental funds are provided in the form of combining statements elsewhere in this report. Data from the other remaining (non-major) funds are presented in a single presentation.

The funds combined into a single presentation are as follows:

- State Street Aid Fund
- Community Center Fund
- Industrial Park Development Fund
- Drug Fund
- Internal School Funds
- School Cafeteria Fund
- Capital Projects Fund

### **Proprietary Fund**

The Town maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses the enterprise fund to account for the Rogersville Water Commission which provides water and sewer services. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Commission since this is considered to be a major fund of the Town.

### **Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Other Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplemental information which should be considered in the overall review of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Rogersville, overall assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30,120,245 at the close of the fiscal year.

By far, the largest portion of the Town's net position (71%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, utility plant, and infrastructure) less any related debt used to acquire those assets that are still outstanding. The Town of Rogersville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

A summary of the Town's Net Position is as follows:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2022	2021	2022	2021	2022	2021
<b>Assets &amp; Deferred Outflows of Resources</b>						
Current & Other Assets	\$ 14,465,119	\$ 9,445,009	\$ 1,709,582	\$ 1,563,224	\$ 16,174,701	\$ 11,008,233
Capital Assets (net)	13,290,514	12,950,438	13,601,404	13,555,034	26,891,918	26,505,472
Deferred Outflows of Resources	2,191,285	1,236,077	-	-	2,191,285	1,236,077
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>29,946,918</b>	<b>23,631,524</b>	<b>15,310,986</b>	<b>15,118,258</b>	<b>45,257,904</b>	<b>38,749,782</b>
<b>Liabilities &amp; Deferred Inflows of Resources</b>						
Long-Term Liabilities Outstanding	2,296,585	2,916,069	4,796,706	5,170,588	7,093,291	8,086,657
Other Liabilities	971,686	162,615	304,430	316,675	1,276,116	479,290
Deferred Inflows of Resources	6,768,252	2,848,806	-	-	6,768,252	2,848,806
<b>Total Liabilities &amp; Deferred Inflows of Resources</b>	<b>10,036,523</b>	<b>5,927,490</b>	<b>5,101,136</b>	<b>5,487,263</b>	<b>15,137,659</b>	<b>11,414,753</b>
<b>Net Position</b>						
Net Investment In Capital Assets	12,454,577	11,928,216	9,039,146	8,603,254	21,493,723	20,531,470
Restricted	7,014,133	3,552,556	13,536	201,188	7,027,669	3,753,744
Unrestricted	441,685	2,223,262	1,157,168	826,553	1,598,853	3,049,815
<b>Total Net Position</b>	<b>\$19,910,395</b>	<b>\$17,704,034</b>	<b>\$10,209,850</b>	<b>\$ 9,630,995</b>	<b>\$30,120,245</b>	<b>\$27,335,029</b>

At the end of the current fiscal year, the Town was able to report positive balances in the categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenue</b>						
Charges for Services	\$ 202,817	\$ 91,510	\$ 3,841,008	\$ 3,263,045	\$ 4,043,825	\$ 3,354,555
Operating Grants/Contributions	6,300,135	5,584,523	-	-	6,300,135	5,584,523
Capital Grants/Contributions	-	-	176,988	127,552	176,988	127,552
Taxes	6,948,365	6,761,160	-	-	6,948,365	6,761,160
Intergovernmental	690,543	619,889	-	-	690,543	619,889
Other	598,806	200,466	11	36	598,817	200,502
<b>Total Revenue</b>	<b>14,740,666</b>	<b>13,257,548</b>	<b>4,018,007</b>	<b>3,390,633</b>	<b>18,758,673</b>	<b>16,648,181</b>
<b>Expenses &amp; Operating Transfers</b>						
Mayor & Aldermen	38,635	37,085	-	-	38,635	37,085
Financial & Administration	938,301	824,964	-	-	938,301	824,964
Public Buildings & Grounds	207,693	202,265	-	-	207,693	202,265
Other General Government	455,091	522,646	-	-	455,091	522,646
Police	1,561,024	1,198,212	-	-	1,561,024	1,198,212
Fire	145,773	390,531	-	-	145,773	390,531
Streets	1,084,945	1,019,400	-	-	1,084,945	1,019,400
Sanitation	365,463	357,590	-	-	365,463	357,590
Inspection	34,184	33,376	-	-	34,184	33,376
Parks & Recreation	632,818	547,813	-	-	632,818	547,813
Community Development	-	-	-	-	-	-
Appropriations to Others	116,480	116,480	-	-	116,480	116,480
Education	6,575,163	6,885,620	-	-	6,575,163	6,885,620
School Food Service	359,469	277,904	-	-	359,469	277,904
Interest & Debt Issue Expenses	19,266	22,921	-	-	19,266	22,921
Operating Transfer	-	-	-	-	-	-
Water & Sewer	-	-	3,439,152	3,258,536	3,439,152	3,258,536
<b>Total Expenses &amp; Transfers</b>	<b>12,534,305</b>	<b>12,436,807</b>	<b>3,439,152</b>	<b>3,258,536</b>	<b>15,973,457</b>	<b>15,695,343</b>
<b>Change in Net Position</b>	<b>2,206,361</b>	<b>820,741</b>	<b>578,855</b>	<b>132,097</b>	<b>2,785,216</b>	<b>952,838</b>
<b>Beginning Net Position</b>	<b>17,704,034</b>	<b>16,883,293</b>	<b>9,630,995</b>	<b>9,498,898</b>	<b>27,335,029</b>	<b>26,382,191</b>
<b>Ending Net Position</b>	<b>\$ 19,910,395</b>	<b>\$ 17,704,034</b>	<b>\$ 10,209,850</b>	<b>\$ 9,630,995</b>	<b>\$ 30,120,245</b>	<b>\$ 27,335,029</b>

## Governmental Activities

A comparative breakdown of revenues and expenses by percentages to respective total is presented as follows for governmental activities:

Revenue	2022		2021	
	Amounts	Percentage	Amounts	Percentage
Property Taxes/In Lieu of Tax	\$ 2,741,331	18.60%	\$ 2,786,532	21.02%
Sales Taxes	3,380,361	22.93%	3,210,504	24.22%
Lodging Taxes	123,456	0.84%	95,539	0.72%
Franchise Taxes	55,529	0.38%	58,327	0.44%
Beer/Liquor Taxes	413,693	2.81%	403,111	3.04%
Business Taxes	204,302	1.39%	179,836	1.36%
Other Taxes	29,693	0.20%	27,311	0.21%
Charges for Services	202,817	1.38%	91,510	0.69%
Grants/Contributions	6,300,135	42.73%	5,584,523	42.12%
Intergovernmental Revenue	690,543	4.68%	619,889	4.68%
Other	598,806	4.06%	200,466	1.51%
<b>Total Revenue/Other Sources</b>	<b>\$ 14,740,666</b>	<b>100.00%</b>	<b>\$ 13,257,548</b>	<b>100.00%</b>

Expenses	2022		2021	
	Amounts	Percentage	Amounts	Percentage
Mayor & Aldermen	\$ 38,635	0.31%	\$ 37,085	0.30%
Financial & Administration	938,301	7.49%	824,964	6.64%
Public Buildings & Grounds	207,693	1.66%	202,265	1.63%
Other General Government	455,091	3.63%	522,646	4.21%
Police	1,561,024	12.45%	1,198,212	9.63%
Fire	145,773	1.16%	390,531	3.14%
Streets	1,084,945	8.66%	1,019,400	8.21%
Sanitation	365,463	2.92%	357,590	2.88%
Inspection	34,184	0.27%	33,376	0.27%
Parks & Recreation	632,818	5.04%	547,813	4.41%
Community Development	-	0.00%	-	0.00%
Appropriations to Others	116,480	0.93%	116,480	0.94%
Education	6,575,163	52.46%	6,885,620	55.31%
School Food Service	359,469	2.87%	277,904	2.24%
Interest & Other Expenses	19,266	0.15%	22,921	0.18%
<b>Total Expenses</b>	<b>12,534,305</b>	<b>100.00%</b>	<b>12,436,807</b>	<b>100.00%</b>

Business-type activities representing water and sewer services had a \$578,855 increase in its net position.

**Financial Analysis of the Government’s Funds**

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

**Governmental Funds**

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

For the year ending June 30, 2022, the Town of Rogersville’s governmental funds reported combined ending fund balances of \$7,095,3444 which is a \$795,739 increase from the previous fiscal year’s balance.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the General Fund had an increase in its fund balance of \$150,176 resulting in an ending fund balance of \$2,928,295. Actual revenues totaled \$6,794,270 versus the final budgeted amount of 7,259,704. Expenditures totaled \$5,801,409 versus the final budgeted expenditures amount of \$5,996,599. The primary sources of revenues to the General Fund were property and in-lieu of tax generating 31% of the total revenue, local sales tax representing 40%, and intergovernmental revenues totaling approximately 11% of the revenue stream. With respect to expenditures by function, the four largest expenditures represented the police department at 31%, street department at 17%, financial and administration at 16% with the park and recreations services at 11%.

The Rogersville City Board of Education’s operating fund had a \$381,018 increase in its fund balance. The ending fund balance was \$2,775,444.

**Capital Assets & Debt Administration**

**Capital Assets**

The Town of Rogersville’s investment in capital assets for it’s governmental and business-type activities as of June 30, 2022, totaled \$26,891,918 (net of accumulated depreciation). A comparative recap of the capital assets before accumulated depreciation is presented as follows:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2022	2021	2022	2021	2022	2021
<b>Capital Assets</b>						
Land/Land Improvements	\$ 1,438,887	\$ 1,438,887	\$ 468,309	\$ 468,309	\$ 1,907,196	\$ 1,907,196
Buildings/Improvements	15,448,053	15,376,583	471,815	471,815	15,919,868	15,848,398
Machinery/Equipment/Other	6,056,573	5,525,351	1,669,832	1,538,992	7,726,405	7,064,343
Infrastructure	3,206,860	3,206,860	-	-	3,206,860	3,206,860
Utility Plant & Lines	-	-	23,567,751	23,362,159	23,567,751	23,362,159
Construction in Progress	361,362	77,255	1,409,155	1,058,929	1,770,517	1,136,184
<b>Total Capital Assets</b>	<b>\$26,511,735</b>	<b>\$25,624,936</b>	<b>\$27,586,862</b>	<b>\$26,900,204</b>	<b>\$54,098,597</b>	<b>\$52,525,140</b>

Major capital asset additions or projects under construction during the current fiscal year included the following:

- \$50,837 in building improvements and \$33,373 in equipment for the street department.
- \$77,255 for HVAC system improvements still under construction with a total cost estimated to be \$386,000 upon completion.
- \$641,903 in additional sewer system improvements still in construction in progress as of June 30, 2022.

Additional information on capital assets can be found in notes to the financial statements.

### Long-Term Debt Issues

At the end of the current fiscal year, the Town of Rogersville had total long-term debt issues outstanding of \$5,398,195. The Town had \$0 in additional debt issues for the current year. A summary of the long-term debt is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Capital Outlay Notes	\$ 544,444	\$ 622,222	\$ -	\$ -	\$ 544,444	\$ 622,222
2012 GOB Refunding Bond	-	90,000	600,000	700,000	600,000	790,000
Water Works Revenue Bond	-	-	163,858	170,193	163,858	170,193
2015A GOB Refunding Bond	-	-	-	-	-	-
2015B GOB Bonds	290,000	310,000	1,115,000	1,185,000	1,405,000	1,495,000
2018 General Obligation Bond	-	-	1,845,000	1,920,000	1,845,000	1,920,000
Notes Payable	-	-	821,893	957,468	821,893	957,468
Capital Leases	-	-	-	-	-	-
Discount/Premium, Net	1,493	4,091	16,507	19,119	18,000	23,210
<b>Total</b>	<b>\$ 835,937</b>	<b>\$ 1,026,313</b>	<b>\$ 4,562,258</b>	<b>\$ 4,951,780</b>	<b>\$ 5,398,195</b>	<b>\$ 5,978,093</b>

### Economic Factors & Next Year's Budgets & Rates

The Town in its budget process considers many factors when setting the fiscal year budget such as tax rates and fees that will be charged for business-type activities. No major changes are anticipated other than the Town had an increase in water and sewer rates for the 2022-2023 year.

### Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town of Rogersville's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information may be addressed to the Town of Rogersville, Tennessee, 106 East Kyle Street, Rogersville, Tennessee 37857 (i.e., Attention of City Recorder).

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF NET POSITION**  
**June 30, 2022**

<b>ASSETS</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Cash & Cash Equivalents	\$ 6,810,707	\$ 1,041,326	\$ 7,852,033
Receivables (net)	4,297,557	372,810	4,670,367
Prepaid Insurance & Retirement	-	41,242	41,242
Inventories	8,281	262,067	270,348
Other Assets	13,963	-	13,963
<b>Restricted Cash</b>			
City School: TCRS Stabilization Trust	41,781	-	41,781
Net Pension Asset	3,284,967	-	3,284,967
Internal Balances	7,863	(7,863)	-
Capital Assets Not Being Depreciated	1,800,249	1,877,464	3,677,713
Capital Assets Being Depreciated	24,711,486	25,709,398	50,420,884
Accumulated Depreciation	(13,221,221)	(13,985,458)	(27,206,679)
<b>Total Assets</b>	<b>27,755,633</b>	<b>15,310,986</b>	<b>43,066,619</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Outflows Relating To Pension Plans	1,711,443	-	1,711,443
Deferred Outflows Relating To OPEB	479,842	-	479,842
<b>Total Deferred Outflows of Resources</b>	<b>2,191,285</b>	<b>-</b>	<b>2,191,285</b>
<b>LIABILITIES</b>			
Accounts Payable & Other Accrued Liabilities	867,272	70,685	937,957
Customer Deposits	250	233,745	233,995
Net Pension Liability	104,164	-	104,164
Long-term Liabilities			
Due within one year	683,992	456,097	1,140,089
Due in more than one year	1,612,593	4,340,609	5,953,202
<b>Total Liabilities</b>	<b>3,268,271</b>	<b>5,101,136</b>	<b>8,369,407</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned Grant Revenue	649,357	-	649,357
Deferred Inflows Relating To Pension Plans	3,335,893	-	3,335,893
Deferred Inflows Relating To OPEB	204,512	-	204,512
Deferred Current Property Taxes	2,578,490	-	2,578,490
<b>Total Deferred Inflows of Resources</b>	<b>6,768,252</b>	<b>-</b>	<b>6,768,252</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	12,454,577	9,039,146	21,493,723
Restricted			
Capital Projects (Note 13)	107,812	-	107,812
Other Purposes (Note 13)	6,906,321	13,536	6,919,857
Unrestricted	441,685	1,157,168	1,598,853
<b>Total Net Position</b>	<b>\$ 19,910,395</b>	<b>\$ 10,209,850</b>	<b>\$ 30,120,245</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2022

Functions/Programs	Expenses	PROGRAM REVENUES			Net (Expense) Revenue	Governmental Activities	Business-Type Activities	Total
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions				
<b>Primary Government</b>								
Governmental Activities:								
Mayor & Aldermen	\$ 38,635	\$ -	\$ -	\$ -	\$ (38,635)			
Financial & Administration	938,301	-	-	-	(938,301)			
Public Buildings & Grounds	207,693	-	-	-	(207,693)			
Other General Government	455,091	7,211	89,138	-	(358,742)			
Police	1,561,024	28,618	-	-	(1,532,406)			
Fire	145,773	-	-	-	(145,773)			
Streets	1,084,945	-	162,848	-	(922,097)			
Sanitation	365,463	-	-	-	(365,463)			
Inspection	34,184	13,716	-	-	(20,468)			
Parks & Recreation	632,818	63,503	-	-	(569,315)			
Community Development	-	-	-	-	-			
Appropriations to Others	116,480	-	-	-	(116,480)			
Education	6,575,163	88,565	5,588,335	-	(898,263)			
School Food Service	359,469	1,204	459,814	-	101,549			
Interest on Long-Term Debt	17,295	-	-	-	(17,295)			
Paying Agent Fees	1,971	-	-	-	(1,971)			
<b>Total Governmental Activities</b>	<b>12,534,305</b>	<b>202,817</b>	<b>6,300,135</b>	<b>-</b>	<b>(6,031,353)</b>			
Business-Type Activities:								
Water & Sewer	3,439,152	3,841,008	-	176,988	578,844			
<b>Total Business-Type Activities</b>	<b>3,439,152</b>	<b>3,841,008</b>	<b>-</b>	<b>176,988</b>	<b>578,844</b>			
<b>Total Primary Government</b>	<b>\$ 15,973,457</b>	<b>\$ 4,043,825</b>	<b>\$ 6,300,135</b>	<b>\$ 176,988</b>	<b>\$ (5,452,509)</b>			
<b>Change in Net Position</b>						<b>(6,031,353)</b>	<b>578,844</b>	<b>(5,452,509)</b>
<b>General Revenues</b>								
Taxes - Property & In-Lieu						2,741,331	-	2,741,331
Local Sales Taxes						3,380,361	-	3,380,361
Lodging Taxes						123,456	-	123,456
Franchise Taxes						55,529	-	55,529
Beer & Liquor Taxes						413,693	-	413,693
Business Taxes						204,302	-	204,302
Other Taxes						29,693	-	29,693
Intergovernmental						690,543	-	690,543
Investment Earnings						283	11	294
Gain On Sale Of Capital Assets						-	-	-
Miscellaneous/Other						598,523	-	598,523
<b>Total General Revenues</b>						<b>8,237,714</b>	<b>11</b>	<b>8,237,725</b>
Operating Transfer						-	-	-
<b>Increase (Decrease) in Net Position</b>						<b>2,206,361</b>	<b>578,855</b>	<b>2,785,216</b>
<b>Net Position - Beginning</b>						<b>17,704,034</b>	<b>9,630,995</b>	<b>27,335,029</b>
<b>Net Position - Ending</b>						<b>\$ 19,910,395</b>	<b>\$ 10,209,850</b>	<b>\$ 30,120,245</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**BALANCE SHEET**  
**- GOVERNMENTAL FUNDS -**  
**June 30, 2022**

	General Fund	Rogersville City School Fund	Rogersville City School PL-89-10 Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash & Cash Equivalents	\$ 3,702,291	\$ 2,026,695	\$ -	\$ 1,081,721	\$ 6,810,707
Receivables (net)	3,287,015	540,147	442,092	28,303	4,297,557
Due from Other Governments	7,863	-	-	-	7,863
Due from Other Funds	28,303	288,375	-	-	316,678
Inventory	-	-	-	8,281	8,281
Deposits	205	-	-	13,758	13,963
Restricted Cash	-	-	-	-	-
City School: TCRS Stabilization Trust	-	41,781	-	-	41,781
<b>Total Assets</b>	<b>\$ 7,025,677</b>	<b>\$ 2,896,998</b>	<b>\$ 442,092</b>	<b>\$ 1,132,063</b>	<b>\$ 11,496,830</b>
<b>Deferred Outflows of Resources</b>					
<b>Total Deferred Outflows of Resources</b>	-	-	-	-	-
<b>Liabilities</b>					
Accounts Payable & Accrued Liabilities	538,706	121,554	152,953	1,294	814,507
Due to Other Funds	288,375	-	-	28,303	316,678
Accrued Salaries	51,274	-	-	-	51,274
Deposits	250	-	-	-	250
<b>Total Liabilities</b>	<b>878,605</b>	<b>121,554</b>	<b>152,953</b>	<b>29,597</b>	<b>1,182,709</b>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenues	649,357	-	-	-	649,357
Deferred Property Taxes	2,569,420	-	-	-	2,569,420
<b>Total Deferred Inflows of Resources</b>	<b>3,218,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,218,777</b>
<b>Fund Balances</b>					
Nonspendable	-	-	-	8,282	8,282
Committed	-	-	-	-	-
Restricted	176,957	2,775,444	289,139	479,344	3,720,884
Assigned	-	-	-	614,840	614,840
Unassigned	2,751,338	-	-	-	2,751,338
<b>Total Fund Balance</b>	<b>2,928,295</b>	<b>2,775,444</b>	<b>289,139</b>	<b>1,102,466</b>	<b>7,095,344</b>
<b>Total Liabilities, Deferred Inflows of Resources, &amp; Fund Balances</b>	<b>\$ 7,025,677</b>	<b>\$ 2,896,998</b>	<b>\$ 442,092</b>	<b>\$ 1,132,063</b>	<b>\$ 11,496,830</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**For the Year Ended June 30, 2022**

<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 7,095,344</b>
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.	13,290,514
Property tax revenues are recognized as earned; however, these revenues are deferred in the governmental funds balance sheet, as they do not meet the revenue recognition criteria.	(9,069)
Interest payable on long-term debt does not require current financial resources; therefore, interest payable is not reported as a liability in the governmental funds.	(1,492)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(1,322,900)
Net pension asset.	3,284,967
Net pension liability.	(104,164)
OPEB liability.	(973,685)
Deferred outflows related to pensions.	1,711,443
Deferred outflows related to OPEB.	479,842
Deferred inflows related to OPEB.	(204,512)
Deferred inflows related to pensions.	(3,335,893)
<b>Net Position of Governmental Activities</b>	<b><u>\$ 19,910,395</u></b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES**  
**- GOVERNMENTAL FUNDS -**  
**For the Year Ended June 30, 2022**

	General Fund	Rogersville City School Fund	Rogersville City School PL-89-10 Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes:					
Property	\$ 2,020,630	\$ 634,749		\$ -	\$ 2,655,379
In Lieu of Property Taxes	81,525	-		-	81,525
Cable TV Franchise Tax	55,529	-		-	55,529
Lodging Tax	123,456	-		-	123,456
Local Sales Tax	2,693,746	686,615		-	3,380,361
Business Tax	204,302	-		-	204,302
Liquor Tax	133,747	-		-	133,747
Wholesale Beer Tax	279,946	-		-	279,946
Other Taxes	-	29,693		-	29,693
<b>Total Taxes</b>	<b>5,592,881</b>	<b>1,351,057</b>		<b>-</b>	<b>6,943,938</b>
Intergovernmental Revenue	779,681	4,164,084	1,424,251	622,662	6,990,678
Charges for Services	66,614	88,565		1,204	156,383
Fines & Forfeitures	28,618	-		-	28,618
Licenses & Permits	17,816	-		-	17,816
Investment Earnings	239	(1,861)		1,905	283
Other Income	308,421	16,352		86,728	411,501
<b>Total Revenues</b>	<b>6,794,270</b>	<b>5,618,197</b>	<b>1,424,251</b>	<b>712,499</b>	<b>14,549,217</b>
<b>EXPENDITURES</b>					
General Government:					
Mayor & Aldermen	38,635	-		-	38,635
Financial & Administration	938,301	-		-	938,301
Public Buildings & Grounds	201,899	-		-	201,899
Other General Government	350,477	-		13,952	364,429
Police	1,789,615	-		-	1,789,615
Fire	120,213	-		-	120,213
Streets	999,690	-		153,056	1,152,746
Inspection	34,184	-		-	34,184
Sanitation	355,390	-		-	355,390
Parks & Recreation	646,883	-		-	646,883
Appropriation to Others	116,480	-		-	116,480
Community Development	-	-		-	-
Education	-	5,938,603	1,418,754	69,554	7,426,911
School Food Service	-	-		358,150	358,150
Debt Service:					
Principal	187,778	-		-	187,778
Interest	19,893	-		-	19,893
Paying Agent Fees	1,971	-		-	1,971
<b>Total Expenditures</b>	<b>5,801,409</b>	<b>5,938,603</b>	<b>1,418,754</b>	<b>594,712</b>	<b>13,753,478</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 992,861</b>	<b>\$ (320,406)</b>	<b>\$ 5,497</b>	<b>\$ 117,787</b>	<b>\$ 795,739</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES**  
**- GOVERNMENTAL FUNDS -**  
**For the Year Ended June 30, 2022**

	<b>General Fund</b>	<b>Rogersville City School Fund</b>	<b>Rogersville City School PL-89-10 Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Other Financing Sources (Uses)					
Issuance Of Capital Outlay Note	-	-		-	-
Transfers In	-	842,685	141,261	-	983,946
Transfers Out	(842,685)	(141,261)	-	-	(983,946)
<b>Net Change in Fund Balance</b>	<b>150,176</b>	<b>381,018</b>	<b>146,758</b>	<b>117,787</b>	<b>795,739</b>
<b>Beginning Fund Balance</b>	2,778,119	2,394,426	142,381	984,679	6,299,605
<b>Prior Period Adjustment</b>	-	-		-	-
<b>Ending Fund Balance</b>	<b>\$ 2,928,295</b>	<b>\$ 2,775,444</b>	<b>\$ 289,139</b>	<b>\$ 1,102,466</b>	<b>\$ 7,095,344</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, & CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2022**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 795,739**

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is capital outlays of \$886,799 minus depreciation of (\$546,723) in the current period. 340,076

The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Debt proceeds reported in governmental funds was \$0. Unamortized premium was \$2,598, and principal payments on debt totaled \$187,778. 190,376

Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds. These include the increase in the compensated absence accrual of \$49,762. (49,762)

Property tax revenues recognized as current financial resources in the government funds are not reported as revenues in the Statement of Activities since previously recognized as earned. 4,428

Net adjustment for net pension liability/asset and related deferred inflows and deferred outflows entries are not due and payable in the current period and, therefore, are not reported in governmental funds. 795,579

Total other post-employment benefits (OPEB) liability and related deferred inflows and deferred outflows entries are not due and payable in the current period and, therefore, are not reported in the governmental funds. 129,925

**Change in Net Position of Governmental Activities** **\$ 2,206,361**

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

**TOWN OF ROGERSVILLE, TENNESSEE  
- ROGERSVILLE WATER COMMISSION -  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
June 30, 2022**

	<b>Rogersville Water Commission</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 1,041,326
Accounts Receivable (net)	372,810
Prepaid Insurance	41,242
Inventory	262,067
<b>Noncurrent Assets</b>	
Capital Assets	
Construction In Progress	1,409,155
Intangibles/Land	468,309
Water/Sewer Plants & Extensions	23,567,751
Utility Plant - General	1,669,832
Buildings/Improvements	471,815
Less: Accumulated Depreciation	(13,985,458)
Capital Assets (Net)	13,601,404
<b>Total Assets</b>	15,318,849
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable	20,399
Accrued Expenses	50,286
Accrued Compensated Absences - current	55,770
Customer Deposits	233,745
Due To Other Funds	7,863
Bonds Payable - current	261,518
Notes Payable - current	138,809
<b>Noncurrent Liabilities</b>	
Notes Payable	683,084
Bonds Payable	3,462,340
Unamortized Bond Premium	16,507
Accrued Compensated Absences	178,678
<b>Total Liabilities</b>	5,108,999
<b>NET POSITION</b>	
Net Investment in Capital Assets	9,039,146
Restricted	13,536
Unrestricted	1,157,168
<b>Total Net Position</b>	<b>\$ 10,209,850</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**- ROGERSVILLE WATER COMMISSION -**  
**STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**For the Year Ended June 30, 2022**

	<b>Rogersville Water Commission</b>
<b>OPERATING REVENUE</b>	
Water Service & Sales, Net	\$ 2,530,898
Sewer Service & Sales, Net	1,165,980
Miscellaneous Revenue	144,130
<b>Total Operating Revenue</b>	<b>3,841,008</b>
 <b>OPERATING EXPENSE</b>	
<b>Water</b>	
Salaries/Wages	258,381
Insurance	45,780
Chemicals	90,806
Utilities/Communications	115,958
Repairs/Maintenance	22,431
Supplies & Other	57,860
Total Water	591,216
 <b>Sewer</b>	
Salaries/Wages	230,664
Insurance	46,676
Chemicals	50,644
Supplies & Other	47,816
Utilities/Communications	84,182
Repairs/Maintenance	31,434
Total Sewer	491,416
 <b>Maintenance &amp; Collection (Water &amp; Sewer)</b>	
Salaries/Wages	640,340
Insurance	124,779
Utilities/Communications	28,170
Water & Sewer Line Repairs	153,969
Other Maintenance/Repairs	25,338
Vehicle Fuel/Maintenance	38,345
Supplies & Other	25,371
Total Maintenance & Collection	1,036,312
 <b>Administration &amp; General</b>	
Salaries/Wages	127,321
Utilities/Communications	6,946

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

**TOWN OF ROGERSVILLE, TENNESSEE  
- ROGERSVILLE WATER COMMISSION -  
STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION  
PROPRIETARY FUND  
For the Year Ended June 30, 2022**

	<b>Rogersville Water Commission</b>
Postage/Billing	\$ 34,348
Professional Fees	31,469
Office Expense/Supplies	24,806
Insurance	144,073
Travel/Schools	1,828
Payroll Taxes	95,953
Retirement	37,033
Safety Program	9,804
Other General Expenses	29,392
Total Administration & General	542,976
<b>Depreciation</b>	640,288
<b>Total Operating Expense</b>	3,302,208
<b>Income (Loss) from Operations</b>	538,800
 <b>NONOPERATING REVENUE (EXPENSE)</b>	
Interest Income	11
Gain On Sale Of Capital Assets	-
Insurance Recoveries	-
Interest Expense	(136,944)
<b>Total Nonoperating Revenue (Expense)</b>	(136,933)
 <b>EXCESS OF REVENUES OVER EXPENSES BEFORE CAPITAL GRANT</b>	 <b>401,867</b>
<b>Capital Grants</b>	176,988
<b>CHANGE IN NET POSITION</b>	<b>578,855</b>
 <b>NET POSITION - BEGINNING</b>	 9,630,995
<b>NET POSITION - ENDING</b>	<b>\$ 10,209,850</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE  
- ROGERSVILLE WATER COMMISSION -  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Year Ended June 30, 2022**

	<b>Rogersville Water Commission</b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$ 3,809,271
Cash Payments to Suppliers	(1,394,032)
Cash Payments to Employees	(1,241,066)
<b>Net Cash Provided by Operating Activities</b>	<b>1,174,173</b>
<b>Cash Flows from Capital &amp; Related Financing Activities</b>	
Capital Grant Received	176,988
Purchases of Capital Assets	(686,658)
Principal Paid on Debt Issues	(386,910)
Interest Paid on Capital Debt	(139,556)
<b>Net Cash Provided by (Used for) Capital &amp; Related Financing Activities</b>	<b>(1,036,136)</b>
<b>Cash Flow from Investing Activities</b>	
Interest Income	11
Gain on Sale of Capital Assets	-
<b>Total Cash Flow from Investing Activities</b>	<b>11</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>138,048</b>
<b>Cash &amp; Cash Equivalents - Beginning</b>	<b>903,278</b>
<b>Cash &amp; Cash Equivalents - Ending</b>	<b>\$ 1,041,326</b>
<b>Reconciliation of Income from Operations to Net Cash Provided by (Used for) Operating Activities</b>	
Income from Operations	538,800
<b>Adjustments to Reconcile Income from Operations to Net Cash Provided by (Used for) Operating Activities</b>	
Depreciation	640,288
(Increase) Decrease in:	
Accounts Receivable-Customers	(31,737)
Prepaid Insurance & Retirement	36,001
Inventory	(20,437)
Deposits	-
Increase (Decrease) in:	
Accounts Payable & Accrued Expenses	(2,296)
Due To Other Funds	7,863
Customer Meter Deposits	5,691
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ 1,174,173</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUE</b>				
<b>Taxes</b>				
Property Taxes	\$ 2,186,256	\$ 2,022,705	\$ 2,020,630	\$ (2,075)
In Lieu of Taxes	80,000	80,629	81,525	896
Cable TV Franchise Tax	60,000	55,529	55,529	-
Lodging Tax	80,000	114,698	123,456	8,758
Local Sales Taxes	2,200,000	2,666,305	2,693,746	27,441
Business Tax	135,000	204,301	204,302	1
Liquor Tax	125,000	132,020	133,747	1,727
Wholesale Beer Tax	275,000	278,222	279,946	1,724
<b>Total Taxes</b>	5,141,256	5,554,409	5,592,881	38,472
<b>Intergovernmental</b>				
State Alcoholic Beverage	2,000	2,133	2,134	1
State Income Tax	5,000	11,060	4,589	(6,471)
Hale Springs State Sales Tax	33,000	50,110	50,986	876
State Sales Tax	435,000	520,789	530,687	9,898
Streets & Transportation	8,500	8,616	8,580	(36)
Tangible Personal Property	25,000	28,781	28,782	1
State Mixed Drink	8,000	12,191	12,192	1
Telecommunication Tax	6,000	6,593	6,707	114
State-Sportsbetting Tax	1,800	4,476	4,697	221
Grants/Appropriations	-	738,495	89,138	(649,357)
State Maintenance/Supplemental	37,000	38,902	41,189	2,287
<b>Total Intergovernmental</b>	561,300	1,422,146	779,681	(642,465)
<b>Charges for Services</b>				
Swimming Pool & Concessions	20,000	37,137	38,717	1,580
Athletic Leagues	10,000	20,075	20,075	-
Other Park Services	3,500	4,666	4,711	45
Rental Income	-	-	-	-
Other Fees	1,800	2,009	2,002	(7)
Accident Fees	1,000	1,105	1,109	4
<b>Total Charges for Services</b>	36,300	64,992	66,614	1,622
<b>Fines &amp; Forfeitures</b>				
Police Fines	14,850	31,091	28,618	(2,473)
<b>Total Fines &amp; Forfeitures</b>	14,850	31,091	28,618	(2,473)

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Licenses &amp; Permits</b>				
Building/Other Permits	\$ 10,000	\$ 14,850	\$ 13,716	\$ (1,134)
Beer Permits	4,600	4,100	4,100	-
<b>Total Licenses &amp; Permits</b>	14,600	18,950	17,816	(1,134)
<b>Other Revenue</b>				
Interest Income	178	149	239	90
Miscellaneous	19,500	167,967	308,421	140,454
<b>Total Other Revenue</b>	19,678	168,116	308,660	140,544
<b>TOTAL REVENUES</b>	<b>\$ 5,787,984</b>	<b>\$ 7,259,704</b>	<b>\$ 6,794,270</b>	<b>\$ (465,434)</b>
<b>EXPENDITURES</b>				
<b>Mayor &amp; Aldermen</b>				
Mayor Salary	6,000	6,000	6,000	-
Aldermen Salaries	21,600	21,600	21,600	-
Committee Salaries	5,000	8,100	8,100	-
Payroll Taxes	2,500	2,555	2,731	(176)
Travel	2,000	-	-	-
Insurance	300	215	204	11
<b>Total Mayor &amp; Aldermen</b>	37,400	38,470	38,635	(165)
<b>Financial &amp; Administration</b>				
City Recorder's Salary	104,774	111,221	111,221	-
Deputy Recorder's Salary	134,500	87,984	87,984	-
Salaries - Clerks	94,760	101,000	100,490	510
Christmas Bonuses	11,000	11,000	10,558	442
Payroll Taxes	22,000	25,000	22,976	2,024
TN Wage/Premium Taxes	2,000	1,400	1,366	34
City Judge Fees	3,500	3,500	3,351	149
Postage	1,000	1,200	1,160	40
Printing	3,000	1,500	1,433	67
Telephone	10,000	11,000	10,408	592
Professional Fees	32,085	27,085	27,005	80
Repairs	2,400	7,700	7,088	612
Travel	3,500	2,700	-	2,700
Office Supplies	5,000	6,000	2,685	3,315
Insurance w/ Comp.	1,200	1,000	4,681	(3,681)
Surety Bonds	3,000	3,000	2,195	805

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Group Health Insurance	415,000	512,300	513,034	(734)
Capital Outlay	\$ 20,000	\$ 19,000	\$ 18,623	\$ 377
Miscellaneous	15,000	15,000	12,043	2,957
<b>Total Financial &amp; Administration</b>	<b>883,719</b>	<b>948,590</b>	<b>938,301</b>	<b>10,289</b>
<b>Buildings &amp; Grounds</b>				
Salaries	82,400	86,000	84,686	1,314
Payroll Taxes	6,400	6,600	6,479	121
Utilities	25,000	27,000	26,833	167
Repairs	25,000	7,800	6,704	1,096
Operating Supplies	25,000	40,000	33,282	6,718
Office Supplies	500	500	-	500
Janitor Supplies	6,500	7,000	6,871	129
Insurance	5,000	6,000	5,964	36
Insurance w/ Comp.	5,000	4,000	3,835	165
Gas/Oil/Grease	2,000	5,000	4,299	701
Kenner House Maintenance	50,000	15,000	6,121	8,879
Capital Outlay	100,000	25,000	16,018	8,982
Miscellaneous	2,000	2,000	807	1,193
<b>Total Buildings &amp; Grounds</b>	<b>334,800</b>	<b>231,900</b>	<b>201,899</b>	<b>30,001</b>
<b>Other General Government</b>				
Salaries/Committees	17,000	18,850	18,750	100
Payroll Taxes	1,322	1,500	1,434	66
Post Office Box Rent	250	254	254	-
Printing	12,000	12,000	5,520	6,480
Dues/Subscriptions	4,500	6,000	5,234	766
Public Relations	4,500	6,000	5,164	836
Legal	35,000	30,000	21,687	8,313
Contract Services	22,000	28,000	25,221	2,779
Consultant Services	3,000	1,000	-	1,000
Repairs	25,000	5,000	231	4,769
Travel	1,500	1,500	31	1,469
Insurance	12,000	19,000	18,500	500
Election Expense	3,000	-	-	-
Christmas Decorations	5,000	4,000	3,756	244
Administrative Costs	4,000	5,000	4,214	786
Grants/Donations	71,010	66,510	66,510	-
Main Street Program	25,000	25,000	25,000	-

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Tourism	50,000	76,500	76,466	34
Historical Zoning	\$ 500	\$ -	\$ -	-
Capital Outlay	1,000	-	-	-
Retirement/Other Benefits	133,500	80,400	57,337	23,063
Retirement Consulting Fees	17,000	11,000	11,000	-
Miscellaneous	7,000	5,000	4,168	832
<b>Total General Government</b>	455,082	402,514	350,477	52,037
<b>Police</b>				
Salaries	1,070,000	1,200,000	1,179,404	20,596
Payroll Taxes	81,900	93,000	92,327	673
Education/Training	5,000	5,000	4,698	302
Communication	1,200	1,200	273	927
Postage	600	600	352	248
Printing	1,500	4,000	3,496	504
Dues/Subscriptions	4,100	4,000	3,296	704
Telephone	15,000	17,500	17,476	24
Repairs - Vehicles	12,000	17,000	15,871	1,129
Repairs - Other	2,500	1,500	1,413	87
Travel	3,000	1,200	1,013	187
Hospital Services	-	-	-	-
Office Supplies	3,000	3,500	3,380	120
Uniforms	27,000	28,500	28,263	237
Ammunition	3,500	5,500	5,170	330
Other Operating Supplies	20,000	12,000	11,576	424
Gas/Oil/Grease	14,000	28,000	27,047	953
Tires/Tubes	3,000	4,000	3,603	397
Vehicle Insurance	20,000	23,000	22,612	388
Insurance w/ Comp.	47,000	56,000	55,638	362
Surety Bonds	400	400	400	-
Capital Outlay	240,000	308,000	307,540	460
Miscellaneous	10,000	6,000	4,767	1,233
<b>Total Police</b>	1,584,700	1,819,900	1,789,615	30,285
<b>Fire</b>				
Salaries	53,500	53,000	51,511	1,489
Payroll Taxes	4,093	4,500	4,003	497
Education/Training	500	550	516	34
Dues/Subscriptions	400	100	50	50

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Utilities/Telephone	10,000	13,000	12,345	655
Repairs - Vehicles	\$ 9,000	\$ 15,000	\$ 14,373	\$ 627
Repairs - Other	7,000	7,000	6,906	94
Travel	500	750	713	37
Office Supplies	800	800	751	49
Operating Supplies	3,000	1,500	2,821	(1,321)
Uniforms	-	-	-	-
Gas/Oil/Grease	1,500	3,000	2,524	476
Insurance	10,500	8,400	8,248	152
Capital Outlay	7,000	10,000	10,724	(724)
Miscellaneous	2,500	4,500	4,728	(228)
<b>Total Fire</b>	110,293	122,100	120,213	1,887
<b>Protective Inspection</b>				
Salaries	21,271	21,272	21,271	1
Payroll Taxes	2,400	2,400	2,320	80
Education/Training	150	150	-	150
Printing	250	250	-	250
Dues/Subscriptions	300	300	-	300
Travel	1,000	1,100	1,085	15
Plumbing Inspector	8,487	8,488	8,487	1
Insurance w/ Comp.	1,300	1,100	1,021	79
Miscellaneous	100	100	-	100
<b>Total Protective Inspection</b>	35,258	35,160	34,184	976
<b>Streets</b>				
Salaries	438,000	465,000	462,599	2,401
Payroll Taxes	33,500	37,000	35,869	1,131
Utilities/Telephone	13,000	14,000	13,786	214
Repairs/Machinery	20,000	30,000	26,935	3,065
Repairs - Buildings	5,000	1,000	930	70
Repairs - Streets	30,000	30,000	23,786	6,214
Sidewalks	10,000	5,000	3,923	1,077
Animal Burials	-	-	-	-
Operating Supplies	9,000	9,000	8,696	304
Janitor Supplies	5,000	2,000	1,219	781
Uniforms	6,000	6,000	5,591	409
Gas/Oil/Grease	30,000	50,000	45,299	4,701
Tires/Tubes	4,000	4,200	3,918	282

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Tools	150	100	91	9
Asphalt	\$ 10,000	\$ 18,000	\$ 112,303	\$ (94,303)
Other Materials	25,000	21,000	21,068	(68)
Signs/Parts	3,000	2,000	1,824	176
Vehicle Insurance	8,000	8,000	7,869	131
Insurance w/ Comp.	45,000	40,000	39,793	207
Capital Outlay	335,000	280,000	182,345	97,655
Miscellaneous	1,500	2,000	1,846	154
<b>Total Streets</b>	1,031,150	1,024,300	999,690	24,610
<b>Solid Waste-Sanitation</b>				
Salaries & Wages	267,800	275,000	272,108	2,892
Payroll Taxes	20,500	22,000	20,849	1,151
Repairs/Maintenance	10,000	10,000	8,941	1,059
Operating Supplies	2,000	2,000	1,515	485
Uniforms	4,000	4,800	4,683	117
Vehicle Expense	18,000	28,000	24,530	3,470
Insurance	25,000	22,400	21,501	899
Other	2,000	2,600	1,263	1,337
Capital Outlay	-	-	-	-
<b>Total Solid Waste-Sanitation</b>	349,300	366,800	355,390	11,410
<b>Parks &amp; Recreation</b>				
Salaries - Director	60,770	70,000	72,530	(2,530)
Salaries - Regular & Seasonal	230,400	245,000	237,385	7,615
Umpires	15,000	20,000	18,791	1,209
Payroll Taxes	22,300	24,000	23,735	265
Postage	400	300	12	288
Printing	500	200	194	6
Special Events	1,000	2,500	2,202	298
Utilities	60,000	81,000	77,091	3,909
Telephone	12,000	12,000	11,091	909
Contract Services	1,500	1,500	-	1,500
Repairs - Buildings	8,000	4,000	2,657	1,343
Repairs - Vehicles	5,000	3,500	2,580	920
Repairs - Park	15,000	10,000	6,915	3,085
Repairs - Pool	6,000	6,000	5,018	982
Travel	1,000	200	66	134
Office Supplies	1,500	1,200	1,200	-

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**GENERAL FUND**

**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Park Supplies	10,000	10,000	11,815	(1,815)
Pool Supplies	\$ 18,000	\$ 35,000	\$ 35,028	\$ (28)
Janitor Supplies	2,000	2,400	2,382	18
Recreation Supplies	12,000	22,000	21,933	67
Uniforms	1,000	700	1,111	(411)
Gas/Oil/Grease	5,000	10,000	9,336	664
Tires/Tubes	1,000	500	75	425
Tools	500	200	93	107
Insurance - Buildings/Vehicles	17,000	17,000	15,409	1,591
Insurance w/ Comp.	9,000	9,000	8,357	643
Equipment Rental/Miscellaneous	6,500	6,500	5,611	889
Capital Outlay	100,000	80,000	74,266	5,734
<b>Total Parks &amp; Recreation</b>	622,370	674,700	646,883	27,817
<b>Debt Service</b>				
Principal Retirement	187,777	187,778	187,778	-
Interest Expense	19,914	27,757	19,893	7,864
Other Service Fees	2,500	2,000	1,971	29
<b>Total Debt Service</b>	210,191	217,535	209,642	7,893
<b>Appropriations to Others</b>				
Library Appropriations	116,480	116,480	116,480	-
<b>Total Appropriations to Others</b>	116,480	116,480	116,480	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,770,743</b>	<b>\$ 5,998,449</b>	<b>\$ 5,801,409</b>	<b>\$ 197,040</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	17,241	1,261,255	992,861	(268,394)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(842,685)	(842,685)	(842,685)	-
<b>Net Change in Fund Balance</b>	(825,444)	418,570	150,176	(268,394)
<b>FUND BALANCE - BEGINNING</b>	2,778,119	2,778,119	2,778,119	-
<b>FUND BALANCE - ENDING</b>	<b>\$ 1,952,675</b>	<b>\$ 3,196,689</b>	<b>\$ 2,928,295</b>	<b>\$ (268,394)</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
<b>Taxes</b>				
Property Taxes	\$ 534,382	\$ 534,382	\$ 634,749	\$ 100,367
Local Option Sales Taxes	360,000	360,000	686,615	326,615
Other Taxes	24,800	24,800	29,693	4,893
<b>Total Taxes</b>	919,182	919,182	1,351,057	431,875
<b>Intergovernmental</b>				
Basic Education Plan	3,840,000	3,840,000	3,844,896	4,896
Career Ladder	16,509	16,509	10,615	(5,894)
Other State/Federal	258,634	398,760	308,573	(90,187)
<b>Total Intergovernmental</b>	4,115,143	4,255,269	4,164,084	(91,185)
<b>Charges for Services</b>				
Tuition	95,000	95,000	88,565	(6,435)
Other Charges	-	-	-	-
<b>Total Charges for Services</b>	95,000	95,000	88,565	(6,435)
<b>Other Revenue</b>				
Investment Earnings	3,000	3,000	(1,861)	(4,861)
Miscellaneous	-	393,047	16,352	(376,695)
<b>Total Other Revenue</b>	3,000	396,047	14,491	(381,556)
<b>TOTAL REVENUES</b>	<b>\$ 5,132,325</b>	<b>\$ 5,665,498</b>	<b>\$ 5,618,197</b>	<b>\$ (47,301)</b>
<b>EXPENDITURES</b>				
<b>Regular Instruction</b>				
Teachers Salaries & Wages	2,109,432	2,190,152	2,134,469	55,683
Career Ladder	10,000	10,000	8,000	2,000
Homebound Teachers	2,000	-	-	-
Education Assistants	135,650	126,170	123,532	2,638
Other Salaries & Wages	-	67,695	67,695	-
Certified Substitute Teachers	10,000	4,057	3,687	370
Non-Certified Substitute Teachers	25,000	36,500	36,039	461
Payroll Taxes	178,541	175,956	170,431	5,525
Retirement	250,239	235,424	213,997	21,427
Medical Insurance	295,083	287,083	284,948	2,135
Other Fringe Benefits	36,230	38,526	38,425	101
Other Charges	7,000	11,584	11,024	560
Other Contracted Services	21,600	14,600	14,026	574

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Instructional Supplies	117,368	64,399	63,502	897
Textbooks	\$ 55,000	\$ 34,000	\$ 33,735	\$ 265
Other Supplies & Materials	5,000	5,000	4,304	696
Instructional Equipment	33,000	165,499	33,000	132,499
<b>Total Regular Instruction</b>	<b>3,291,143</b>	<b>3,466,645</b>	<b>3,240,814</b>	<b>225,831</b>
<b>Special Education</b>				
Teachers & Career Ladder	149,027	124,510	123,657	853
Education Assistants	71,614	53,614	53,243	371
Other Salaries & Wages	-	(13,295)	11,675	
Payroll Taxes	17,297	13,771	12,987	784
Retirement	19,033	19,545	19,478	67
Medical Insurance	60,949	59,780	59,780	-
Other Fringe Benefits	4,219	5,501	5,451	50
Other Contracted Services	50,000	50,000	3,010	46,990
<b>Total Special Education</b>	<b>372,139</b>	<b>313,426</b>	<b>289,281</b>	<b>49,115</b>
<b>Health Services</b>				
Medical & Other Personnel	123,318	101,054	89,731	11,323
Payroll Taxes	9,614	9,819	6,340	3,479
Retirement	12,718	11,510	9,779	1,731
Medical Insurance	19,179	16,094	16,029	65
Other Fringe Benefits	2,149	1,747	522	1,225
Contracted Services	1,000	-	1,108	(1,108)
In-Service-Staff Development	750	1,422	922	500
Supplies	1,881	4,308	4,268	40
Other Charges	1,065	815	711	104
<b>Total Health Services</b>	<b>171,674</b>	<b>146,769</b>	<b>129,410</b>	<b>17,359</b>
<b>Other Student Support</b>				
Guidance Personnel	44,399	32,149	1,250	30,899
Payroll Taxes	3,457	2,200	144	2,056
Medical Insurance	4,592	2,717	-	2,717
Retirement	5,795	3,729	381	3,348
In-Service	2,300	-	-	-
Other Fringe Benefits	1,325	774	-	774
Supplies & Materials	500	500	5,488	(4,988)
<b>Total Other Student Support</b>	<b>62,368</b>	<b>42,069</b>	<b>7,263</b>	<b>34,806</b>
<b>Library</b>				

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Salaries	162,887	166,489	166,489	-
Career Ladder	\$ -	\$ 1,000	\$ 1,000	\$ -
Payroll Taxes	12,605	12,077	12,076	1
Retirement	16,777	17,320	17,251	69
Medical Insurance	22,396	22,096	22,083	13
Other Fringe Benefits	2,724	2,724	2,712	12
In-Service/Staff Development	5,000	4,354	4,078	276
Library Books	8,500	7,347	7,346	1
Other Charges	6,130	1,272	1,272	-
<b>Total Library</b>	<b>237,019</b>	<b>234,679</b>	<b>234,307</b>	<b>372</b>
<b>Other Special Education</b>				
Director	48,193	49,093	49,092	1
Career Ladder	1,000	1,000	-	1,000
Payroll Taxes	3,799	3,780	3,768	12
Retirement	5,067	5,064	5,056	8
Medical Insurance	-	-	-	-
Other Fringe Benefits	26	25	24	1
Contracted Services & Other	36,853	35,976	21,645	14,331
<b>Total Other Special Education</b>	<b>94,938</b>	<b>94,938</b>	<b>79,585</b>	<b>15,353</b>
<b>Board of Education</b>				
Salaries	21,000	19,600	19,550	50
Payroll Taxes	1,756	1,756	1,632	124
Retirement	52	63	62	1
Professional Fees	15,900	23,420	15,841	7,579
Dues	9,605	9,465	9,268	197
Other Services	-	-	-	-
Trustee's Commissions	20,000	14,500	12,044	2,456
Insurance	34,200	34,100	34,006	94
In-Service Development	6,000	4,590	4,591	(1)
Other Charges	9,500	14,300	15,139	(839)
Contracted Services	-	-	-	-
<b>Total Board of Education</b>	<b>118,013</b>	<b>121,794</b>	<b>112,133</b>	<b>9,661</b>
<b>Director of Schools</b>				
Salaries	118,462	121,250	119,750	1,500
Career Ladder	1,000	2,000	1,000	1,000
Payroll Taxes	9,200	9,268	9,257	11
Retirement	11,433	12,192	12,187	5

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Medical Insurance	2,522	2,685	2,635	50
Other Fringe Benefits	\$ 3,344	\$ 3,249	\$ 3,221	\$ 28
Communications & Postage	1,100	540	534	6
In-Service Development	3,500	6,011	5,787	224
Other Charges	-	-	-	-
<b>Total Director of Schools</b>	150,561	157,195	154,371	2,824
<b>Principal</b>				
Salaries	268,874	272,677	272,676	1
Career Ladder	2,000	-	-	-
Payroll Taxes	21,265	20,423	20,383	40
Retirement	26,315	25,385	25,328	57
Medical Insurance	30,921	23,321	23,275	46
Other Fringe Benefits	5,066	3,966	3,851	115
Travel	-	-	-	-
Supplies & Other	4,300	3,200	3,193	7
In-Service Development	3,500	500	450	50
Communication	1,300	1,100	1,048	52
Contracted Services	26,500	37,750	36,098	1,652
<b>Total Principal</b>	390,041	388,322	386,302	2,020
<b>Fiscal</b>				
Salaries	112,265	115,209	115,210	(1)
Payroll Taxes	8,738	8,183	8,034	149
Retirement/Medical Insurance	37,867	39,129	38,751	378
Other Fringe Benefits	1,914	1,724	1,705	19
Data Processing	14,749	15,449	15,445	4
Dues	275	100	99	1
Supplies & Other	16,670	28,910	23,650	5,260
In-Service Development	2,500	200	100	100
<b>Total Fiscal</b>	194,978	208,904	202,994	5,910
<b>Operations &amp; Buildings</b>				
Salaries	97,869	107,217	107,183	34
Payroll Taxes	7,696	8,090	8,088	2
Retirement/Medical Insurance	17,891	18,196	18,167	29
Building & Contents Insurance	15,500	15,400	15,329	71
Other Fringe Benefits	1,724	1,677	1,661	16
Contracted Services	14,987	15,047	15,043	4
Supplies	12,000	20,950	20,948	2

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Utilities	\$ 137,000	\$ 161,645	\$ 161,424	\$ 221
Capital Outlay-Bldg. Improvements	-	191,533	80,622	110,911
<b>Total Operations &amp; Buildings</b>	304,667	539,755	428,465	111,290
<b>Maintenance</b>				
Salaries	48,635	50,385	50,385	-
Payroll Taxes	3,780	3,520	3,484	36
Retirement	5,058	5,288	5,240	48
Other Fringe Benefits & Med. Insur.	14,376	14,176	14,170	6
Maintenance & Repairs	61,000	58,410	52,466	5,944
In-Service Development	300	-	-	-
Capital Outlay-Equipment	14,500	9,460	5,330	4,130
Other Contracted Services/Supplies	37,587	37,133	33,872	3,261
<b>Total Maintenance</b>	185,236	178,372	164,947	13,425
<b>School Transportation</b>				
Contracted Services -Bus Transport	13,000	33,253	17,309	15,944
<b>Total School Transportation</b>	13,000	33,253	17,309	15,944
<b>Technology</b>				
Salaries	123,797	128,756	128,756	-
Payroll Taxes	9,590	9,628	9,527	101
Retirement	12,875	13,425	13,125	300
Medical Insurance	14,480	14,380	14,258	122
Other Fringe Benefits	928	928	919	9
Communications	10,560	9,260	9,224	36
Maintenance & Repairs	5,000	1,600	1,555	45
In-Service Development	5,000	200	150	50
Contracted Services	33,363	129,175	78,141	51,034
Supplies & Other Charges	5,400	2,452	154	2,298
Internet Connectivity	55,039	47,540	43,402	4,138
Capital Outlay	40,271	89,615	89,615	-
<b>Total Central Services</b>	316,303	446,959	388,826	58,133
<b>Early Childhood Education</b>				
Teachers	44,223	53,643	53,643	-
Education Assistants	22,159	15,328	15,328	-
Non-Certified Substitute Teachers	500	-	-	-
Payroll Taxes	5,249	5,386	5,386	-
Retirement	6,017	5,525	5,525	-

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL OPERATING FUND**  
**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Medical Insurance	17,468	17,513	17,513	-
Other Fringe Benefits	\$ 1,645	\$ 1,160	\$ 1,160	\$ -
Supplies & Other	-	1,392	1,392	-
In-Service Development	237	-	-	-
Capital Outlay - Equipment	-	-	-	-
<b>Total Early Childhood Education</b>	<b>97,498</b>	<b>99,947</b>	<b>99,947</b>	<b>-</b>
<b>Non-Instructional Services</b>				
Salaries	-	2,600	1,884	716
Payroll Taxes	-	204	70	134
Retirement	-	283	56	227
Supplies	-	2,400	639	1,761
<b>Total Non-Instructional Services</b>	<b>-</b>	<b>5,487</b>	<b>2,649</b>	<b>2,838</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,999,578</b>	<b>\$ 6,478,514</b>	<b>\$ 5,938,603</b>	<b>\$ 564,881</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<b>(867,253)</b>	<b>(813,016)</b>	<b>(320,406)</b>	<b>517,580</b>
Other Financing Sources (Uses)				
Insurance Recovery	-	-	-	-
Transfers In	842,197	842,197	842,685	488
Transfers Out	-	(150,000)	(141,261)	(8,739)
<b>Net Change in Fund Balance</b>	<b>(25,056)</b>	<b>(120,819)</b>	<b>381,018</b>	<b>509,329</b>
<b>FUND BALANCE - BEGINNING</b>	<b>2,394,426</b>	<b>2,394,426</b>	<b>2,394,426</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 2,369,370</b>	<b>\$ 2,273,607</b>	<b>\$ 2,775,444</b>	<b>\$ 501,837</b>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**ROGERSVILLE CITY SCHOOL PL-89-10 FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Federal Revenues	\$ 3,003,827	\$ 3,433,993	\$ 1,424,251	\$ (2,009,742)
<b>Total Revenues</b>	3,003,827	3,433,993	1,424,251	(2,009,742)
<b>Expenditures</b>				
Salaries & Wages	1,374,741	1,366,363	544,583	821,780
Employee Benefits	188,750	457,476	171,916	285,560
Supplies & Materials	86,883	158,477	62,990	95,487
Contracted Services	66,278	149,841	102,818	47,023
In-Service Staff Development	41,423	60,075	16,904	43,171
Other Charges	89,797	47,996	2,991	45,005
Equipment	1,155,955	1,193,765	516,552	677,213
<b>Total Expenditures</b>	3,003,827	3,433,993	1,418,754	2,015,239
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	-	-	5,497	5,497
Other Financing Sources (Uses)				
Transfers In-City School Fund	-	150,000	141,261	(8,739)
<b>Net Change in Fund Balance</b>	-	150,000	146,758	(3,242)
<b>Fund Balance - Beginning</b>	142,381	142,381	142,381	-
<b>Fund Balance - Ending</b>	\$ 142,381	\$ 292,381	\$ 289,139	\$ (3,242)

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General Statement**

The Town of Rogersville (i.e., The Town) was incorporated in 1911 under the laws of the State of Tennessee and operates under the Mayor-Aldermanic form of government. The services as authorized and established by its charter are as follows: Public Safety – Police and Fire, Streets, Sanitation, Culture-Recreation, Public Improvements, General and Administrative Services, Water and Sewer Services, and an Elementary School System. The Town is a charter city in which citizens elect the mayor and six aldermen at large.

The Town's financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of these notes to the basic financial statements. In determining the financial reporting entity, the Town has no component units on June 30, 2022, over which the Town exercises significant influence.

**B. Basis of Presentation**

**Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the reporting government as a whole. The statements distinguish between governmental and business-type activities. Governmental activities are activities which are normally supported by taxes and intergovernmental revenues. Business-type activities rely significantly on fees and charges for support.

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

## **Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

### **Governmental Funds**

**General Fund** – The General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

**Special Revenue Funds** – Special Revenue Funds are government funds that are used to account for the proceeds of specific revenue sources that are legally restricted, assigned, or committed to expenditures for certain purposes. A description of each special revenue fund is described under major and non-major funds.

### **Proprietary Fund**

**Enterprise Fund** – Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity. The reporting entity includes the Rogersville Water Commission, which is the only enterprise fund.

### **Major & Non-major Funds**

The funds are further classified as major or non-major as shown:

#### **Funds Major:**

General Fund – See above for description.

#### Special Revenue Fund:

Rogersville City Board of Education Fund – Accounts for revenues and expenditures relating to general operations of the elementary school.

PL 89-10 Fund – Accounts for federal revenues related to federal project expenditures of the Rogersville City School.

Proprietary Fund:

Rogersville Water Commission – Accounts for activities of the public trust in providing water and sewer services to the general public.

**Funds Non-major:**

Special Revenue Funds:

State Street Aid Fund – Accounts for state-shared revenues and expenditures specifically restricted for street use.

Community Center Fund – Accounts for revenues and expenditures for a future community center.

Industrial Park Development Fund – Accounts for revenues and expenditures related to the industrial park and related economic development.

Drug Fund – Accounts for revenues and expenditures related to drug fund operations.

Cafeteria Fund – Accounts for revenues and expenses of the elementary school’s single cafeteria system.

Internal School Funds – Accounts for revenues and expenses of the elementary school’s activity fund.

Capital Projects Fund – Accounts for revenues and expenditures relating to debt issues for major capital projects.

**C. Measurement Focus & Basis of Accounting**

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

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the “economic resources” measurement focus as defined in item b. below.

In the fund financial statements, either the “current financial resources” measurement focus or the “economic resources” measurement focus is used, as appropriate:

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

- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

### **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. As a result, revenues are recognized when earned, and expenses are recorded when the liability is incurred, or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used.

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

### **Cash & Cash Equivalents**

For the purpose of the Statement of Net Position, “cash and cash equivalents” consists of demand deposits, savings accounts, money market accounts, and certificates of deposit with original maturities of 90 days or less. In accordance with governmental accounting standards, certain restricted assets are considered cash equivalents for purposes of the statements of cash flows.

### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned and not yet received. Allowance for uncollectible accounts is based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, sales taxes, intergovernmental revenues, and grants. Business-type activities report utility customer billings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, sales taxes, grants, and intergovernmental revenues since they are both usually measurable and available. Non-exchange transactions that are collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Proprietary fund material receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable compose the majority of proprietary fund receivables.

**Inventories and Prepaid Items**

Inventories of proprietary fund materials on hand and cafeteria fund inventory at year end are stated at cost on the first-in-first-out method. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the government-wide financial statements and on the fund level for the proprietary funds.

**Capital Assets**

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide financial statements or fund financial statements.

**Capitalized Interest**

The Town of Rogersville capitalizes net interest costs and interest earned as part of the cost of constructing various capital assets when material. There was no capitalized interest for the year ended June 30, 2022.

**Government-wide Financial Statements**

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of the donation. Estimated historical cost was used to value a majority of the governmental activity assets acquired prior to June 30, 2003. In the government-wide financial statements, capital assets are defined by the Town for governmental activities as assets with an initial individual cost greater than \$5,000. For business-type activities, capital assets are defined as assets with an estimated useful life greater than one year.

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as shown below:

Buildings & Improvements	10-50 years
Machinery/Equipment/Vehicles	5-20 years
Utility System	40-60 years
Infrastructure	25-50 years

**Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in

proprietary fund operations are accounted for the same as in the government-wide financial statements.

### **Restricted Assets**

Restricted assets at the government-wide level of financial reporting include cash, receivables, and inventories of the governmental and proprietary funds that are legally restricted as to their use.

Restricted assets also consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Rogersville City School'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 Rogersville City School to fund retirement benefits upon approval of the TCRS Board of Directors. To date, Rogersville City School 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 Rogersville City School.

### **Long-Term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements. The long-term debt consists primarily of bonds payable, capitalized leases, and accrued compensated absences. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest are reported as expenditures. The accounting for the proprietary fund is the same in the funds statement as it is in the government-wide statements.

### **Pensions**

Teacher Legacy Plan & Teacher Retirement Plan (TCRS) (#99137)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources relating to pensions, and pensions expense, information about the fiduciary net position of the Teacher Legacy Pension Plan and the Teacher Retirement Plan in the Tennessee Consolidated Retirement System (TCRS) and additions to/deductions from the plans' 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 benefit terms of the Teacher Legacy Plan and the Teacher Retirement Plan. Investments are reported at fair value.

Public Employee Retirement Plan (TCRS) (#87610)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources relating to pensions, and pensions expense, information about the fiduciary net position of the Town's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS) and additions to/deductions from the Town's fiduciary net position have been determined on the same basis as they are reported by TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee

contributions) are recognized when due and paid in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

### **Compensated Absences**

The Town's policies regarding vacation time permit employees to accumulate earned but unused vacation leave based on prescribed formulas. Vacation time can be accumulated up to one year. Sick leave is earned based on prescribed formulas and the length of service. Sick leave can be carried over up to a maximum of sixty days and is paid upon termination or retirement. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. The proprietary fund reports the liability as it is incurred.

### **Post-Employment**

The Town provides no post-employment healthcare benefits to employees who retire from service except for an employee who has fifteen years or more of service and retires at age 62. Beginning July 1, 1997, the Town will provide health insurance coverage for those qualifying until age 65. Also, the Town under the Consolidated Omnibus Budget Reconciliation Act (COBRA) makes available healthcare benefits available to eligible former employees and eligible dependents according to certain requirements outlined by the Federal government for this coverage. There is no cost associated to the Town under this program as the premiums are paid by the insured. On June 30, 2022, there were no participants in the COBRA program. With respect to the Rogersville City School, they do participate in the State Administered Group Insurance Plan. See Note 15 regarding the related disclosures.

### **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 of deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has three items qualifying for reporting in this category. This relates to deferred costs from the refunding of debt (result of reacquisition price excess), which was previously deferred and amortized are now presented as deferred outflows of resources, deferred outflows of resources relating to pension plan reporting, and deferred outflows related to other post-employment benefits. See Note 14 for additional information on pension plan deferred outflows of resources and Note 15 for OPEB deferred outflows of resources.

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 position that applies to a future period 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. The items qualifying in this area are current/delinquent property taxes, deferred inflows relating to pension plan reporting, and deferred inflows relating to OPEB. See Note 14 for additional information on deferred inflows relating to pensions and Note 15 for deferred inflows relating to OPEB.

### **Net Position and Fund Balance**

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

- 1) Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding borrowings attributable to the acquisition, construction, or improvement of those assets.
- 2) 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. The Town’s policy is generally to use restricted net assets first, as appropriate opportunities arise.
- 3) Unrestricted Net Position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Governmental Fund Equity is classified as fund balance. Fund balances are classified into the following categories:

- Nonspendable fund balances comprise those amounts that are legally or contractually required to remain intact.
- Restricted fund balances comprise those amounts constrained to be used for a specific purpose by external parties, constitution provisions, or enabling legislation.
- Committed fund balances comprise those amounts constrained by the government’s Board of Mayor and Aldermen through ordinance (its highest level of authority). A similar action is required to modify or rescind a constraint.
- Assigned fund balances are amounts intended to be used for a specific purpose by the Board of Mayor and Aldermen through action other than the highest level of authority.
- Unassigned fund balances are any amounts other than those described above and are available for any purpose.

### **Net Position and Fund Balance Flow Assumptions**

When outlays for a particular purpose are funded from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. This Town’s policy is that when both restricted and unrestricted resources are available for expenditure, restricted resources should be spent first unless legal requirements disallow it. When outlays are incurred for purposes for which amounts in any unrestricted fund balance classification could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

## **E. Revenues, Expenditures, & Expenses**

### **Property Tax & Other Revenue**

Under state law, property taxes become a lien on January 1 of each year. Property taxes are levied annually and are due and payable from October 1<sup>st</sup> through February 28<sup>th</sup> of the following calendar year. The 2021 property taxes which are due and payable in the current fiscal year are recorded as revenue in the fund financial statements to the extent they are collected within 60 days of year-end with the remainder being recorded as a receivable and as deferred revenue. The 2022 property taxes, which become a lien on January 1, 2022 and are not levied until October 1, 2022, are recorded

as a receivable and as deferred inflows of resources in the fund financial statements. On the government-wide statements, property taxes are recorded as revenue in the year the tax becomes a lien with the exception of the 2021 property taxes which are recorded as a receivable and as a deferred inflow of resources with the revenue being recognized in the following fiscal year which it is intended to finance. Those revenues susceptible to accrual are property taxes, sales tax, beer taxes, gas taxes, income taxes, interest revenues, and charges for utility services. Permits, fines, penalties, and other revenues are not susceptible to accrual because they are not generally measurable until received in cash.

### **Operating Revenues & Expenses**

The enterprise fund distinguishes *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's entire enterprise fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### **Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities. In the fund financial statements, expenditures are classified by function and further classified by current, debt service, and capital outlay. The proprietary fund expenditures are classified by operating and non-operating expenses. In the fund financial statements, governmental funds report expenditures of financial resources while proprietary funds report expenses relating to use of economic resources.

### **Interfund Transfers**

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

### **Debt Issue Costs**

Debt issue costs are accounted for as expenditures in both the governmental fund financial statements and government-wide financial statements when incurred.

## **F. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

## **NOTE 2 – STEWARDSHIP, COMPLIANCE, & ACCOUNTABILITY**

### **A. Fund Accounting Requirements**

The Town complies with the state and local laws and regulations requiring the use of separate funds. The related funds have been described in Note 1 to the financial statements.

### **B. Deposits & Investment Laws & Regulations**

The Town has no formal deposit and investment policies; however, it is required to follow state statutes for municipalities with respect to deposits and investments. See Note 3 for related disclosures.

### **C. Budgeting**

On an annual basis, the Town adopts and approves an annual budget for all of its General, Special Revenue, and Enterprise Funds consistent with accepted accounting principles as applied to local and state governments generally accepted in the United States of America. Any amendments to general, special revenue, and enterprise fund budgets are approved by the Board of Mayor and Aldermen, and all appropriations lapse at year end. The Rogersville City Board of Education approves any amendments to its original budget.

## **NOTE 3 – DEPOSITS AND INVESTMENTS**

The Town of Rogersville has no formal policies with respect to deposits and investments; however, it is required to follow procedures allowed by applicable state laws. On June 30, 2022, the Town of Rogersville had funds invested in demand deposits, savings, certificates of deposit, or money market accounts with local financial institutions in the form of cash deposits. No funds were invested in bonds, notes, treasury bills, or any other agencies of the United States. The state regulations authorize the Town to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state-chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies, as the underlying securities, the state pooled investment fund, and money market funds. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. With respect to custodial credit risk, the Town follows the applicable state guidelines. Furthermore, the state requires that all deposits with financial institutions be collateralized by securities whose market value is equal to 105% of the value of the uninsured deposits. The deposits must be covered by federal depository insurance or the Tennessee Collateral Bank Pool, or by collateral held by the City's agent in the City's name, or by the Federal Reserve Banks acting as third-party agents.

### **Deposits**

As of June 30, 2022, the carrying amount of the Town's cash and cash equivalents was \$7,850,333 (excluding cash on hand of \$1,700) and the respective bank balances totaled \$8,075,470. The difference between the two amounts represented deposits in transit, outstanding checks, or other reconcilable items. As of June 30, 2022, total bank balances of \$8,075,470 were covered by F.D.I.C. insurance and collateralization of securities held by the Town's agent in the Town's name.

## Restricted Investments – TCRS Stabilization Trust

*Legal Provisions-* Rogersville City School (the School) is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The School has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (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.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. Rogersville City School 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, 2022, Rogersville City School had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 12,952
Developed Market International Equity	N/A	N/A	5,850
Emerging Market International Equity	N/A	N/A	1,671
U.S. Fixed Income	N/A	N/A	8,356
Real Estate	N/A	N/A	4,178
Short-term Securities	N/A	N/A	418
Private Equity and Strategic Lending	N/A	N/A	8,356
			\$ 41,781

For further information concerning the legal provisions, investment policies, investment types, and credit risks of Rogersville City School'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/2022/ag21066.pdf>

**NOTE 4 – RECEIVABLES**

Receivables as of year-end for the government’s individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are shown below:

Receivables	Rogersville					Total
	General Fund	City School Operating Fund	Federal Projects PL-89-10	Rogersville Water Commission	Non-major Funds	
Property Taxes	\$ 2,578,490	\$ 278,053	\$ -	\$ -	\$ -	\$ 2,856,543
Accounts	-	-	-	465,609	-	465,609
Intergovernmental	708,525	262,094	442,092	-	28,303	1,441,014
<b>Gross Receivables</b>	<b>3,287,015</b>	<b>540,147</b>	<b>442,092</b>	<b>465,609</b>	<b>28,303</b>	<b>4,763,166</b>
Less: Allowance for Uncollectibles	-	-	-	(92,799)	-	(92,799)
<b>Net Total Receivables</b>	<b>\$ 3,287,015</b>	<b>\$ 540,147</b>	<b>\$ 442,092</b>	<b>\$ 372,810</b>	<b>\$ 28,303</b>	<b>\$ 4,670,367</b>

**NOTE 5 – DUE TO & DUE FROM OTHER FUNDS**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between the funds. Those related to goods and services type are classified as “due to and due from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances are normally repaid within the upcoming year.

At the fund level of reporting, the Town of Rogersville had the following due to and due from accounts as of June 30, 2022:

General Fund - Due from State Street Aid	\$ 28,303
State Street Aid - Due to General Fund	(28,303)
RCS City School Fund-Due From Town General Fund	288,375
General Fund - Due to Rogersville City School Fund	(288,375)
	<u>(288,375)</u>
<b>Net</b>	<b>\$ -</b>

Interfund transactions eliminated after June 30, 2022.

For government-wide reporting, the related due to and due from accounts are properly eliminated.

## NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b><u>Governmental Activities</u></b>				
Capital Assets Not Being Depreciated:				
Land/Land Improvements	\$ 1,438,887	\$ -	\$ -	\$ 1,438,887
Construction in Progress	77,255	284,107	-	361,362
Total Capital Assets Not Being Depreciated	1,516,142	284,107	-	1,800,249
Capital Assets Being Depreciated:				
Buildings/Improvements	15,376,583	71,470	-	15,448,053
Machinery/Equipment/Other	5,525,351	531,222	-	6,056,573
Infrastructure	3,206,860	-	-	3,206,860
Total Capital Assets Being Depreciated	24,108,794	602,692	-	24,711,486
Less: Accumulated Depreciation for:				
Buildings/Improvements	(6,384,341)	(306,178)	-	(6,690,519)
Machinery/Equipment/Vehicles	(4,628,076)	(180,898)	-	(4,808,974)
Infrastructure	(1,662,081)	(59,647)	-	(1,721,728)
Total Accumulated Depreciation	(12,674,498)	(546,723)	-	(13,221,221)
Total Capital Assets Being Depreciated (net)	11,434,296	55,969	-	11,490,265
<b>Governmental Activities Capital Assets (net)</b>	<b>\$ 12,950,438</b>	<b>\$ 340,076</b>	<b>\$ -</b>	<b>\$ 13,290,514</b>

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b><u>Business-Type Activities</u></b>				
Capital Assets Not Being Depreciated:				
Land/Intangibles	\$ 468,309	\$ -	\$ -	\$ 468,309
Construction in Progress	1,058,929	350,226	-	1,409,155
Total Capital Assets Not Being Depreciated	1,527,238	350,226	-	1,877,464
Capital Assets Being Depreciated:				
Buildings/Improvements	471,815	-	-	471,815
Utility Plant & Lines	23,362,159	205,592	-	23,567,751
Machinery/Equipment/Vehicles	1,538,992	130,840	-	1,669,832
Total Capital Assets Being Depreciated	25,372,966	336,432	-	25,709,398
Less: Accumulated Depreciation for:				
Buildings/Improvements	(215,499)	(9,719)	-	(225,218)
Utility Plant & Lines	(11,871,979)	(550,663)	-	(12,422,642)
Machinery/Equipment/Vehicles	(1,257,692)	(79,906)	-	(1,337,598)
Total Accumulated Depreciation	(13,345,170)	(640,288)	-	(13,985,458)
Total Capital Assets Being Depreciated (net)	12,027,796	(303,856)	-	11,723,940
<b>Business-Type Activities Capital Assets (net)</b>	<b>\$ 13,555,034</b>	<b>\$ 46,370</b>	<b>\$ -</b>	<b>\$ 13,601,404</b>

Depreciation expense was charged to functions and/or programs of the Town as follows:

<u>Governmental Activities</u>	
General Government	\$ 79,626
Police	31,180
Fire	23,209
Streets	106,146
Sanitation	17,169
Recreation	45,762
Education	242,312
School Food Service	1,319
Total Depreciation - Governmental Activities	<u>546,723</u>
<u>Business-Type Activities</u>	
Water & Sewer	<u>640,288</u>
Total Depreciation - Business-Type Activities	<u>640,288</u>
<b>TOTAL DEPRECIATION</b>	<b><u><u>\$ 1,187,011</u></u></b>

#### NOTE 8 – LONG-TERM LIABILITIES

##### General Obligation/Revenue Bonds/Capital Outlay Notes

The government issues general obligation and revenue bonds to provide funds for the acquisition and construction of major capital facilities and street improvement projects. Bonds have been issued for both governmental and business-type activities. In addition, general obligation bonds have been issued to refund previous general obligation bond issues from both governmental activities and business-type activities. These bonds are direct obligations and pledge the full faith and credit of the Town.

Changes in long-term liabilities for the year ended June 30, 2022, were as follows:

	<b>Beginning</b>			<b>Ending</b>	<b>Due Within</b>
	<b>Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance</b>	<b>1 Year</b>
<b>Governmental Activities</b>					
2015B General Obligation Bonds (1)	\$ 310,000	\$ -	\$ 20,000	\$ 290,000	\$ 20,000
2012 General Obligation Refunding Bonds (2)	90,000	-	90,000	-	-
Capital Outlay Note	622,222	-	77,778	544,444	544,444
Less: Unamortized Discount	-	-	-	-	-
Add: Unamortized Premium	4,091	-	2,598	1,493	-
Total Bonds Payable	1,026,313	-	190,376	835,937	564,444
Compensated Absences-Gov. Activities	437,201	153,936	104,174	486,963	119,548
Net OPEB Obligation	1,223,161	-	249,476	973,685	-
<b>Governmental Activity Long-Term Liabilities</b>	<b>\$ 2,686,675</b>	<b>\$ 153,936</b>	<b>\$ 544,026</b>	<b>\$ 2,296,585</b>	<b>\$ 683,992</b>

<b>Business-Type Activities</b>	<b>Beginning</b>			<b>Ending</b>	<b>Due Within</b>
	<b>Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance</b>	<b>1 Year</b>
Note Payable - TN Revolving Loan	\$ 957,468	\$ -	\$ 135,575	\$ 821,893	\$ 138,809
2012 General Obligation Refunding Bonds (2)	700,000	-	100,000	600,000	100,000
2015B General Obligation Bonds (1)	1,185,000	-	70,000	1,115,000	75,000
Waterworks Revenues Bonds	170,193	-	6,335	163,858	6,518
2018 General Obligation Bonds	1,920,000	-	75,000	1,845,000	80,000
Add: Unamortized Premium	19,119	-	2,612	16,507	-
Total Bonds Payable	4,951,780	-	389,522	4,562,258	400,327
Capital Leases	-	-	-	-	-
Compensated Absences	218,808	68,020	52,380	234,448	55,770
<b>Business-Type Activity Long-Term Liabilities</b>	<b>\$ 5,170,588</b>	<b>\$ 68,020</b>	<b>\$ 441,902</b>	<b>\$ 4,796,706</b>	<b>\$ 456,097</b>

(1) & (2) Joint issue with Town and Rogersville Water Commission.

The Town also incurs certain vacation accruals, as described in Note 1 under compensated absences.

## **NOTE 9 – DEBT PAYABLE**

### **General Obligation Debt**

In prior years, the Town issued \$2,000,000 in series 2015B general obligation bonds to provide funds for capital asset additions and capital improvements for both governmental activities and business-type activities. As a result, \$425,000 of the bonds issued related to governmental activities and \$1,575,000 related to business-type activities with each activity servicing their portion of the debt issue.

In prior years, the Town issued \$2,520,000 in series 2012 general obligation refunding bonds to currently refund debt issues of the Town and the Rogersville Water Commission. Of the total amount issued, \$915,000 relates to the Town of Rogersville and its governmental activities and \$1,605,000 relates to Rogersville Water Commission and its business-type activities.

In October 2018, the Town of Rogersville issued \$1,995,000 in series 2018 general obligation bonds which are Water & Sewer Supported for the purpose of water and sewer system improvements.

### **Other Bonds/Notes Payable**

In prior years, the Town secured a capital outlay note for \$700,000 to purchase property adjacent to the City Park.

The Town of Rogersville was also approved in previous years by the State of Tennessee for a \$2,500,000 loan with respect to the construction of water lines for the Stanley Valley Water Project. In connection with the loan, the Rogersville Water Commission previously increased its outside water rates in order to fund the project and overall future debt service on this loan. Under the terms of the loan, the Town is required to make interest payments monthly upon the loan disbursements, and repayments of principal will be required within ninety days after the project is completed or within 120 days after 90% of the project loan has been disbursed, whichever event occurs earlier. In previous years, the project was completed, and all interest incurred is now expensed.

In the 2013 fiscal year, the Town assumed \$250,000 in water works revenue bonds on the merger of Striggersville Utility District into Rogersville Water Commission.

The Town's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. The following is a schedule of changes in long-term debt for the year ended June 30, 2022:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within 1 Year</b>
<b>Governmental Activities</b>					
General Obligation Debt	\$ 400,000	\$ -	\$ 110,000	\$ 290,000	\$ 20,000
Note Payable-Capital Outlay	622,222	-	77,778	544,444	544,444
<b>Governmental Activities Long-Term Debt</b>	<b>\$ 1,022,222</b>	<b>\$ -</b>	<b>\$ 187,778</b>	<b>\$ 834,444</b>	<b>\$ 564,444</b>
<b>Business-Type Activities</b>					
General Obligation Debt	\$ 3,975,193	\$ -	\$ 251,335	\$ 3,723,858	\$ 261,518
Other Bonds & Notes Payable	957,468	-	135,575	821,893	138,809
<b>Business-Type Activities Long-Term Debt</b>	<b>\$ 4,932,661</b>	<b>\$ -</b>	<b>\$ 386,910</b>	<b>\$ 4,545,751</b>	<b>\$ 400,327</b>

Long-term debt of the Governmental Activities consisted of the following at June 30, 2022

2015B General Obligation Bonds, 2.675% interest rate, due in varying amounts through June 2035	\$ 290,000
2012 General Obligation Refunding Bonds, 2.28% interest rate, due in varying amounts through June 2022. Paid off in current year.	-
Capital Outlay Note payable to bank, due annually in varying amounts through June 2023 at an interest rate of 1.58%	544,444
Unamortized premiums on 2012 general obligation refunding bonds	1,493
	<u>835,937</u>
Less: Amounts due within one year	(564,444)
Total Governmental Activities Long-Term Debt	<u>\$ 271,493</u>

Long-term debt of the Business-Type Activities consisted of the following at June 30, 2022:

2015B General Obligation Bonds, 2.683% interest rate, due in varying amounts through June 2035	\$ 1,115,000
2012 General Obligation Refunding Bonds, 2.28% interest rate, due in varying amounts through June 2028	600,000
2018 General Obligation Bonds, 3.356% interest rate, due in varying amounts through June 2040	1,845,000
Water Works Revenue Bonds-assumed upon Striggersville merger, due in monthly installments of principal and interest totaling \$1,128	163,858
State Revolving Fund Loan, 2.36% interest rate, due in varying amounts through February 2028	821,893
Unamortized premiums on 2012 general obligation refunding bonds	16,507
	<u>4,562,258</u>
Less: Amounts due within one year	(400,327)
Total Business-Type Activities Long-Term Debt	<u>\$ 4,161,931</u>

The following is a summary of the Town's future annual debt service requirements:

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 564,444	\$ 16,260	\$ 400,327	\$ 130,544
2024	20,000	7,257	403,930	120,665
2025	20,000	6,848	417,624	110,659
2026	20,000	6,438	421,414	100,054
2027	20,000	5,988	430,300	89,193
2028-2032	115,000	22,162	1,148,261	322,053
2033-2037	75,000	4,968	910,147	160,472
2038-2040	-	-	413,748	29,367
<b>Total</b>	<b>\$ 834,444</b>	<b>\$ 69,921</b>	<b>\$ 4,545,751</b>	<b>\$ 1,063,007</b>

**NOTE 10 – DEFERRED INFLOWS & OUTFLOWS OF RESOURCES – NON-PENSION RELATED**

As of June 30, 2022, the following amounts have been recognized as deferred inflows of resources for non-pension related items: (Refer to Note 14 for pension related items relating to deferred inflows and outflows of resources.)

<u>Government-Wide Level</u>	<u>Statement of Net Position</u>
Deferred Inflows of Resources:	
Property Tax Revenue	\$ 2,578,490
	<u>\$2,578,490</u>
<u>Fund Level</u>	
Deferred Inflows of Resources:	
Property Tax Revenue	\$ 2,569,420
	<u>\$2,569,420</u>

See Note 1

The difference between the government-wide level and fund level of reporting relates to the timing recognition of the accrual method verses the modified accrual method of reporting.

**NOTE 11 – UNEARNED GRANT REVENUE**

On 10/02/2021, the Town received \$649,357 in ARPA distributions. As of 6/30/2022, \$0 funds had been expended, thus revenues were not earned. Accordingly, the amount has been re-elected as unearned grant revenue.

**NOTE 12 – OPERATING TRANSFERS – GOVERNMENTAL FUNDS & OTHER**

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 842,685
Rogersville City School	842,685	141,261
Fed. Projects PL-89-10 Fund	141,261	-
<b>Total</b>	<u>\$ 983,946</u>	<u>\$ 983,946</u>

**NOTE 13 – NET POSITION AND/OR FUND EQUITY**

As presented in the government-wide level of reporting (i.e., statement of net position), net position is reported in three separate components as described below:

<b>Net Position</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Net Investment in Capital Assets	\$ 12,454,577	\$ 9,039,146	\$ 21,493,723
Restricted for Capital Projects (1)	107,812	-	107,812
Restricted for Other Purposes: (2)			
State Street Aid	140,279	-	140,279
Drug Operations	20,720	-	20,720
Board of Education	2,733,663	-	2,733,663
Board of Education-Stabilization Trust	41,781	-	41,781
Federal Projects - School	289,139	-	289,139
Board of Education-Internal School Funds	98,343	-	98,343
Debt Service	-	13,536	13,536
School Food Service	160,098	-	160,098
Public Safety-Fire	137,331	-	137,331
Net Pension Asset	3,284,967	-	3,284,967
Total Restricted for Other Purposes	6,906,321	13,536	6,919,857
Unrestricted Net Position	441,685	1,157,168	1,598,853
<b>Total</b>	<b>\$ 19,910,395</b>	<b>\$ 10,209,850</b>	<b>\$ 30,120,245</b>

(1) Restricted for capital projects based on bond issue purposes

(2) Restricted for other purposes as required by law or grant agreements

The Fund Balance Summary is as follows:

Funds	General Fund	Rogersville City School Operating Fund	Federal Projects PL- 89-10	Non-major Governmental Funds	Total
<b>Restricted to:</b>					
Streets & Roads	\$ -	\$ -	\$ -	\$ 140,279	\$ 140,279
Drug Enforcement	-	-	-	20,720	20,720
Education	-	2,733,663	289,139	-	3,022,802
Education-Stabilization Trust	-	41,781	-	-	41,781
Education/Internal School Funds	-	-	-	98,343	98,343
School Food Service	-	-	-	151,816	151,816
Public Safety-Fire	137,331	-	-	-	137,331
Capital Projects	39,626	-	-	68,186	107,812
<b>Nonspendable:</b>					
School Food Service	-	-	-	8,282	8,282
<b>Committed to:</b>					
<b>Assigned to:</b>					
Community Center	-	-	-	17,628	17,628
Industrial Development	-	-	-	597,212	597,212
<b>Unassigned</b>	<b>2,751,338</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,751,338</b>
<b>Total Fund Balances</b>	<b>\$ 2,928,295</b>	<b>\$ 2,775,444</b>	<b>\$ 289,139</b>	<b>\$ 1,102,466</b>	<b>\$ 7,095,344</b>

**NOTE 14 – EMPLOYEE RETIREMENT PLANS**

**Town of Rogersville Pension Plan – Target Benefit Plan**

The Town of Rogersville, Tennessee maintains a target benefit pension retirement plan (defined contribution plan) covering eligible employees. The plan is maintained with Symetra and Guardian Insurance. Listed below is a summary of the plan provisions:

**Eligibility**

*Requirements-* One year of service with a minimum of 1,000 hours worked, and at least 21 years old.

*Entry Date-* July 1 or January 1 coinciding with or next following the date that the requirements are met.

**Contributions**

*Mandatory Employee-* 2.00% of annual compensation, paid on a post-tax basis.

*Voluntary Employee-* Up to 10.00% of compensation, paid on a post-tax basis.

*Mandatory Employer Eligibility-* At least 1,000 hours of service during the plan year and employed on the last day of the plan year (June 30<sup>th</sup>).

*Mandatory Employer Amount-* Level funding amount necessary to fund the participant’s Target Benefit at Normal Retirement Age, less the amount of the Mandatory Employee Contribution, based on the following assumptions:

	<u>Current Formula</u>		<u>Prior Formula</u>	
	<u>Pre-65</u>	<u>Post-65</u>	<u>Pre-65</u>	<u>Post-65</u>
Interest	8.00%	8.00%	5.50%	5.50%
Mortality	None	83 GAM	None	UP84
Target Benefit	1.63 % of compensation x years of service after 6/30/2001		For participants at least age 50 as of 6/30/2001, no less than 25.74% of compensation	

*Contribution Adjustments-* The receivable contribution for the 2022 plan year has been adjusted for any excess (or deficient) contributions that were made for the 2021 plan year.

**Net Investment Earnings**

*Allocation Method-* Earnings or (losses) credited to the unallocated Symetra account are allocated to each individual account based on the beginning account balance plus contributions and less withdrawals credited (charged) to each account through the end of the plan year.

*2021 Plan Year Earnings-* For the 2021 plan year earnings, this equals net investment earnings divided by the adjusted base assets:

$$\$157,804 / \$3,606,002 = 4.37615\%$$

**Vesting**

A participant is eligible to receive the vested portion of their account after a “distributable event” (death, disability, early, normal, or late retirement, termination of employment, attainment of age 70.5, or plan termination).

A participant is fully vested in their account balance in the event of retirement, death, or disability. Eligibility to receive retirement benefits occurs on the first day of the plan year coinciding with or next following the attainment of age 65.

A terminated participant who has not met the retirement provisions is vested in the employer account based on the following vesting schedule:

<u>Service</u>	<u>Percent</u>	<u>Service</u>	<u>Percent</u>
1	10%	6	60%
2	20%	7	70%
3	30%	8	80%
4	40%	9	90%
5	50%	10 or more	100%

For vesting purposes, a year of service is a plan year in which the employee works at least 1,000 hours.

### **Minimum Distributions**

Participants are required to begin taking minimum distributions (MRD) from the plan upon the later of the April 1 following the plan year of termination of the employment, or the plan year in which the employee attained age 70.5. The minimum required amount is calculated based on the life expectancy of the participant and/or their beneficiary. As of June 30, 2021, there are 6 employees that will be required to take a minimum distribution from the plan within the next five years.

### **Forfeitures**

The nonvested portion of a terminated participant's account is forfeited after five consecutive breaks in service. Forfeitures are used to reduce the employer's contribution.

### **Nondiscrimination Requirements**

In order to be considered a qualified plan, a retirement plan must meet the following IRC nondiscrimination requirements:

- IRC § 401(a)(26) minimum participation
- IRC § 410(b) minimum coverage
- IRC § 401(a)(4) nondiscriminatory benefits, rights, features

The final regulations are generally effective for plan years beginning on or after January 1, 1994, with a reasonable, good faith compliance standard applied to prior plan years. For plans maintained by government organizations, like the Town of Rogersville's Target Benefit Plan, the effective date of the IRC nondiscrimination requirements has been extended indefinitely.

### **Maximum Annual Addition**

IRC § 415(c) imposes limits on the amount of annual additional that may be allocated to a participant under a defined contribution plan. Annual additions include employer contributions, employee contributions, and forfeitures. The plan also imposes a plan limit of 25% of the participant's compensation on total annual additions to an individual account.

As of June 30, 2022, the defined benefit plan actuarial valuation indicates the plan had net assets of \$6,870,041 and the Town's pension contributions for the year totaled \$181,808. On June 30, 2022, \$53,700 in contributions were due to the plan and have been accrued and payable subsequent to June 30, 2022. In addition, the Town had active participant's totaling 64, terminated participant's totaling 9 which includes vested and non/vested participants, and ineligible employees totaling 74.

### **Rogersville City School Pension Plans**

As detailed within the disclosures which follow, the Rogersville City School Employees being certified, and non-certified employees participate in pension plans administered by the Tennessee Consolidated Retirement System (TCRS). Non-certified employees of the Rogersville City School are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple employer pension plan administered by the TCRS. In addition, certified employees of the Rogersville City School participate in pension plans through the TCRS being either the Teacher Legacy Pension Plan or the Teacher Retirement Plan based on the date of membership into the plans.

## **Rogersville City School Pension Plan – Teacher Legacy Pension Plan**

### **General Information about the Pension Plan**

*Plan Description-* The Tennessee Consolidated Retirement System (TCRS) was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

*Benefits Provided-* Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's service credit. A reduced early retirement benefit is available at age 55 if vested. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

*Contributions-* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by the 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 Rogersville City School for the year ended June 30, 2022 to the Teacher Legacy Pension Plan were \$241,341 which is 10.30% of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Legacy Pension Plan**

*Pension Liabilities (Assets)*- At June 30, 2022, the Rogersville City School reported a liability (asset) of (\$3,242,615) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. Rogersville City School’s proportion of the net pension liability was based on Rogersville City School’s share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, Rogersville City School’s proportion was 0.075178 percent. The proportion measured as of June 30, 2020, was 0.077040 percent.

*Pension Expense*- For the year ended June 30, 2022, Rogersville City School recognized (negative) pension expense of (\$498,746).

*Deferred Outflows of Resources and Deferred Inflows of Resources*- For the year ended June 30, 2022, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to the Teacher Legacy Pension Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,897	\$ 270,445
Changes in assumptions	866,372	-
Net difference between projected and actual earnings on pension plan investments	-	2,585,913
Changes in proportion of Net Pension Liability (Asset)	14,599	337
LEA's contributions subsequent to the measurement date of June 30, 2021	241,341	-
Total	<u>\$ 1,133,209</u>	<u>\$ 2,856,695</u>

Rogersville City School’s employer contributions of \$241,341, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ended June 30, 2023. 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 Ended June 30th:	
2023	\$(462,383)
2024	(442,283)
2025	(362,295)
2026	(697,863)
2027	-
Thereafter	-

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

*Actuarial Assumptions*- The total pension liability in the June 30, 2021 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 4.00%
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, 2021 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 historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 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:

<b>Asset Class</b>	<b>Long-Term Expected</b>	
	<b>Real Rate of Return</b>	<b>Target Allocation</b>
U.S. Equity	4.88%	31%
Developed Market International Equity	5.37%	14%
Emerging Market International Equity	6.09%	4%
Private Equity & Strategic Lending	6.57%	20%
U.S. Fixed Income	1.20%	20%
Real Estate	4.38%	10%
Short-term Securities	0.00%	1%
		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 assumed that employee contributions will be made at the current rate and that contributions from all LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate*- The following presents Rogersville City School's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what Rogersville City School's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
Rogersville City School's proportionate share of the net pension liability (asset)	\$ (577,076)	\$ (3,242,615)	\$ (5,460,874)

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

**Payable to the Pension Plan**

At June 30, 2022, Rogersville City School reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2022.

## **Rogersville City School Pension Plan – Teacher Retirement Plan**

### **General Information about the Pension Plan**

*Plan Description-* The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

*Benefits Provided-* Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service-related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions-* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except for in years when the maximum funded

level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Rogersville City School for the year ended June 30, 2022 to the Teacher Retirement Plan were \$16,762, which is 2.01% of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Retirement Plan**

*Pension Liabilities (Assets)*- At June 30, 2022, Rogersville City School reported a liability (asset) of (\$42,352) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. Rogersville City School’s proportion of the net pension liability (asset) was based on its share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, Rogersville City School’s proportion was 0.039098 percent. The proportion measured as of June 30, 2020, was 0.029808 percent.

*Pension Expense*- For the year ended June 30, 2022, Rogersville City School recognized pension expense of \$4,748.

*Deferred Outflows of Resources and Deferred Inflows of Resources*- For the year ended June 30, 2022, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 737	\$ 7,749
Net difference between projected and actual earnings on pension plan investments	-	24,379
Changes in assumptions	15,276	-
Changes in proportion of Net Pension Liability (Asset)	2,749	7,238
LEA's contributions subsequent to the measurement date of June 30, 2021	16,762	-
Total	<u>\$ 35,524</u>	<u>\$ 39,366</u>

Rogersville City School’s employer contributions of \$16,762, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ended June 30, 2023. 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 Ended June 30th:	
2023	\$ (5,750)
2024	(5,617)
2025	(5,579)
2026	(6,192)
2027	310
Thereafter	2,224

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, 2021 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 4.00%
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, 2021 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 historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 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:

<b>Asset Class</b>	<b>Long-Term Expected</b>	
	<b>Real Rate of Return</b>	<b>Target Allocation</b>
U.S. Equity	4.88%	31%
Developed Market International Equity	5.37%	14%
Emerging Market International Equity	6.09%	4%
Private Equity & Strategic Lending	6.57%	20%
U.S. Fixed Income	1.20%	20%
Real Estate	4.38%	10%
Short-term Securities	0.00%	1%
		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 assumed that employee contributions will be made at the current rate and that contributions from all LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate-* The following presents Rogersville City School’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what Rogersville City School’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
Rogersville City School's proportionate share of the net pension liability (asset)	\$ 14,559	\$ (42,352)	\$ (84,326)

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

**Payable to the Pension Plan**

At June 30, 2022, Rogersville City School reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2022.

## **Rogersville City School Public Employee Retirement Plan**

### **General Information about the Pension Plan**

*Plan Description-* Employees of Rogersville City School are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided-* Tennessee Code Annotated, Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

*Employees Covered by Benefit Terms-* At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	28
Inactive employees entitled to but not yet receiving benefits	48
Active employees	<u>36</u>
Total employees	<u><u>112</u></u>

*Contributions-* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Rogersville City School makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contributions for Rogersville City School were \$109,552 based on a rate of 10.40% of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Rogersville City School's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to

finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

*Pension Liabilities (Assets)*- Rogersville City School's net pension liability (asset) was measured as of June 30, 2021, 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, 2021 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 4.00%
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, 2021 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.

Changes of Assumptions: In 2021, the following assumptions were changed: decreased inflation rate from 2.50 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.

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 historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 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:

<b>Asset Class</b>	<b>Long-Term Expected</b>	
	<b>Real Rate of Return</b>	<b>Target Allocation</b>
U.S. Equity	4.88%	31%
Developed Market International Equity	5.37%	14%
Emerging Market International Equity	6.09%	4%
Private Equity & Strategic Lending	6.57%	20%
U.S. Fixed Income	1.20%	20%
Real Estate	4.38%	10%
Short-term Securities	0.00%	1%
		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 assumed that employee contributions will be made at the current rate and that contributions from Rogersville City School 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)**

	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balance at June 30, 2020</b>	<b>\$ 3,193,419</b>	<b>\$ 2,964,025</b>	<b>\$ 229,394</b>
Changes for the Year:			
Service Cost	87,805	-	87,805
Interest	232,239	-	232,239
Difference Between Expected & Actual Experience	84,654	-	84,654
Changes in assumptions	385,197	-	385,197
Contributions-Employer	-	104,163	(104,163)
Contributions-Employees	-	50,078	(50,078)
Net Investment Income	-	764,014	(764,014)
Benefit Payments, Including Refunds of Employee Contributions	(155,858)	(155,858)	-
Administrative Expense	-	(3,130)	3,130
<b>Net Changes</b>	<b>634,037</b>	<b>759,267</b>	<b>(125,230)</b>
<b>Balance at June 30, 2021</b>	<b>\$ 3,827,456</b>	<b>\$ 3,723,292</b>	<b>\$ 104,164</b>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate-* The following presents the net pension liability (asset) of Rogersville City School 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 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
Rogersville City School's net pension liability (asset)	\$ 614,026	\$ 104,164	\$ (319,314)

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

*Pension Expense-* For the year ended June 30, 2022, Rogersville City School recognized pension expense of \$66,075.

*Deferred Outflows of Resources and Deferred Inflows of Resources-* For the year ended June 30, 2022, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 113,365	\$ 31,988
Net difference between projected and actual earnings on pension plan investments	-	407,844
Changes in assumptions	319,793	-
Contributions subsequent to the measurement date of June 30, 2021 (1)	109,552	-
Total	<u>\$ 542,710</u>	<u>\$ 439,832</u>

(1) The amount shown above for “Contributions subsequent to the measurement date of June 30, 2021” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

Year Ended June 30th:	
2023	\$ 37,427
2024	(14,627)
2025	(13,583)
2026	(15,889)
2027	-
Thereafter	-

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

**Payable to the Pension Plan**

At June 30, 2022, Rogersville City School reported a payable of \$0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2022.

**NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

	OPEB Liability	Deferred Outflows from OPEB	Deferred Inflows from OPEB	OPEB Expense
TGOP	\$ 974,000	\$ 454,000	\$ 178,000	\$(147,000)
TNP	-	-	-	13,000
Total	974,000	454,000	178,000	(134,000)

**Closed Teacher Group OPEB Plan**

***General information about the OPEB plan***

***Plan Description*** – Employees of Rogersville City School who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Teacher Group OPEB Plan (TGOP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the TGOP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

***Benefits Provided*** – Rogersville City School offers the TGOP to provide health insurance coverage to eligible pre-65 retired teachers, support staff, and disabled participants of local education agencies. 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 TGOP. 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 TGOP, receives 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 the retiree premiums. The state provides a partial subsidy to Local Education Agency pre-65 teachers. The school system pays 75% of the monthly premium for individual and family coverage for active employees only. The state, as a governmental nonemployer contributing entity, provides a direct subsidy for eligible retirees' premiums, based on years of service. Therefore, retirees with 30 or more years of service will receive 45%; 20 but less than 30 years, 35%; and less than 20 years, 20% of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP. The TGOP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

**Employees covered by benefit terms** – At July 1, 2021, the following employees of Rogersville City School were covered by the benefit terms of the TGOP:

Inactive employees currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>64</u>
	<u>68</u>

An insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the TGOP 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 toward employee costs based on their own developed policies. During the current reporting period, Rogersville City School paid \$31,622 to the TGOP for OPEB benefits as they came due.

**Total OPEB Liability**

**Actuarial assumptions** – The collective total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4 percent
Healthcare cost trend rates	7.36% for pre-65 in 2021, decreasing annually over a 70 year period to an ultimate rate of 4.50%. 7.32% for post-65 in 20210, decreasing annually over an 8 year period to an ultimate rate of 4.50%.
Retiree's share of benefit-related costs	Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation, a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2021 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 pre-mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted Employee mortality table for Teacher Employees projected generationally with MP-2020 from 2010. Post-retirement tables are Headcount-weighted Teacher Below Median Healthy Annuitant and adjusted with a 19% load for males and an 18% load for females, projected generationally from 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% load projected generationally from 2018 with MP-2020.

**Discount rate** – The discount rate used to measure the total OPEB liability was 2.16 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

***Changes in Collective Total OPEB Liability***

TGOP

	<u>Total OPEB Liability</u>
Total OPEB Liability - beginning balance	\$ 1,646,502
Changes for the year:	
Service cost	87,677
Interest	37,542
Changes of benefit terms	(327,785)
Differences between expected and actual experience	99,663
Change in assumptions	(30,620)
Benefit payments	<u>(71,260)</u>
Net changes	<u>(204,783)</u>
Total OPEB Liability - ending balance	<u>\$ 1,441,719</u>
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 672,817
Employer's proportionate share of the collective total OPEB liability	\$ 973,685
Employer's proportion of the collective total OPEB liability	67.54%

Rogersville City School has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TGOP. Rogersville City School'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 proportion changed -6.75% from the prior measurement date. Rogersville City School recognized \$ -48,260 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TGOP for Rogersville City School retirees.

***Changes in assumptions*** – The discount rate was changed from 2.21% as of the beginning of the measurement period to 2.16% as of June 30, 2021. This change in assumption increased the total OPEB liability.

***Changes in benefit terms*** – The coding was revised to properly reflect the medical benefit coverage period from retirement until age 65 to a maximum of three years. This reduction in benefit coverage period reduced the liability by \$327,790 and was reflected in the change of benefit terms.

***Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate*** – The following presents the proportionate share of the collective total OPEB liability related to the TGOP, 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.

	<b>Discount</b>		
	<b>1% Decrease</b>	<b>Rate</b>	<b>1% Increase</b>
	<b>(1.16%)</b>	<b>(2.16%)</b>	<b>(3.16%)</b>
Proportionate share of collective total OPEB liability	\$1,047,900	\$973,685	\$902,538

***Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate*** – The following presents the proportionate share of the collective total OPEB liability related to the TGOP, 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 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate.

	<b>1% Decrease</b>	<b>Healthcare Cost</b>	<b>1% Increase</b>
	<b>(6.36%/6.32%</b>	<b>Trend Rates</b>	<b>(8.36%/8.32%</b>
	<b>decreasing to</b>	<b>(7.36%/7.32%</b>	<b>decreasing to</b>
	<b>3.50%)</b>	<b>decreasing to 4.50%)</b>	<b>5.50%)</b>
Proportionate share of collective total OPEB liability	\$858,674	\$973,685	\$1,109,908

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

***OPEB expense*** – For the fiscal year ended June 30, 2022, Rogersville City School recognized OPEB expense of \$ -146,568.

***Deferred outflows of resources and deferred inflows of resources*** – For the fiscal year ended June 30, 2021, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits in the TGOP from the following sources:

**TGOP**

	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
	<b>of Resources</b>	<b>of Resources</b>
Differences between actual and expected experience	\$ 257,196	\$ (23,033)
Changes of assumptions	103,591	(81,614)
Changes in proportion and differences between amounts paid as benefits came due and proportionate share certain amounts paid by the employer and nonemployer contributors as the benefits came due.	61,099	(73,529)
Employer payments subsequent to the measurement date	31,622	-
Total	<u>\$ 453,508</u>	<u>\$ (178,176)</u>

The amounts shown above for "Employer payments subsequent to the measurement date" will be included as a reduction to total OPEB liability in the following measurement period.

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

TGOP		
For the year ended June 30:		
2023	\$	38,502
2024		38,502
2025		38,502
2026		38,502
2027		38,502
Thereafter		51,200

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

**Closed Tennessee Plan**

***General information about the OPEB plan***

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

***Benefits Provided*** – The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNP does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNP are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301, and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible, and also receive 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 state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The school system pays 75% of the monthly premium for individual and family coverage for active employees only. The state, as a governmental nonemployer contributing entity, contributes to the premiums of eligible retirees of local education agencies based on years of service. Therefore, retirees with 30 years of service receive \$50 per month; 20 but less than 30 years, \$37.50; and 15 but less than 20 years, \$25. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

**Employees covered by benefit terms** – At July 1, 2021, the following employees of Rogersville City School were covered by the benefit terms of the TNP:

Inactive employees currently receiving benefit payments	15
Inactive employees entitled to but not yet receiving benefit payments	8
Active employees	<u>47</u>
	<u><u>70</u></u>

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

**Total OPEB Liability**

**Actuarial assumptions** – The collective total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4 percent
Healthcare cost trend rates	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection, therefore, trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2021 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 headcount-weighted below median teachers PUB-2010 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2020. Post-retirement tables are adjusted with a 19% load for males and an 18% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS ruling 96-7 for disabled lives with a 10% load with mortality improvement projected to all future years using Scale MP-2020.

**Discount rate** – The discount rate used to measure the total OPEB liability was 2.16 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds,

prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

***Changes in Collective Total OPEB Liability***

TNP

	<u>Total OPEB Liability</u>
Total OPEB liability - beginning balance	\$ 273,866
Changes for the year:	
Service cost	5,787
Interest	6,093
Changes of benefit terms	-
Differences between expected and actual experience	6,794
Change in assumptions	(34,112)
Benefit payments	<u>(7,918)</u>
Net changes	<u>(23,356)</u>
Total OPEB liability - ending balance	<u>\$ 250,510</u>
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 250,510
Employer's proportionate share of the collective total OPEB liability	\$ -
Employer's proportion of the collective total OPEB liability	0.00%

Rogersville City School has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNP. Rogersville City School's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefits paid through the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The Rogersville City School proportion of 0% did not change from the prior measurement date. Rogersville City School recognized \$13,180 in revenue for support provided by nonemployer contributing entities for benefits paid to the TNP for Rogersville City School's retired employees.

***Changes in assumptions*** – The discount rate was changed from 2.21% as of the beginning of the measurement period to 2.16% as of June 30, 2021. This change in assumption increased the total OPEB liability.

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

***OPEB expense*** – For the fiscal year ended June 30, 2022, Rogersville City School recognized OPEB expense of \$13,180.

**NOTE 16 – RISK ASSESSMENT**

The Town of Rogersville maintains commercial insurance coverage to insure itself against potential claims of losses. For the current year, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or three prior years.

**NOTE 17– DEFEASED DEBT**

In prior years, the Town and its proprietary fund, the Rogersville Water Commission, advance refunded certain bonds and capital outlay notes by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town’s financial statements. On June 30, 2022, there were \$0 bonds outstanding that are considered defeased.

**NOTE 18 – ROGERSVILLE WATER COMMISSION – TN COMPTROLLER OF THE TREASURY INVESTIGATIVE REPORT**

In April 2018, the Tennessee Comptroller of the Treasury in conjunction with the Tennessee Bureau of Investigation and the Rogersville Police Department issued an investigative report on the Rogersville Water Department relating to investigative allegations of malfeasance after they were notified by Town officials when concern was raised over missing deposits. Based on the investigative report, these issues were referred to the local district attorney general and on April 18, 2018, the Hawkins County Grand Jury indicted the former Water Superintendent on one count of theft of property over \$250,000, one count of theft of property over \$60,000 and one count of official misconduct. During the year ending June 30, 2017, the investigative report indicated a suspected theft loss of \$69,444 in cash deposits along with other issues relating to compensatory time paid to the former Water Superintendent in violation of Town personnel policies and the failure to notify Town officials of undisclosed outside employment by the former Water Superintendent. During 2020, the former Water Superintendent plead guilty to these charges.

**NOTE 19 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 9, 2023, which is the date the financial statements were available to be issued.

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) &**  
**RELATED RATIOS BASED ON PARTICIPATION IN THE PUBLIC**  
**EMPLOYEE PENSION PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Last Fiscal Year Ending June 30**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Total Pension Liability (Asset)</b>								
Service Cost	\$ 56,103	\$ 67,001	\$ 69,444	\$ 63,389	\$ 80,475	\$ 82,356	\$ 87,271	\$ 87,805
Interest	153,755	170,532	174,070	178,281	195,416	214,806	221,725	232,239
Changes in Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Actual & Expected Experience	95,087	(86,046)	(74,010)	110,175	136,418	(51,729)	(10,209)	84,654
Changes of Assumptions	-	-	-	69,820	-	-	-	385,197
Benefit Payments, Including Refunds of Employee Contributions	(80,834)	(103,446)	(110,088)	(104,500)	(136,390)	(157,082)	(152,747)	(155,858)
<b>Net Change in Total Pension Liability (Asset)</b>	224,111	48,041	59,416	317,165	275,919	88,351	146,040	634,037
<b>Total Pension Liability (Asset)-Beginning</b>	2,034,376	2,258,487	2,306,528	2,365,944	2,683,109	2,959,028	3,047,379	3,193,419
<b>Total Pension Liability (Asset)-Ending-(a)</b>	<u>\$2,258,487</u>	<u>\$2,306,528</u>	<u>\$2,365,944</u>	<u>\$2,683,109</u>	<u>\$2,959,028</u>	<u>\$3,047,379</u>	<u>\$3,193,419</u>	<u>\$3,827,456</u>
<b>Plan Fiduciary Net Position</b>								
Contributions-Employer	\$ 60,545	\$ 61,814	\$ 60,009	\$ 65,508	\$ 72,076	\$ 74,595	\$ 93,763	\$ 104,163
Contributions-Employee	38,811	38,490	37,365	40,790	42,699	44,191	45,079	50,078
Net Investment Income	303,752	66,129	58,650	255,446	206,606	198,265	140,467	764,014
Benefit Payments, Including Refunds of Employee Contributions	(80,834)	(103,446)	(110,088)	(104,500)	(136,390)	(157,082)	(152,747)	(155,858)
Administrative Expense	(1,257)	(1,727)	(2,185)	(2,748)	(3,062)	(2,937)	(2,878)	(3,130)
<b>Net Change in Plan Fiduciary Net Position</b>	321,017	61,260	43,751	254,496	181,929	157,032	123,684	759,267
<b>Plan Fiduciary Net Position-Beginning</b>	1,820,856	2,141,873	2,203,133	2,246,884	2,501,380	2,683,309	2,840,341	2,964,025
<b>Plan Fiduciary Net Position-Ending-(b)</b>	<u>\$2,141,873</u>	<u>\$2,203,133</u>	<u>\$2,246,884</u>	<u>\$2,501,380</u>	<u>\$2,683,309</u>	<u>\$2,840,341</u>	<u>\$2,964,025</u>	<u>\$3,723,292</u>
<b>Net Pension Liability (Asset)-Ending (a)-(b)</b>	<u>\$ 116,614</u>	<u>\$ 103,395</u>	<u>\$ 119,060</u>	<u>\$ 181,729</u>	<u>\$ 275,719</u>	<u>\$ 207,038</u>	<u>\$ 229,394</u>	<u>\$ 104,164</u>

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) &**  
**RELATED RATIOS BASED ON PARTICIPATION IN THE PUBLIC**  
**EMPLOYEE PENSION PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Last Fiscal Year Ending June 30**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Plan Fiduciary Net Position as a % of Total Pension Liability	94.84%	95.52%	94.97%	93.23%	90.68%	93.21%	92.82%	97.28%
Covered Payroll	\$ 776,222	\$ 769,789	\$ 747,310	\$ 815,787	\$ 853,987	\$ 883,827	\$ 901,563	\$ 1,001,563
Net Pension Liability (Asset) as a % of Covered Payroll	15.02%	13.43%	15.93%	22.28%	32.29%	23.43%	25.44%	10.40%

**Notes to Schedule:**

*Changes of assumptions*. In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth, and mortality improvements.

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

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CONTRIBUTIONS BASED ON PARTICIPATION IN**  
**THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Last Fiscal Year Ending June 30**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Actuarially determined contribution	\$ 60,545	\$ 61,814	\$ 60,009	\$ 65,508	\$ 72,076	\$ 74,595	\$ 93,763	\$ 104,163	\$ 109,552
Contributions in relation to the actuarially determined contribution	60,545	61,814	60,009	65,508	72,076	74,595	93,763	104,163	109,552
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 776,222	\$ 769,789	\$ 747,310	\$ 815,787	\$ 853,987	\$ 883,827	\$ 901,563	\$ 1,001,563	\$ 1,053,380
Contributions as a percentage of covered payroll	7.80%	8.03%	8.03%	8.03%	8.44%	8.44%	10.40%	10.40%	10.40%

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

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

**TOWN OF ROGERSVILLE, TENNESSEE  
 SCHEDULE OF CONTRIBUTIONS BASED ON PARTICIPATION IN  
 THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS  
 ROGERSVILLE CITY SCHOOL  
 Last Fiscal Year Ending June 30**

**Notes to Schedule:**

*Valuation date* : Actuarially determined contribution rates for fiscal year 2022 were calculated based on the June 30, 2020 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	2.50%
Salary increases	Graded salary ranges from 8.72 to 3.44% based on age, including inflation, averaging 4.00%
Investment Rate of Return	7.25%, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of Living Adjustments	2.25%

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

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION**  
**LIABILITY (ASSET) OF THE TEACHER LEGACY PENSION PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Fiscal Year Ended June 30\***

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Rogersville City School's proportion of the net pension liability (asset)	0.066404%	0.067474%	0.069402%	0.070244%	0.076634%	0.077693%	0.077040%	0.075178%
Rogersville City School's proportionate share of the net pension liability (asset)	\$ (10,790)	\$ 27,640	\$ 433,722	\$ (22,984)	\$ (269,672)	\$ (798,823)	\$ (587,486)	\$ (3,242,615)
Rogersville City School's covered payroll	\$2,606,338	\$2,525,895	\$2,505,256	\$2,483,108	\$2,683,482	\$2,605,154	\$2,564,087	\$2,467,475
Rogersville City School's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-0.414002%	1.094254%	17.31%	-0.93%	-10.05%	-30.66%	-22.91%	-131.41%
Plan fiduciary net position as a percentage of the total pension liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%

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

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

**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF CONTRIBUTIONS BASED ON  
TEACHER LEGACY PENSION PLAN OF TCRS  
ROGERSVILLE CITY SCHOOL  
Fiscal Year Ended June 30**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Contractually required	\$ 231,443	\$ 228,341	\$ 226,476	\$ 224,473	\$ 243,661	\$ 272,499	\$ 272,562	\$ 253,410	\$ 241,341
Contributions in relation to the contractually required contribution	231,443	228,341	226,476	224,473	243,661	272,499	272,562	253,410	241,341
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,606,338	\$ 2,525,895	\$ 2,505,256	\$ 2,483,108	\$ 2,683,482	\$ 2,605,154	\$ 2,564,087	\$ 2,467,475	\$ 2,343,126
Contributions as a percentage of covered payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%

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

*Changes of assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25%; 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 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION**  
**LIABILITY (ASSET) OF THE TEACHER RETIREMENT PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Fiscal Year Ended June 30\***

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Rogersville City School's proportion of the net pension liability (asset)	0.034700%	0.026776%	0.026547%	0.029700%	0.036272%	0.029808%	0.039098%
Rogersville City School's proportionate share of the net pension liability (asset)	\$ (1,396)	\$ (2,787)	\$ (7,003)	\$ (13,471)	\$ (20,475)	\$ (16,950)	\$ (42,352)
Rogersville City School's covered payroll	\$ 72,098	\$ 117,814	\$ 174,238	\$ 259,539	\$ 383,827	\$ 376,147	\$ 564,279
Rogersville City School's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.94%	-2.37%	-4.02%	-5.19%	-5.33%	-4.51%	-7.51%
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%

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

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CONTRIBUTIONS BASED ON PARTICIPATION**  
**IN TEACHER RETIREMENT PLAN OF TCRS**  
**ROGERSVILLE CITY SCHOOL**  
**Fiscal Year Ending June 30**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Contractually determined contribution	\$ 1,802	\$ 2,949	\$ 6,970	\$ 4,232	\$ 7,446	\$ 7,636	\$ 11,398	\$ 16,762
Less: contributions in relation to the contractually determined contribution	2,883	4,713	6,970	10,382	7,446	7,636	11,398	16,762
Contribution deficiency (excess)	\$ (1,081)	\$ (1,764)	\$ -	\$ (6,150)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 72,098	\$ 117,814	\$ 174,238	\$ 259,539	\$ 383,827	\$ 376,147	\$ 564,279	\$ 833,924
Contributions as a percentage of covered payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%

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

*Changes of assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased 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 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

*Pension Stabilization Reserve Trust.* The statute governing the plan provides for a minimum employer contribution rate of 4% and for contributions in excess of the actuarially determined contribution rate to be deposited into a stabilization reserve. Beginning in 2019, the remaining part of the 4% required contribution was made to the Pension Stabilization Reserve Trust.

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN ROGERSVILLE CITY SCHOOL'S PROPORTIONATE**  
**SHARE OF COLLECTIVE OPEB LIABILITY AND RELATED RATIOS**  
**TEACHER GROUP OPEB PLAN**  
**Fiscal Year Ending June 30**

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total OPEB Liability</b>					
Service cost	\$ 60,171	\$ 56,950	\$ 63,610	\$ 77,471	\$ 87,677
Interest	31,797	38,246	41,757	52,803	37,542
Changes of benefit terms	-	(36,333)	-	-	(327,785)
Differences between expected and actual experience	-	37,054	399,860	(43,631)	99,663
Changes of assumptions	(45,364)	35,175	(104,245)	168,703	(30,620)
Benefit payments	(55,496)	(60,460)	(57,212)	(70,865)	(71,260)
<b>Net change in total OPEB Liability</b>	<b>(8,892)</b>	<b>70,632</b>	<b>343,770</b>	<b>184,481</b>	<b>(204,783)</b>
<b>Total OPEB liability - beginning</b>	<b>1,056,511</b>	<b>1,047,619</b>	<b>1,118,251</b>	<b>1,462,021</b>	<b>1,646,502</b>
<b>Total OPEB liability - ending</b>	<b>\$ 1,047,619</b>	<b>\$ 1,118,251</b>	<b>\$ 1,462,021</b>	<b>\$ 1,646,502</b>	<b>\$ 1,441,719</b>
Nonemployer contributing entity's proportionate share of the collective total OPEB liability	\$ 364,390	\$ 351,669	\$ 377,063	\$ 423,341	\$ 468,034
Employer's proportionate share of the collective total OPEB liability	\$ 683,229	\$ 766,582	\$ 1,084,958	\$ 1,223,161	\$ 973,685
Covered-employee payroll	\$ 2,240,813	\$ 2,087,559	\$ 1,976,272	\$ 2,398,278	\$ 1,431,645
Employer's proportionate share of collective total OPEB liability as a percentage of covered-employee	0.03%	0.04%	0.05%	0.05%	0.07%

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN ROGERSVILLE CITY SCHOOL'S PROPORTIONATE**  
**SHARE OF COLLECTIVE OPEB LIABILITY AND RELATED RATIOS**  
**TEACHER GROUP OPEB PLAN**  
**Fiscal Year Ending June 30**

**Notes to Schedule**

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

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

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

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN ROGERSVILLE CITY SCHOOL'S PROPORTIONATE**  
**SHARE OF COLLECTIVE OPEB LIABILITY AND RELATED RATIOS**  
**TENNESSEE OPEB PLAN**  
**Fiscal Year Ending June 30**

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total OPEB Liability</b>					
Service cost	\$ 5,856	\$ 4,812	\$ 4,440	\$ 3,696	\$ 5,787
Interest	6,509	7,381	7,907	8,002	6,093
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	8,200	1,802	(7,841)	6,794
Changes of assumptions	(20,385)	(1,920)	4,319	50,145	(34,112)
Benefit payments	(6,450)	(6,584)	(7,521)	(8,784)	(7,918)
<b>Net change in total OPEB Liability</b>	(14,470)	11,889	10,947	45,218	(23,356)
<b>Total OPEB liability - beginning</b>	220,282	205,812	217,701	228,648	273,866
<b>Total OPEB liability - ending</b>	\$ 205,812	\$ 217,701	\$ 228,648	\$ 273,866	\$ 250,510
Nonemployer contributing entity's proportionate share of the collective total OPEB liability	\$ 205,812	\$ 217,701	\$ 228,648	\$ 273,866	\$ 250,510
Employer's proportionate share of the collective total OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,240,813	\$ 2,087,559	\$ 1,976,272	\$ 2,398,278	\$ 1,431,645
Employer's proportionate share of collective total OPEB liability as a percentage of covered-employee	0.00%	0.00%	0.00%	0.00%	0.00%

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN ROGERSVILLE CITY SCHOOL'S PROPORTIONATE**  
**SHARE OF COLLECTIVE OPEB LIABILITY AND RELATED RATIOS**  
**TENNESSEE OPEB PLAN**  
**Fiscal Year Ending June 30**

**Notes to Schedule**

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

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

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

**TOWN OF ROGERSVILLE, TENNESSEE  
COMBINING BALANCE SHEET  
- NON-MAJOR GOVERNMENTAL FUNDS -  
June 30, 2022**

	Special Revenue Funds							Total Non-Major Governmental Funds
	State Street Aid Fund	Community Center Fund	Industrial Park Dev. Fund	Drug Fund	Internal School Funds	School Cafeteria Fund	Capital Projects Fund	
<b>Assets</b>								
Cash & Cash Equivalents	\$ 140,279	\$ 17,628	\$ 597,212	\$ 20,720	\$ 98,343	\$ 153,111	\$ 54,428	1,081,721
Receivables (net)	28,303	-	-	-	-	-	-	28,303
Inventory	-	-	-	-	-	8,281	-	8,281
Deposits	-	-	-	-	-	-	13,758	13,758
Due from Other Governments	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>168,582</b>	<b>17,628</b>	<b>597,212</b>	<b>20,720</b>	<b>98,343</b>	<b>161,392</b>	<b>68,186</b>	<b>1,132,063</b>
<b>Liabilities</b>								
Due to Other Funds	28,303	-	-	-	-	-	-	28,303
Accounts Payable	-	-	-	-	-	1,294	-	1,294
<b>Total Liabilities</b>	<b>28,303</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,294</b>	<b>-</b>	<b>29,597</b>
<b>Deferred Inflows of Resources</b>								
<b>Total Deferred Inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>								
Nonspendable	-	-	-	-	-	8,282	-	8,282
Restricted	140,279	-	-	20,720	98,343	151,816	68,186	479,344
Committed	-	-	-	-	-	-	-	-
Assigned	-	17,628	597,212	-	-	-	-	614,840
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>140,279</b>	<b>17,628</b>	<b>597,212</b>	<b>20,720</b>	<b>98,343</b>	<b>160,098</b>	<b>68,186</b>	<b>1,102,466</b>
<b>Total Liabilities, Deferred Inflows, &amp; Fund Balances</b>	<b>\$ 168,582</b>	<b>\$ 17,628</b>	<b>\$ 597,212</b>	<b>\$ 20,720</b>	<b>\$ 98,343</b>	<b>\$ 161,392</b>	<b>\$ 68,186</b>	<b>\$ 1,132,063</b>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES**  
**- NON-MAJOR GOVERNMENTAL FUNDS -**  
**For the Year Ended June 30, 2022**

	<b>Special Revenue Funds</b>						<b>Total Non-Major Governmental Funds</b>
	<b>State Street Aid Fund</b>	<b>Community Center Fund</b>	<b>Industrial Park Dev. Fund</b>	<b>Drug Fund</b>	<b>Internal School Funds</b>	<b>School Cafeteria Fund</b>	
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	162,848	-	-	-	-	459,814	622,662
Charges for Services	-	-	-	-	-	1,204	1,204
Interest Income	-	61	1,789	1	50	1	1,905
Other	-	-	-	-	82,811	3,917	86,728
<b>Total Revenues</b>	<b>162,848</b>	<b>61</b>	<b>1,789</b>	<b>1</b>	<b>82,861</b>	<b>464,936</b>	<b>712,499</b>
<b>Expenditures</b>							
Streets	153,056	-	-	-	-	-	153,056
Education	-	-	-	-	69,554	-	69,554
Fire	-	-	-	-	-	-	-
School Food Service	-	-	-	-	-	358,150	358,150
Drug Fund Expenditures	-	-	-	-	-	-	-
General Government	-	-	-	-	-	13,952	13,952
Community Development	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>153,056</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,554</b>	<b>358,150</b>	<b>594,712</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<b>9,792</b>	<b>61</b>	<b>1,789</b>	<b>1</b>	<b>13,307</b>	<b>106,786</b>	<b>(13,949)</b>
Issue of Capital Outlay Note	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>9,792</b>	<b>61</b>	<b>1,789</b>	<b>1</b>	<b>13,307</b>	<b>106,786</b>	<b>(13,949)</b>
<b>Fund Balance - Beginning</b>	<b>130,487</b>	<b>17,567</b>	<b>595,423</b>	<b>20,719</b>	<b>85,036</b>	<b>53,312</b>	<b>82,135</b>
<b>Fund Balance - Ending</b>	<b>\$ 140,279</b>	<b>\$ 17,628</b>	<b>\$ 597,212</b>	<b>\$ 20,720</b>	<b>\$ 98,343</b>	<b>\$ 160,098</b>	<b>\$ 68,186</b>
	<b>\$ 1,102,466</b>						<b>\$ 1,102,466</b>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**STATE STREET AID FUND**  
**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		Actual	Variance with Final
	Original	Final		Budget - Positive (Negative)
<b>Revenues</b>				
State Street Aid	\$ 150,000	\$ 163,999	\$ 162,848	\$ (1,151)
<b>Total Revenues</b>	<u>150,000</u>	<u>163,999</u>	<u>162,848</u>	<u>(1,151)</u>
<b>Expenditures</b>				
Street Lighting	120,000	135,000	128,029	6,971
Street Maintenance	30,000	28,900	25,027	3,873
Street Paving	-	-	-	-
<b>Total Expenditures</b>	<u>150,000</u>	<u>163,900</u>	<u>153,056</u>	<u>10,844</u>
<b>Net Change in Fund Balance</b>	-	99	9,792	9,693
<b>Fund Balance - Beginning</b>	130,487	130,487	130,487	-
<b>Fund Balance - Ending</b>	<u>\$ 130,487</u>	<u>\$ 130,586</u>	<u>\$ 140,279</u>	<u>\$ 9,693</u>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**COMMUNITY CENTER FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest Income	\$ 102	\$ 61	\$ 61	\$ -
<b>Total Revenues</b>	102	61	61	-
<b>Expenditures</b>				
<b>Total Expenditures</b>	-	-	-	-
<b>Net Change in Fund Balance</b>	102	61	61	-
<b>Fund Balance - Beginning</b>	17,567	17,567	17,567	-
<b>Fund Balance - Ending</b>	\$ 17,669	\$ 17,628	\$ 17,628	\$ -

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**INDUSTRIAL PARK DEVELOPMENT FUND**  
**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Interest Income	\$ 1,200	\$ 1,762	\$ 1,789	\$ 27
<b>Total Revenues</b>	1,200	1,762	1,789	27
<b>Expenditures</b>				
Salaries	-	-	-	-
Other	2,000	2,000	-	2,000
<b>Total Expenditures</b>	2,000	2,000	-	2,000
<b>Net Change in Fund Balance</b>	(800)	(238)	1,789	2,027
<b>Fund Balance - Beginning</b>	595,423	595,423	595,423	-
<b>Fund Balance - Ending</b>	<b>\$ 594,623</b>	<b>\$ 595,185</b>	<b>\$ 597,212</b>	<b>\$ 2,027</b>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**DRUG FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest Income	\$ -	\$ 1	\$ 1	\$ -
Fines/Collections	190	-	-	-
Other Income	-	-	-	-
<b>Total Revenues</b>	190	1	1	-
<b>Expenditures</b>				
Enforcement Operations	250	-	-	-
Law Enforcement	250	-	-	-
<b>Total Expenditures</b>	500	-	-	-
<b>Net Change in Fund Balance</b>	(310)	1	1	-
<b>Fund Balance - Beginning</b>	20,719	20,719	20,719	-
<b>Fund Balance - Ending</b>	\$ 20,409	\$ 20,720	\$ 20,720	\$ -

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**SCHOOL CAFETERIA FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Lunch/Breakfast Sales	\$ 106,000	\$ 106,000	\$ 1,204	\$ (104,796)
A La Carte Sales	15,000	15,000	-	(15,000)
Other Income	1,200	1,200	3,917	2,717
Interest Income	100	100	1	(99)
State Matching	3,600	3,600	2,620	(980)
Other Federal Funds	-	-	614	614
USDA-Lunch & Breakfast	195,700	209,989	438,274	228,285
USDA-Commodities	30,000	30,000	18,306	(11,694)
<b>Total Revenues</b>	351,600	365,889	464,936	99,047
<b>Expenditures</b>				
Salaries & Wages	130,357	129,994	129,994	-
Payroll Taxes & Retirement	20,245	18,869	18,869	-
Medical Insurance/Other Benefits	32,303	32,755	32,755	-
Contracted Services	4,000	4,512	4,507	5
Food Preparation Supplies	5,000	16,853	16,853	-
Food Purchases	110,000	126,246	127,014	(768)
USDA Commodities	30,000	26,809	18,306	8,503
Uniforms	600	-	-	-
Maintenance/Repairs	8,000	7,208	7,208	-
Postage/Travel/Office Expense	425	35	36	(1)
Other Charges	4,000	882	882	-
Food Service Equipment	6,670	1,726	1,726	-
<b>Total Expenditures</b>	351,600	365,889	358,150	7,739
<b>Other Financing Sources (Uses)</b>				
Transfers In-City School Fund	-	-	-	-
<b>Net Change in Fund Balance</b>	-	-	106,786	106,786
<b>Fund Balance - Beginning</b>	53,312	53,312	53,312	-
<b>Fund Balance - Ending</b>	\$ 53,312	\$ 53,312	\$ 160,098	\$ 106,786

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**  
**- BUDGET & ACTUAL -**  
**CAPITAL PROJECTS FUND**  
**For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Interest Income	\$ -	\$ -	\$ 3	\$ 3
<b>Total Revenues</b>	-	-	3	3
<b>Expenditures</b>				
Capital Outlay	-	-	-	-
Fees	-	5,352	13,952	(8,600)
<b>Total Expenditures</b>	-	5,352	13,952	(8,600)
Issue of Capital Outlay Note	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Net Change In Fund Balance</b>	-	(5,352)	(13,949)	(8,603)
<b>Fund Balance - Beginning</b>	82,135	82,135	82,135	-
<b>Fund Balance - Ending</b>	<b>\$ 82,135</b>	<b>\$ 76,783</b>	<b>\$ 68,186</b>	<b>\$ (8,603)</b>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**- BUDGET & ACTUAL -**  
**SOLID WASTE SANITATION ACTIVITIES**  
**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>			Variance with Final
	Original	Final	Actual	Budget - Positive (Negative)
<b>Revenue</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	-	-	-	-
<b>Expenditures</b>				
Salaries & Wages	267,800	275,000	272,108	2,892
Payroll Taxes	20,500	22,000	20,849	1,151
Repairs/Maintenance	10,000	10,000	8,941	1,059
Operating Supplies	2,000	2,000	1,515	485
Uniforms	4,000	4,800	4,683	117
Vehicle Expense	18,000	28,000	24,530	3,470
Insurance	25,000	22,400	21,501	899
Other	2,000	2,600	1,263	1,337
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	349,300	366,800	355,390	11,410
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	\$ (349,300)	\$ (366,800)	\$ (355,390)	\$ 11,410

\* **Provided as Supplemental Information:** Sanitation is now included in the General Fund under GASB #54. There are no separate revenue charges as operations are funded from General Fund Revenues.

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE**  
**June 30, 2022**

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/21	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/22
<b>Governmental Activities</b>									
<u>Notes Payable</u>									
Payable through Town of Rogersville General Fund									
Capital Outlay Note	700,000	1.580%	6/23/2020	6/23/2023	\$ 622,222	\$ -	\$ 77,778	\$ -	\$ 544,444
Total Notes Payable through Rogersville City General Fund					622,222	-	77,778	-	544,444
<u>Bonds Payable</u>									
Payable through Rogersville City General Fund									
2015B General Obligation Bonds	425,000	2.675%	9/1/2015	6/1/2035	310,000	-	20,000	-	290,000
2012 General Obligation Refunding Bonds	915,000	2.280%	10/15/2012	6/1/2022	90,000	-	90,000	-	-
Total Bonds Payable through Rogersville City General Fund					400,000	-	110,000	-	290,000

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE**  
**June 30, 2022**

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/21	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/22
<b>Business-Type Activities</b>									
<u>Other Loans Payable</u>									
Payable through Rogersville Water Commission									
TN Revolving Fund Loan	2,500,000	2.360%	6/14/2005	2/28/2028	\$ 957,468	-	135,575	-	\$ 821,893
Total Other Loans Payable through Rogersville Water Commission					957,468	-	135,575	-	821,893
<u>Bonds Payable</u>									
Payable through Rogersville Water Commission									
Water Works Revenue Bonds	250,000	1.500%	12/18/2001	9/30/2039	170,193	-	6,335	-	163,858
2012 General Obligation Refunding Bonds	1,605,000	2.280%	10/15/2012	6/1/2028	700,000	-	100,000	-	600,000
2015B General Obligation Bonds	1,575,000	2.683%	9/1/2015	6/1/2035	1,185,000	-	70,000	-	1,115,000
2018 General Obligation Bonds	1,995,000	3.356%	10/25/2018	6/1/2040	1,920,000	-	75,000	-	1,845,000
Total Bonds Payable through Rogersville Water Commission					3,975,193	-	251,335	-	3,723,858

**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF BONDED DEBT  
GOVERNMENTAL ACTIVITIES  
June 30, 2022**

<b>2015B General Obligation Bonds</b>			
	<b>Principal</b>		<b>Interest</b>
<b>Fiscal Year Ending June 30:</b>			
2023	\$ 20,000	\$	7,658
2024	20,000		7,257
2025	20,000		6,848
2026	20,000		6,438
2027	20,000		5,988
2028	20,000		5,538
2029	20,000		5,038
2030	25,000		4,537
2031	25,000		3,862
2032	25,000		3,187
2033	25,000		2,437
2034	25,000		1,687
2035	25,000		844
	\$ 290,000	\$	61,319

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF BONDED DEBT**  
**BUSINESS-TYPE ACTIVITIES**  
**June 30, 2022**

	<u>Water Works Revenue Bonds</u>		<u>2012 General Obligation Bonds</u>		<u>2015B General Obligation Bonds</u>		<u>2018 General Obligation Bonds</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<b>Fiscal Year Ending</b>										
<b>June 30:</b>										
2023	\$ 6,518	\$ 7,018	\$ 100,000	\$ 15,500	\$ 75,000	\$ 29,418	\$ 80,000	\$ 60,481	\$ 261,518	\$ 112,417
2024	6,809	6,727	100,000	13,125	75,000	27,917	80,000	58,081	261,809	105,850
2025	7,113	6,423	100,000	10,750	80,000	26,380	85,000	55,681	272,113	99,234
2026	7,431	6,105	100,000	8,125	80,000	24,740	85,000	53,131	272,431	92,101
2027	7,763	5,773	100,000	5,500	80,000	22,940	90,000	50,581	277,763	84,794
2028	8,108	5,428	100,000	2,750	85,000	21,140	90,000	47,881	283,108	77,199
2029	8,471	5,065	-	-	85,000	19,015	95,000	45,181	188,471	69,261
2030	8,849	4,687	-	-	85,000	16,890	95,000	42,331	188,849	63,908
2031	9,245	4,291	-	-	85,000	14,595	100,000	39,363	194,245	58,249
2032	9,656	3,880	-	-	90,000	12,300	100,000	36,113	199,656	52,293
2033	10,088	3,448	-	-	95,000	9,600	105,000	32,864	210,088	45,912
2034	10,538	2,998	-	-	100,000	6,750	110,000	29,450	220,538	39,198
2035	11,008	2,528	-	-	100,000	3,375	110,000	25,875	221,008	31,778
2036	11,500	2,036	-	-	-	-	115,000	22,025	126,500	24,061
2037	12,013	1,523	-	-	-	-	120,000	18,000	132,013	19,523
2038	12,550	986	-	-	-	-	125,000	13,800	137,550	14,786
2039	13,109	427	-	-	-	-	130,000	9,425	143,109	9,852
2040	3,089	16	-	-	-	-	130,000	4,713	133,089	4,729
	<u>\$ 163,858</u>	<u>\$ 69,359</u>	<u>\$ 600,000</u>	<u>\$ 55,750</u>	<u>\$ 1,115,000</u>	<u>\$ 235,060</u>	<u>\$ 1,845,000</u>	<u>\$ 644,976</u>	<u>\$ 3,723,858</u>	<u>\$ 1,005,145</u>

**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF CAPITAL OUTLAY NOTES  
GOVERNMENTAL ACTIVITIES  
June 30, 2022**

	<b>Capital Outlay Note Issued 06/23/2020</b>	
	<b>Principal</b>	<b>Interest</b>
<b>Fiscal Year Ending June 30:</b>		
2023	\$ 544,444	\$ 8,602

**TOWN OF ROGERSVILLE, TENNESSEE  
OTHER NOTES  
BUSINESS-TYPE ACTIVITIES  
June 30, 2022**

**Tn Revolving Loan Program  
Issued 6/14/2005**

<b>Fiscal Year Ending June 30:</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 138,809	\$ 18,127
2024	142,121	14,815
2025	145,511	11,425
2026	148,983	7,953
2027	152,537	4,399
2028	93,932	1,143
	<u>\$ 821,893</u>	<u>\$ 57,862</u>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN PROPERTY TAX RECEIVABLE**  
**For the Year Ended June 30, 2022**

<b>Tax Year</b>	<b>Property Tax Receivable Balance 7/1/2021</b>	<b>Property Tax Levied</b>	<b>Anticipated Current Year Levy</b>	<b>Abatements and Adjustments</b>	<b>Collections</b>	<b>Balance 6/30/2022</b>
2022	\$ -	\$ -	\$ 2,192,933	\$ -	\$ -	\$ 2,192,933
2021	2,212,888	-	-	5,735	(1,914,677)	303,946
2020	100,704	-	-	(5,330)	(60,841)	34,533
2019	31,008	-	-	-	(18,146)	12,862
2018	13,557	-	-	-	(6,128)	7,429
2017	7,471	-	-	-	(1,377)	6,094
2016	4,054	-	-	-	(807)	3,247
2015	3,053	-	-	-	(136)	2,917
2014	4,073	-	-	-	(486)	3,587
2013	6,419	-	-	-	(85)	6,334
2012	4,608	-	-	-	-	4,608
2011	5,507	-	-	(5,028)	(479)	-
	<b><u>\$ 2,393,342</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (4,623)</u></b>	<b><u>\$ (2,003,162)</u></b>	<b><u>\$ 2,578,490</u></b>

The 2022 tax notices become a lien in the state of Tennessee on January 1st of each year. The notices are due from October 1, 2022 through February 28, 2023. The total amount is reflected as a deferred outflow of resources on the balance sheet as of June 30, 2022.

Note: These taxes upon delinquency are turned over to the Chancery Court one year after becoming delinquent.

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF TAX RATES & ASSESSMENTS**  
**For the Year Ended June 30, 2022**

<u>Calendar Tax Year</u>	<u>Assessed Valuation</u>	<u>Tax Rate Per \$100</u>
2022	147,523,349	1.4865
2021	148,865,945	1.4865
2020	129,432,555	1.67
2019	131,502,581	1.67
2018	128,807,511	1.67
2017	129,543,301	1.67
2016	126,426,773	1.67
2015	127,258,626	1.67
2014	128,524,612	1.67
2013	126,654,578	1.67
2012	121,981,840	1.67
2011	120,890,414	1.67
2010	101,709,118	1.67
2009	99,791,748	1.52
2008	98,483,219	1.27
2007	80,443,300	1.27
2006	81,397,513	1.45
2005	71,830,734	1.45
2004	71,975,421	1.45
2003	72,137,318	1.35
2002	71,366,327	1.35
2001	68,416,585	1.65
2000	55,020,787	1.65
1999	55,587,441	1.65
1998	53,931,677	1.50
1997	52,072,533	1.50
1996	50,839,600	1.67
1995	42,333,234	1.67
1994	40,775,329	1.67
1993	38,634,731	1.57
1992	37,259,812	1.57
1991	34,950,052	1.57
1990	36,005,411	1.57
1989	35,508,808	2.25
1988	22,287,172	2.25
1987	22,441,237	2.25
1986	22,386,516	2.25
1985	21,284,138	2.25
1984	21,026,807	2.25
1983	20,739,353	2.25
1982	20,719,449	2.25
1981	19,224,573	2.25
1980	17,759,203	2.00

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF UTILITY RATES IN FORCE & CUSTOMERS**  
**ENTERPRISE FUNDS**  
**For the Year Ended June 30, 2022**

<b>WATER RATES</b>	<b>INSIDE TOWN</b>	<b>OUTSIDE TOWN</b>
First 1,000 Gallons	\$14.27	\$22.70
Over 1,000 Gallons	6.64	10.33
<b>SEWER RATES</b>	<b>INSIDE TOWN</b>	<b>OUTSIDE TOWN</b>
First 1,000 Gallons	\$16.06	\$16.06
Over 1,000 Gallons	\$7.21	\$7.21
<b>UTILITY DISTRICT RATES</b>		
Persia Utility:		
First 500,000 Gallons	\$5.61/1,000	
Over 500,000 Gallons	\$1.61/1,000	
<b>OTHER UTILITY DISTRICTS</b>		
	\$5.61/1,000	

**Note:** Rates in effect at 6/30/22

**Total number of customers at year end - Water:** 4,311

**Total number of customers at year end - Sewer:** 2,073

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS &**  
**STATE FINANCIAL ASSISTANCE**  
**For the Year Ended June 30, 2022**

Federal Agency/Pass-Through Agency/State Grantor Program of Cluster Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Amount Passed through to Subrecipients	Expenditures
<b>Federal Awards</b>				
U.S. Department of Education:				
Passed through Tennessee Dept. of Education:				
Title I Grants to Local Educational Agencies	84.010	S010A210042		\$ 241,029
Title II - Supporting Effective Instruction State Grant	84.367	S367A210040A		26,390
Title IV - Student Support and Academic Enrichment Program	84.424	S424A190044A		11,273
Special Education (IDEA) Cluster: (4)				
Special Education - Grants to States	84.027	(3)		172,276
Special Education - Preschool Grants	84.173	(3)		40,000
COVID-19-Education Stabilization Fund Prgm.-Elementary & Secondary School Emergency Relief Fund (ESSER 1.0)	84.425	S4425D200047		4,714
COVID-19-Education Stabilization Fund Prgm.-Elementary & Secondary School Emergency Relief Fund (ESSER 2.0)	84.425	S3425D210047		557,626
COVID-19-Education Stabilization Fund Prgm.-Elementary & Secondary School Emergency Relief Fund (ESSER 3.0)	84.425	(3)		283,293
COVID-19-Education Stabilization Fund Prgm.-Epidemiology & Laboratory Capacity(ELC)	84.425	(3)		82,150
Total U.S. Department of Education				\$ 1,418,751
U.S. Department of Agriculture:				
Passed through Tennessee Dept. of Education:				
National School Lunch Program (NSLP)	10.555	(3)		355,201
School Breakfast Program (SBP)	10.553	(3)		83,073
Commodity Feeding (Noncash Assistance)	10.569	(3)		18,306
Pandemic -EBT Administrative Cost	10.649	(3)		614
Total U.S. Department of Agriculture				\$ 457,194
U.S. Department of Interior				
Passed through Tennessee Dept of Finance:				
Historic Preservation Grant	15.094	(3)		\$ 26,250
Total U.S. Department of Interior				\$ 26,250
U.S. Department of Housing & Urban Development:				
Passed through TN Dept. of Environment & Conservation:				
Community Dev. Block Grant	14.228	(3)		176,988
Total U.S. Department of Housing & Urban Development				\$ 176,988
<b>TOTAL FEDERAL AWARDS</b>				<b>\$ 2,079,183</b>

**TOWN OF ROGERSVILLE, TENNESSEE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS &**  
**STATE FINANCIAL ASSISTANCE**  
**For the Year Ended June 30, 2022**

Federal Agency/Pass-Through Agency/State Grantor Program of Cluster Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Amount Passed through to Subrecipients	Expenditures
<b>State Financial Assistance</b>				
Early Childhood Education - State Dept of Education	N/A	(3)		\$ 99,947
Basic Education Program - State Dept of Education	N/A	(3)		3,844,896
Career Ladder & Extended - State Dept of Education	N/A	(3)		10,615
School Safety - State Dept of Education	N/A	(3)		10,330
Summer Learning Camp	N/A	(3)		61,980
Summer Bridge Camp	N/A	(3)		22,940
Summer Stream Camp	N/A	(3)		18,008
Summer Learning Transportation	N/A	(3)		1,384
Coordinated School Health - State Dept of Education	N/A	(3)		80,000
Internet Connectivity - State Dept of Education	N/A	(3)		984
Child Nutrition - State Dept of Education	N/A	(3)		2,620
Literacy Stipend Training Grant	N/A	(3)		13,000
TN Governor's Local Support Grant 2022	N/A	(3)		62,888
<b>TOTAL STATE AWARDS</b>				<b>\$ 4,229,592</b>

Note 1 - Basis of Presentation: The schedule is presented using the accrual basis of accounting.

Note 2 - Indirect Cost Rate: The Town of Rogersville has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Information not available

Note 4 - Special Ed Cluster Total \$184,948

**DAVID M. ELLIS**

*Certified Public Accountant*

*Member, American Institute of  
Certified Public Accountants*

*Member, Tennessee Society of  
Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Mayor and Aldermen  
Town of Rogersville, Tennessee

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rogersville, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Rogersville, Tennessee's basic financial statements, and have issued my report thereon dated November 9, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Town of Rogersville, Tennessee'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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Rogersville, Tennessee's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town of Rogersville, Tennessee'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.

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Rogersville, Tennessee's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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



David M. Ellis, CPA  
Greeneville, Tennessee  
November 9, 2023

**DAVID M. ELLIS**

*Certified Public Accountant*

*Member, American Institute of  
Certified Public Accountants*

*Member, Tennessee Society of  
Certified Public Accountants*

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

To the Board of Mayor and Aldermen  
Town of Rogersville, Tennessee

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

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

I have audited the Town of Rogersville, Tennessee'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 the Town of Rogersville, Tennessee's major federal programs for the year ended June 30, 2022. The Town of Rogersville, Tennessee's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, the Town of Rogersville, Tennessee, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the Town of Rogersville, Tennessee and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of the Town of Rogersville, Tennessee'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 the Town of Rogersville, Tennessee's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

My 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 the Town of Rogersville, Tennessee's compliance based on my 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 generally accepted auditing standards, *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 the Town of Rogersville, Tennessee's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- 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 the Town of Rogersville, Tennessee's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of the Town of Rogersville, Tennessee'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 the Town of Rogersville, Tennessee's internal control over compliance. Accordingly, no such opinion is expressed.
- I am 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 I 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.

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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 my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "David M. Ellis".

David M. Ellis, CPA  
Greeneville, Tennessee  
November 9, 2023

**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

1. My report on the financial statements of the Town is unmodified.
2. Internal Control over Financial Reporting:
 

Material weakness identified?	No
Significant deficiency identified?	None Reported
3. Noncompliance material to the financial statements noted? No

**FEDERAL AWARDS**

4. Internal control over major federal programs:
 

Material weakness identified?	No
Significant deficiency identified?	None reported
5. Type of report auditor issued on compliance for major programs Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No
7. Identification of major federal programs:
  - Federal Assistance Listing Number 84.010: U.S. Dept. of Education – Title I
  
  - Federal Assistance Listing Number 84.425D: U.S. Dept. of Education – COVID-19 Education Stabilization Fund Program-ESSER 2.0
  
  - Federal Assistance Listing Number 84.425D: U.S. Dept. of Education – COVID-19 Education Stabilization Fund Program-ESSER 3.0
8. Dollar threshold used to distinguish between Type A and Type B programs? \$750,000
9. Auditee qualified as low-risk auditee? No

**TOWN OF ROGERSVILLE, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None reported

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported

**TOWN OF ROGERSVILLE, TENNESSEE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 2022**

**Financial Statement Findings**

N/A

**Federal Award Findings and Questioned Costs**

N/A