

TOWN OF ROGERSVILLE, TENNESSEE

FINANCIAL STATEMENTS

June 30, 2023

TOWN OF ROGERSVILLE, TENNESSEE
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**TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF PRINCIPAL OFFICIALS
June 30, 2023**

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
Danny Brooks

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, 2023, and the related notes to the financial statements, which collectively comprise the Town of Rogersville'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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, and the Rogersville City School Operating 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 of Rogersville'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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 94-112 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 113-114 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 and the Management's Corrective Action Plan on page 123 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 June 28, 2024, 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
June 28, 2024

TOWN OF ROGERSVILLE, TENNESSEE
MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited-Required Supplementary Information)
For the Year Ended June 30, 2023

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, 2023.

Financial Highlights

Key financial highlights for the year ended June 30, 2023, 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 \$31,376,093 (net position). Of this amount, \$4,067,709 (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 \$7,099,395 and total fund balances increased \$4,051 over the prior year fund balance of \$7,095,344.
- At the end of the fiscal year, the Town's General Fund has an unassigned fund balance totaling \$2,355,651 in comparison to General Fund expenditures in the amount of \$6,647,117.
- The Town's Proprietary Fund (Rogersville Water Commission) net position increased \$231,062 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. 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
- School PL 89-10 Fund (federal projects)

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 \$31,376,093 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:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets & Deferred Outflows of Resources						
Current & Other Assets	\$ 11,899,562	\$ 14,465,119	\$ 1,933,521	\$ 1,709,582	\$ 13,833,083	\$ 16,174,701
Capital Assets (net)	13,491,046	13,290,514	13,215,877	13,601,404	26,706,923	26,891,918
Deferred Outflows of Resources	2,359,193	2,191,285	-	-	2,359,193	2,191,285
Total Assets & Deferred Outflows of Resources	27,749,801	29,946,918	15,149,398	15,310,986	42,899,199	45,257,904
Liabilities & Deferred Inflows of Resources						
Long-Term Liabilities Outstanding	1,900,752	2,296,585	4,336,491	4,796,706	6,237,243	7,093,291
Other Liabilities	957,101	971,686	371,995	304,430	1,329,096	1,276,116
Deferred Inflows of Resources	3,956,767	6,768,252	-	-	3,956,767	6,768,252
Total Liabilities & Deferred Inflows of Resources	6,814,620	10,036,523	4,708,486	5,101,136	11,523,106	15,137,659
Net Position						
Net Investment In Capital Assets	13,220,326	12,454,577	9,056,558	9,039,146	22,276,884	21,493,723
Restricted	5,017,964	7,014,133	13,536	13,536	5,031,500	7,027,669
Unrestricted	2,696,891	441,685	1,370,818	1,157,168	4,067,709	1,598,853
Total Net Position	\$20,935,181	\$19,910,395	\$10,440,912	\$10,209,850	\$31,376,093	\$30,120,245

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	
	2023	2022	2023	2022	2023	2022
Revenue						
Charges for Services	\$ 235,815	\$ 202,817	\$ 3,916,409	\$ 3,841,008	\$ 4,152,224	\$ 4,043,825
Operating Grants/Contributions	6,178,710	6,300,135	-	-	6,178,710	6,300,135
Capital Grants/Contributions	78,948	-	53,061	176,988	132,009	176,988
Taxes	7,620,724	6,948,365	-	-	7,620,724	6,948,365
Intergovernmental	718,280	690,543	-	-	718,280	690,543
Other	385,295	598,806	132	11	385,427	598,817
Total Revenue	15,217,772	14,740,666	3,969,602	4,018,007	19,187,374	18,758,673
Expenses & Operating Transfers						
Mayor & Aldermen	38,038	38,635	-	-	38,038	38,635
Financial & Administration	1,022,902	938,301	-	-	1,022,902	938,301
Public Buildings & Grounds	222,807	207,693	-	-	222,807	207,693
Other General Government	710,071	455,091	-	-	710,071	455,091
Police	1,629,896	1,561,024	-	-	1,629,896	1,561,024
Fire	140,139	145,773	-	-	140,139	145,773
Streets	1,283,814	1,084,945	-	-	1,283,814	1,084,945
Sanitation	360,523	365,463	-	-	360,523	365,463
Inspection	35,410	34,184	-	-	35,410	34,184
Parks & Recreation	672,928	632,818	-	-	672,928	632,818
Community Development	-	-	-	-	-	-
Appropriations to Others	122,480	116,480	-	-	122,480	116,480
Education	7,555,552	6,575,163	-	-	7,555,552	6,575,163
School Food Service	381,624	359,469	-	-	381,624	359,469
Interest & Debt Issue Expenses	16,802	19,266	-	-	16,802	19,266
Operating Transfer	-	-	-	-	-	-
Water & Sewer	-	-	3,738,540	3,439,152	3,738,540	3,439,152
Total Expenses & Transfers	14,192,986	12,534,305	3,738,540	3,439,152	17,931,526	15,973,457
Change in Net Position	1,024,786	2,206,361	231,062	578,855	1,255,848	2,785,216
Beginning Net Position	19,910,395	17,704,034	10,209,850	9,630,995	30,120,245	27,335,029
Ending Net Position	\$ 20,935,181	\$ 19,910,395	\$ 10,440,912	\$ 10,209,850	\$ 31,376,093	\$ 30,120,245

Governmental Activities

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

Revenue	2023		2022	
	Amounts	Percentage	Amounts	Percentage
Property Taxes/In Lieu of Tax	\$ 3,247,894	21.34%	\$ 2,741,331	18.60%
Sales Taxes	3,548,107	23.32%	3,380,361	22.93%
Lodging Taxes	100,111	0.66%	123,456	0.84%
Franchise Taxes	53,846	0.35%	55,529	0.38%
Beer/Liquor Taxes	426,701	2.80%	413,693	2.81%
Business Taxes	211,144	1.39%	204,302	1.39%
Other Taxes	32,921	0.22%	29,693	0.20%
Charges for Services	235,815	1.55%	202,817	1.38%
Grants/Contributions	6,257,658	41.12%	6,300,135	42.74%
Intergovernmental Revenue	718,280	4.72%	690,543	4.68%
Other	385,295	2.53%	598,806	4.06%
Total Revenue/Other Sources	\$ 15,217,772	100.00%	\$ 14,740,666	100.00%

Expenses	2023		2022	
	Amounts	Percentage	Amounts	Percentage
Mayor & Aldermen	\$ 38,038	0.27%	\$ 38,635	0.31%
Financial & Administration	1,022,902	7.21%	938,301	7.50%
Public Buildings & Grounds	222,807	1.57%	207,693	1.66%
Other General Government	710,071	5.00%	455,091	3.64%
Police	1,629,896	11.48%	1,561,024	12.45%
Fire	140,139	0.99%	145,773	1.16%
Streets	1,283,814	9.05%	1,084,945	8.67%
Sanitation	360,523	2.54%	365,463	2.92%
Inspection	35,410	0.25%	34,184	0.27%
Parks & Recreation	672,928	4.74%	632,818	5.06%
Community Development	-	0.00%	-	0.00%
Appropriations to Others	122,480	0.86%	116,480	0.93%
Education	7,555,552	53.23%	6,575,163	52.41%
School Food Service	381,624	2.69%	359,469	2.88%
Interest & Other Expenses	16,802	0.12%	19,266	0.15%
Total Expenses	14,192,986	100.00%	12,534,305	100.00%

Business-type activities representing water and sewer services had a \$231,062 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, 2023, the Town of Rogersville's governmental funds reported combined ending fund balances of \$7,099,395 which is a \$4,051 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 a decrease in its fund balance of \$399,381 resulting in an ending fund balance of \$2,528,914. Actual revenues totaled \$7,172,434 versus the final budgeted amount of 7,170,581. Expenditures totaled \$6,647,117 versus the final budgeted expenditures amount of \$6,586,145. The primary sources of revenues to the General Fund were property and in-lieu of tax generating 35% of the total revenue, local sales tax representing approximately 40%, and intergovernmental revenues totaling approximately 11% of the revenue stream. With respect to expenditures by function, the five largest expenditures represented the police department at 25%, street department at 16%, financial and administration at 15% with the park and recreations services at 10% and other general government at 11%.

The Rogersville City Board of Education's operating fund had a \$399,036 increase in its fund balance. The ending fund balance was \$3,174,480.

Capital Assets & Debt Administration

Capital Assets

The Town of Rogersville's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$26,706,923 (net of accumulated depreciation). A comparative recap of the capital assets before accumulated depreciation is presented as follows:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Capital Assets						
Land/Land Improvements	\$ 1,438,887	\$ 1,438,887	\$ 468,309	\$ 468,309	\$ 1,907,196	\$ 1,907,196
Buildings/Improvements	16,099,432	15,448,053	476,730	471,815	16,576,162	15,919,868
Machinery/Equipment/Other	6,396,709	6,056,573	1,809,998	1,669,832	8,206,707	7,726,405
Infrastructure	3,239,149	3,206,860	-	-	3,239,149	3,206,860
Utility Plant & Lines	-	-	25,098,666	23,567,751	25,098,666	23,567,751
Construction in Progress	127,443	361,362	10,338	1,409,155	137,781	1,770,517
Total Capital Assets	\$27,301,620	\$26,511,735	\$27,864,041	\$27,586,862	\$55,165,661	\$54,098,597

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

- \$40,805 in street department vehicles.
- \$387,662 additions related to the school. \$123,263 was for new school servers, \$77,090 building improvements to alarm systems, other building improvements \$180,690. The HVAC project was completed in 2023 and the final payment of \$18,764 was paid. The total project cost of this over a period of 3 years totaled \$380,126.
- \$140,166 in additions relating to machinery, equipment and vehicles for the water and sewer system. In addition, the sewer screen project was completed in the current year. This had been ongoing project with final total costs placed into service totaling \$1,513,842. At June 30, 2023, the system had one line extension project incomplete totaling \$10,338 at year end.

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 \$4,430,039. 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	
	2023	2022	2023	2022	2023	2022
Capital Outlay Notes	\$ -	\$ 544,444	\$ -	\$ -	\$ -	\$ 544,444
2012 GOB Refunding Bond	-	-	500,000	600,000	500,000	600,000
Water Works Revenue Bond	-	-	157,340	163,858	157,340	163,858
2015B GOB Bonds	270,000	290,000	1,040,000	1,115,000	1,310,000	1,405,000
2018 General Obligation Bond	-	-	1,765,000	1,845,000	1,765,000	1,845,000
Notes Payable	-	-	683,084	821,893	683,084	821,893
Discount/Premium, Net	720	1,493	13,895	16,507	14,615	18,000
Total	\$ 270,720	\$ 835,937	\$ 4,159,319	\$ 4,562,258	\$ 4,430,039	\$ 5,398,195

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 2023-2024 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, 2023

	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 6,953,316	\$ 1,178,902	\$ 8,132,218
Receivables (net)	3,973,124	413,347	4,386,471
Prepaid Insurance & Retirement	18,519	44,214	62,733
Inventories	12,038	297,058	309,096
Other Assets	205	-	205
Restricted Cash			
City School: TCRS Stabilization Trust	54,378	-	54,378
Net Pension Asset	887,982	-	887,982
Internal Balances	-	-	-
Capital Assets Not Being Depreciated	1,566,330	478,647	2,044,977
Capital Assets Being Depreciated	25,735,290	27,385,394	53,120,684
Accumulated Depreciation	(13,810,574)	(14,648,164)	(28,458,738)
Total Assets	25,390,608	15,149,398	40,540,006
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows Relating To Pension Plans	1,686,328	-	1,686,328
Deferred Outflows Relating To OPEB	672,865	-	672,865
Total Deferred Outflows of Resources	2,359,193	-	2,359,193
LIABILITIES			
Accounts Payable & Other Accrued Liabilities	480,961	75,209	556,170
Customer Deposits	250	239,134	239,384
Net Pension Liability	475,890	-	475,890
Long-term Liabilities			
Due within one year	132,923	461,582	594,505
Due in more than one year	1,767,829	3,932,561	5,700,390
Total Liabilities	2,857,853	4,708,486	7,566,339
DEFERRED INFLOWS OF RESOURCES			
Unearned Grant Revenue	1,298,715	-	1,298,715
Deferred Inflows Relating To Pension Plans	190,557	-	190,557
Deferred Inflows Relating To OPEB	327,610	-	327,610
Deferred Current Property Taxes	2,139,885	-	2,139,885
Total Deferred Inflows of Resources	3,956,767	-	3,956,767
NET POSITION			
Net Investment in Capital Assets	13,220,326	9,056,558	22,276,884
Restricted			
Capital Projects (Note 13)	39,628	-	39,628
Other Purposes (Note 13)	4,978,336	13,536	4,991,872
Unrestricted	2,696,891	1,370,818	4,067,709
Total Net Position	\$ 20,935,181	\$ 10,440,912	\$ 31,376,093

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, 2023

Functions/Programs	Expenses	PROGRAM REVENUES			Net (Expense) Revenue	Governmental Activities	Business-Type Activities	Total
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions				
Primary Government								
Governmental Activities:								
Mayor & Aldermen	\$ 38,038	\$ -	\$ -	\$ -	\$ (38,038)			
Financial & Administration	1,022,902	-	-	-	(1,022,902)			
Public Buildings & Grounds	222,807	-	-	-	(222,807)			
Other General Government	710,071	7,429	-	78,948	(623,694)			
Police	1,629,896	46,881	-	-	(1,583,015)			
Fire	140,139	-	-	-	(140,139)			
Streets	1,283,814	-	162,268	-	(1,121,546)			
Sanitation	360,523	-	-	-	(360,523)			
Inspection	35,410	12,055	-	-	(23,355)			
Parks & Recreation	672,928	71,885	-	-	(601,043)			
Community Development	-	-	-	-	-			
Appropriations to Others	122,480	-	-	-	(122,480)			
Education	7,555,552	39,251	5,668,470	-	(1,847,831)			
School Food Service	381,624	58,314	347,972	-	24,662			
Interest on Long-Term Debt	14,552	-	-	-	(14,552)			
Paying Agent Fees	2,250	-	-	-	(2,250)			
Total Governmental Activities	14,192,986	235,815	6,178,710	78,948	(7,699,513)			
Business-Type Activities:								
Water & Sewer	3,738,540	3,916,409	-	53,061	230,930			
Total Business-Type Activities	3,738,540	3,916,409	-	53,061	230,930			
Total Primary Government	\$ 17,931,526	\$ 4,152,224	\$ 6,178,710	\$ 132,009	\$ (7,468,583)			
Change in Net Position						(7,699,513)	230,930	(7,468,583)
General Revenues								
Taxes - Property & In-Lieu						3,247,894	-	3,247,894
Local Sales Taxes						3,548,107	-	3,548,107
Lodging Taxes						100,111	-	100,111
Franchise Taxes						53,846	-	53,846
Beer & Liquor Taxes						426,701	-	426,701
Business Taxes						211,144	-	211,144
Other Taxes						32,921	-	32,921
Intergovernmental						718,280	-	718,280
Investment Earnings						15,910	132	16,042
Gain On Sale Of Capital Assets						-	-	-
Miscellaneous/Other						369,385	-	369,385
Total General Revenues						8,724,299	132	8,724,431
Operating Transfer						-	-	-
Increase (Decrease) in Net Position						1,024,786	231,062	1,255,848
Net Position - Beginning						19,910,395	10,209,850	30,120,245
Net Position - Ending						\$ 20,935,181	\$ 10,440,912	\$ 31,376,093

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

TOWN OF ROGERSVILLE, TENNESSEE
BALANCE SHEET
- GOVERNMENTAL FUNDS -
June 30, 2023

	General Fund	Rogersville City School Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash & Cash Equivalents	\$ 3,284,706	\$ 2,576,332	\$ 1,092,278	\$ 6,953,316
Receivables (net)	2,870,313	600,491	502,320	3,973,124
Due from Other Governments	-	-	-	-
Due from Other Funds	27,745	8,203	-	35,948
Inventory	-	-	12,038	12,038
Deposits	205	-	-	205
Prepaid Retirement	18,519	-	-	18,519
Restricted Cash				
City School: TCRS Stabilization Trust	-	54,378	-	54,378
Total Assets	\$ 6,201,488	\$ 3,239,404	\$ 1,606,636	\$ 11,047,528
Deferred Outflows of Resources				
Total Deferred Outflows of Resources	-	-	-	-
Liabilities				
Accounts Payable & Accrued Liabilities	177,715	64,924	174,687	417,326
Due to Other Funds	-	-	35,948	35,948
Accrued Salaries	63,030	-	-	63,030
Deposits	250	-	-	250
Total Liabilities	240,995	64,924	210,635	516,554
Deferred Inflows of Resources				
Unavailable Revenues	1,298,715	-	-	1,298,715
Deferred Property Taxes	2,132,864	-	-	2,132,864
Total Deferred Inflows of Resources	3,431,579	-	-	3,431,579
Fund Balances				
Nonspendable	-	-	12,038	12,038
Committed	-	-	-	-
Restricted	173,263	3,174,480	770,201	4,117,944
Assigned	-	-	613,762	613,762
Unassigned	2,355,651	-	-	2,355,651
Total Fund Balance	2,528,914	3,174,480	1,396,001	7,099,395
Total Liabilities, Deferred Inflows of Resources, & Fund Balances	\$ 6,201,488	\$ 3,239,404	\$ 1,606,636	\$ 11,047,528

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, 2023

Total Fund Balances - Governmental Funds	\$ 7,099,395
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.	13,491,046
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.	(7,021)
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.	(605)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(792,731)
Net pension asset.	887,982
Net pension liability.	(475,890)
OPEB liability.	(1,108,021)
Deferred outflows related to pensions.	1,686,328
Deferred outflows related to OPEB.	672,865
Deferred inflows related to OPEB.	(327,610)
Deferred inflows related to pensions.	(190,557)
Net Position of Governmental Activities	<u>\$ 20,935,181</u>

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, 2023

	General Fund	Rogersville City School Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 2,459,818	\$ 704,946	\$ -	\$ 3,164,764
In Lieu of Property Taxes	81,082	-	-	81,082
Cable TV Franchise Tax	53,846	-	-	53,846
Lodging Tax	100,111	-	-	100,111
Local Sales Tax	2,851,423	696,684	-	3,548,107
Business Tax	211,144	-	-	211,144
Liquor Tax	147,003	-	-	147,003
Wholesale Beer Tax	279,698	-	-	279,698
Other Taxes	-	32,921	-	32,921
Total Taxes	6,184,125	1,434,551	-	7,618,676
Intergovernmental Revenue	797,228	4,324,206	1,854,504	6,975,938
Charges for Services	75,114	39,251	58,314	172,679
Fines & Forfeitures	46,881	-	-	46,881
Licenses & Permits	16,255	-	-	16,255
Investment Earnings	9,604	3,199	3,107	15,910
Other Income	43,227	63,253	136,718	243,198
Total Revenues	7,172,434	5,864,460	2,052,643	15,089,537
EXPENDITURES				
General Government:				
Mayor & Aldermen	38,038	-	-	38,038
Financial & Administration	1,014,157	-	-	1,014,157
Public Buildings & Grounds	331,016	-	-	331,016
Other General Government	736,432	-	17,758	754,190
Police	1,631,118	-	-	1,631,118
Fire	109,451	-	-	109,451
Streets	1,058,217	-	177,017	1,235,234
Inspection	35,410	-	-	35,410
Sanitation	354,065	-	-	354,065
Parks & Recreation	633,827	-	-	633,827
Appropriation to Others	122,480	-	-	122,480
Community Development	-	-	-	-
Education	-	6,444,550	1,418,739	7,863,289
School Food Service	-	-	380,305	380,305
Debt Service:				
Principal	564,444	-	-	564,444
Interest	16,212	-	-	16,212
Paying Agent Fees	2,250	-	-	2,250
Total Expenditures	6,647,117	6,444,550	1,993,819	15,085,486

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, 2023

	General Fund	Rogersville City School Fund	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ 525,317	\$ (580,090)	\$ 58,824	\$ 4,051
Other Financing Sources (Uses)				
Issuance Of Capital Outlay Note	-	-	-	-
Transfers In	54,428	979,126	45,000	1,078,554
Transfers Out	(979,126)	-	(99,428)	(1,078,554)
Net Change in Fund Balance	(399,381)	399,036	4,396	4,051
Beginning Fund Balance	2,928,295	2,775,444	1,391,605	7,095,344
Prior Period Adjustment	-	-	-	-
Ending Fund Balance	\$ 2,528,914	\$ 3,174,480	\$ 1,396,001	\$ 7,099,395

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, 2023

Net Change in Fund Balances - Total Governmental Funds	\$	4,051
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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 \$789,885 minus depreciation of (\$589,353) in the current period.		200,532
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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 \$773, and principal payments on debt totaled \$564,444.		565,217
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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 \$35,048 and decrease in accrued interest of \$887.		(34,161)
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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.		2,048
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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.		351,510
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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.		(64,411)
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Change in Net Position of Governmental Activities	\$	<u>1,024,786</u>
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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, 2023**

	Rogersville Water Commission
ASSETS	
Current Assets	
Cash & Cash Equivalents	\$ 1,178,902
Accounts Receivable (net)	413,347
Prepaid Insurance	44,214
Inventory	297,058
Noncurrent Assets	
Capital Assets	
Construction In Progress	10,338
Intangibles/Land	468,309
Water/Sewer Plants & Extensions	25,098,666
Utility Plant - General	1,809,998
Buildings/Improvements	476,730
Less: Accumulated Depreciation	(14,648,164)
Capital Assets (Net)	<u>13,215,877</u>
Total Assets	<u>15,149,398</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	22,698
Accrued Expenses	52,511
Accrued Compensated Absences - current	57,652
Customer Deposits	239,134
Due To Other Funds	-
Bonds Payable - current	261,809
Notes Payable - current	142,121
Noncurrent Liabilities	
Notes Payable	540,963
Bonds Payable	3,200,531
Unamortized Bond Premium	13,895
Accrued Compensated Absences	177,172
Total Liabilities	<u>4,708,486</u>
NET POSITION	
Net Investment in Capital Assets	9,056,558
Restricted	13,536
Unrestricted	1,370,818
Total Net Position	<u><u>\$ 10,440,912</u></u>

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, 2023

	Rogersville Water Commission
OPERATING REVENUE	
Water Service & Sales, Net	\$ 2,620,310
Sewer Service & Sales, Net	1,164,668
Miscellaneous Revenue	131,431
Total Operating Revenue	3,916,409
OPERATING EXPENSE	
Water	
Salaries/Wages	269,500
Insurance	45,727
Chemicals	164,894
Utilities/Communications	143,357
Repairs/Maintenance	17,757
Supplies & Other	60,732
Total Water	701,967
Sewer	
Salaries/Wages	231,306
Insurance	46,943
Chemicals	46,843
Supplies & Other	62,326
Utilities/Communications	91,865
Repairs/Maintenance	36,175
Total Sewer	515,458
Maintenance & Collection (Water & Sewer)	
Salaries/Wages	689,367
Insurance	125,972
Utilities/Communications	40,765
Water & Sewer Line Repairs	152,129
Other Maintenance/Repairs	14,205
Vehicle Fuel/Maintenance	58,145
Supplies & Other	55,013
Total Maintenance & Collection	1,135,596
Administration & General	
Salaries/Wages	148,211
Utilities/Communications	8,478
Postage/Billing	32,783
Professional Fees	37,843

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, 2023

	Rogersville Water Commission
Office Expense/Supplies	\$ 31,841
Insurance	143,358
Travel/Schools	19,641
Payroll Taxes	104,142
Retirement	35,697
Safety Program	18,375
Other General Expenses	15,223
Total Administration & General	<u>595,592</u>
Depreciation	<u>662,706</u>
Total Operating Expense	<u><u>3,611,319</u></u>
Income (Loss) from Operations	305,090
NONOPERATING REVENUE (EXPENSE)	
Interest Income	132
Gain On Sale Of Capital Assets	-
Insurance Recoveries	-
Interest Expense	<u>(127,221)</u>
Total Nonoperating Revenue (Expense)	<u>(127,089)</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE CAPITAL GRANT	<u><u>178,001</u></u>
Capital Grants	<u><u>53,061</u></u>
CHANGE IN NET POSITION	<u><u>231,062</u></u>
NET POSITION - BEGINNING	<u>10,209,850</u>
NET POSITION - ENDING	<u><u><u>\$ 10,440,912</u></u></u>

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, 2023**

	Rogersville Water Commission
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 3,875,872
Cash Payments to Suppliers	(1,648,859)
Cash Payments to Employees	(1,335,291)
Net Cash Provided by Operating Activities	891,722
Cash Flows from Capital & Related Financing Activities	
Capital Grant Received	53,061
Purchases of Capital Assets	(277,179)
Principal Paid on Debt Issues	(400,327)
Interest Paid on Capital Debt	(129,833)
Net Cash Provided by (Used for) Capital & Related Financing Activities	(754,278)
Cash Flow from Investing Activities	
Interest Income	132
Total Cash Flow from Investing Activities	132
Net Increase (Decrease) in Cash & Cash Equivalents	137,576
Cash & Cash Equivalents - Beginning	1,041,326
Cash & Cash Equivalents - Ending	\$ 1,178,902
Reconciliation of Income from Operations to Net Cash Provided by (Used for) Operating Activities	
Income from Operations	305,090
Adjustments to Reconcile Income from Operations to Net Cash Provided by (Used for) Operating Activities	
Depreciation	662,706
(Increase) Decrease in:	
Accounts Receivable-Customers	(40,537)
Prepaid Insurance	(2,972)
Inventory	(34,991)
Deposits	-
Increase (Decrease) in:	
Accounts Payable & Accrued Expenses	4,900
Due To Other Funds	(7,863)
Customer Meter Deposits	5,389
Net Cash Provided by (Used for) Operating Activities	\$ 891,722

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUE				
Taxes				
Property Taxes	\$ 2,109,900	\$ 2,460,979	\$ 2,459,818	\$ (1,161)
In Lieu of Taxes	80,000	80,733	81,082	349
Cable TV Franchise Tax	60,000	53,846	53,846	-
Lodging Tax	90,000	103,816	100,111	(3,705)
Local Sales Taxes	2,300,000	2,821,829	2,851,423	29,594
Business Tax	135,000	211,144	211,144	-
Liquor Tax	125,000	144,774	147,003	2,229
Wholesale Beer Tax	275,000	282,218	279,698	(2,520)
Total Taxes	5,174,900	6,159,339	6,184,125	24,786
Intergovernmental				
State Alcoholic Beverage	2,000	2,132	2,133	1
State Income Tax	10,000	4,589	-	(4,589)
Hale Springs State Sales Tax	37,000	57,294	57,851	557
State Sales Tax	475,000	553,843	555,721	1,878
Streets & Transportation	8,500	8,557	8,557	-
Tangible Personal Property	25,000	28,168	28,168	-
State Mixed Drink	10,000	14,279	13,640	(639)
Telecommunication Tax	6,000	6,372	6,069	(303)
State-Sportsbetting Tax	4,000	7,618	8,328	710
Grants/Appropriations	-	78,948	78,948	-
State Maintenance/Supplemental	37,000	42,677	37,813	(4,864)
Total Intergovernmental	614,500	804,477	797,228	(7,249)
Charges for Services				
Swimming Pool & Concessions	20,000	32,284	33,892	1,608
Athletic Leagues	15,000	30,316	31,142	826
Other Park Services	3,500	6,749	6,851	102
Rental Income	-	-	-	-
Other Fees	1,800	2,191	2,191	-
Accident Fees	1,000	1,024	1,038	14
Total Charges for Services	41,300	72,564	75,114	2,550
Fines & Forfeitures				
Police Fines	19,850	47,178	46,881	(297)
Total Fines & Forfeitures	19,850	47,178	46,881	(297)
Licenses & Permits				
Building/Other Permits	10,000	12,030	12,055	25
Beer Permits	4,600	4,200	4,200	-
Total Licenses & Permits	14,600	16,230	16,255	25

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Other Revenue				
Interest Income	\$ 178	\$ 9,139	\$ 9,604	\$ 465
Miscellaneous	21,000	61,654	43,227	(18,427)
Total Other Revenue	21,178	70,793	52,831	(17,962)
TOTAL REVENUES	5,886,328	7,170,581	7,172,434	1,853
EXPENDITURES				
Mayor & Aldermen				
Mayor Salary	6,000	6,000	6,000	-
Aldermen Salaries	21,600	21,300	21,300	-
Committee Salaries	7,000	7,150	7,450	(300)
Payroll Taxes	2,700	2,700	2,635	65
Travel	2,000	-	-	-
Insurance	250	653	653	-
Total Mayor & Aldermen	39,550	37,803	38,038	(235)
Financial & Administration				
City Recorder's Salary	107,917	114,557	114,557	-
Deputy Recorder's Salary	136,000	142,586	142,587	(1)
Salaries - Clerks	97,000	98,803	99,517	(714)
Christmas Bonuses	11,000	11,375	11,370	5
Payroll Taxes	26,100	27,300	27,347	(47)
TN Wage/Premium Taxes	2,000	1,460	1,461	(1)
City Judge Fees	3,500	2,625	2,625	-
Postage	1,200	1,920	1,915	5
Printing	3,000	1,578	1,578	-
Telephone	10,000	10,900	10,810	90
Professional Fees	32,085	27,350	39,680	(12,330)
Repairs	2,400	4,550	4,430	120
Travel	3,500	3,000	2,396	604
Office Supplies	5,000	7,500	7,008	492
Insurance w/ Comp.	1,200	800	738	62
Surety Bonds	3,000	2,500	2,445	55
Group Health Insurance	450,000	540,000	530,918	9,082
Capital Outlay	10,000	2,500	2,154	346
Miscellaneous	15,000	10,345	10,621	(276)
Total Financial & Administration	919,902	1,011,649	1,014,157	(2,508)
Buildings & Grounds				
Salaries	100,000	90,000	90,176	(176)
Payroll Taxes	7,650	6,900	6,816	84

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Utilities	\$ 25,000	\$ 27,300	\$ 27,165	\$ 135
Repairs	15,000	5,000	3,346	1,654
Operating Supplies	25,000	45,000	43,916	1,084
Office Supplies	500	100	21	79
Janitor Supplies	6,500	9,000	8,634	366
Insurance	6,000	7,265	7,265	-
Insurance w/ Comp.	5,000	3,435	3,434	1
Gas/Oil/Grease	5,000	3,000	2,767	233
Kenner House Maintenance	50,000	30,000	26,320	3,680
Capital Outlay	100,000	90,000	110,470	(20,470)
Miscellaneous	2,000	1,000	686	314
Total Buildings & Grounds	347,650	318,000	331,016	(13,016)
Other General Government				
Salaries/Committees	18,000	17,600	17,200	400
Payroll Taxes	1,400	1,400	1,316	84
Post Office Box Rent	260	272	272	-
Printing	12,000	10,000	9,301	699
Dues/Subscriptions	5,000	7,400	6,098	1,302
Public Relations	4,500	3,700	4,070	(370)
Legal	30,000	39,000	38,788	212
Contract Services	23,000	23,000	22,725	275
Consultant Services	3,000	167,000	160,432	6,568
Repairs	15,000	6,000	5,311	689
Travel	1,500	1,000	937	63
Insurance	15,000	18,500	18,440	60
Election Expense	3,000	-	-	-
Christmas Decorations	5,000	5,700	5,614	86
Administrative Costs	4,000	3,500	3,074	426
Grants/Donations	73,160	73,160	73,160	-
Main Street Program	25,000	25,000	25,000	-
Tourism	60,000	70,000	69,164	836
Historical Zoning	500	-	-	-
Capital Outlay	1,000	127,000	126,843	157
Retirement/Other Benefits	134,500	206,800	136,220	70,580
Retirement Consulting Fees	15,000	15,000	7,790	7,210
Miscellaneous	5,000	4,500	4,677	(177)
Total General Government	454,820	825,532	736,432	89,100

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Police				
Salaries	\$ 1,110,000	\$ 1,147,000	\$ 1,265,129	\$ (118,129)
Payroll Taxes	85,000	89,000	98,213	(9,213)
Education/Training	5,000	3,400	3,323	77
Communication	1,000	1,000	-	1,000
Postage	600	352	352	-
Printing	2,000	1,000	729	271
Dues/Subscriptions	4,100	4,600	4,566	34
Telephone	15,000	6,500	6,490	10
Repairs - Vehicles	12,000	9,000	8,663	337
Repairs - Other	2,500	4,000	3,843	157
Travel	3,000	2,500	2,442	58
Hospital Services	-	-	-	-
Office Supplies	3,000	1,700	1,673	27
Uniforms	28,000	28,500	28,188	312
Ammunition	4,000	3,800	3,800	-
Other Operating Supplies	15,000	6,000	5,348	652
Gas/Oil/Grease	30,000	28,000	27,102	898
Tires/Tubes	3,000	1,000	735	265
Vehicle Insurance	24,000	26,240	26,238	2
Insurance w/ Comp.	52,000	45,360	45,351	9
Surety Bonds	400	-	-	-
Capital Outlay	70,000	70,000	92,749	(22,749)
Miscellaneous	5,000	6,000	6,184	(184)
Total Police	1,474,600	1,484,952	1,631,118	(146,166)
Fire				
Salaries	57,000	52,245	44,711	7,534
Payroll Taxes	4,400	4,000	4,158	(158)
Education/Training	500	1,171	1,171	-
Dues/Subscriptions	300	450	414	36
Utilities/Telephone	10,000	10,800	10,759	41
Repairs - Vehicles	10,000	9,500	9,440	60
Repairs - Other	7,000	8,300	8,273	27
Travel	1,000	150	100	50
Office Supplies	800	120	116	4
Operating Supplies	1,500	1,500	1,429	71
Uniforms	-	-	-	-
Gas/Oil/Grease	2,200	2,100	2,150	(50)
Insurance	10,500	15,500	15,455	45

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Capital Outlay	\$ 7,000	\$ 6,500	\$ 8,551	\$ (2,051)
Miscellaneous	2,500	1,100	2,724	(1,624)
Total Fire	114,700	113,436	109,451	3,985
Protective Inspection				
Salaries	22,000	22,000	21,909	91
Payroll Taxes	2,400	2,400	2,388	12
Education/Training	150	-	-	-
Printing	250	100	80	20
Dues/Subscriptions	300	-	-	-
Travel	1,000	1,200	1,287	(87)
Plumbing Inspector	8,800	8,800	8,742	58
Insurance w/ Comp.	1,000	1,005	1,004	1
Miscellaneous	100	100	-	100
Total Protective Inspection	36,000	35,605	35,410	195
Streets				
Salaries	467,000	480,000	485,679	(5,679)
Payroll Taxes	36,000	36,720	37,176	(456)
Utilities/Telephone	13,000	14,625	14,521	104
Repairs/Machinery	20,000	54,000	53,212	788
Repairs - Buildings	5,000	1,200	1,158	42
Repairs - Streets	30,000	30,000	28,819	1,181
Sidewalks	20,000	17,000	16,280	720
Animal Burials	-	-	-	-
Operating Supplies	9,000	9,000	8,665	335
Janitor Supplies	5,000	1,200	1,132	68
Uniforms	6,000	7,300	7,477	(177)
Gas/Oil/Grease	40,000	47,000	46,044	956
Tires/Tubes	4,000	4,500	4,304	196
Tools	150	150	106	44
Asphalt	10,000	17,500	186,771	(169,271)
Other Materials	30,000	25,000	24,443	557
Signs/Parts	3,000	4,000	3,963	37
Vehicle Insurance	8,000	7,700	7,679	21
Insurance w/ Comp.	45,000	40,000	39,645	355
Capital Outlay	353,000	260,000	87,755	172,245
Miscellaneous	2,000	3,500	3,388	112
Total Streets	1,106,150	1,060,395	1,058,217	2,178

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Solid Waste-Sanitation				
Salaries & Wages	\$ 270,000	\$ 271,000	\$ 271,943	\$ (943)
Payroll Taxes	21,000	21,000	20,832	168
Repairs/Maintenance	10,000	3,000	2,483	517
Operating Supplies	2,000	2,500	2,331	169
Uniforms	4,000	4,100	4,252	(152)
Vehicle Expense	23,000	29,500	28,800	700
Insurance	25,000	20,850	20,776	74
Other	2,000	2,700	2,648	52
Capital Outlay	-	-	-	-
Total Solid Waste-Sanitation	357,000	354,650	354,065	585
Parks & Recreation				
Salaries - Director	67,000	67,500	63,990	3,510
Salaries - Regular & Seasonal	303,000	288,000	298,096	(10,096)
Umpires	20,000	32,000	31,879	121
Payroll Taxes	29,000	28,000	27,566	434
Postage	400	355	354	1
Printing	500	250	72	178
Special Events	5,000	5,000	3,585	1,415
Utilities	65,000	72,000	73,874	(1,874)
Telephone	12,000	3,700	3,394	306
Contract Services	5,000	9,100	9,050	50
Repairs - Buildings	5,000	2,500	2,114	386
Repairs - Vehicles	3,000	2,500	2,441	59
Repairs - Park	10,000	4,000	3,268	732
Repairs - Pool	5,000	4,000	3,195	805
Travel	1,000	1,000	465	535
Office Supplies	1,000	3,200	3,355	(155)
Park Supplies	10,000	10,000	7,248	2,752
Pool Supplies	25,000	33,000	31,471	1,529
Janitor Supplies	2,000	2,500	2,232	268
Recreation Supplies	15,000	19,000	18,789	211
Uniforms	1,000	1,000	935	65
Gas/Oil/Grease	8,000	6,500	5,995	505
Tires/Tubes	1,000	600	468	132
Tools	500	500	266	234
Insurance - Buildings/Vehicles	17,000	17,330	17,238	92
Insurance w/ Comp.	9,000	10,500	10,083	417

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Equipment Rental/Miscellaneous	\$ 4,500	\$ 9,700	\$ 9,524	\$ 176
Capital Outlay	100,000	5,000	2,880	2,120
Total Parks & Recreation	724,900	638,735	633,827	4,908
Debt Service				
Principal Retirement	568,273	564,445	564,444	1
Interest Expense	16,381	16,213	16,212	1
Other Service Fees	2,500	2,250	2,250	-
Total Debt Service	587,154	582,908	582,906	2
Appropriations to Others				
Library Appropriations	122,480	122,480	122,480	-
Total Appropriations to Others	122,480	122,480	122,480	-
TOTAL EXPENDITURES	6,284,906	6,586,145	6,647,117	(60,972)
Excess (Deficiency) of Revenue Over (Under) Expenditures	(398,578)	584,436	525,317	(59,119)
Other Financing Sources (Uses)				
Transfers In	-	49,076	54,428	(5,352)
Transfers Out	(979,126)	(979,126)	(979,126)	-
Net Change in Fund Balance	(1,377,704)	(345,614)	(399,381)	(64,471)
FUND BALANCE - BEGINNING	\$ 2,928,295	\$ 2,928,295	\$ 2,928,295	\$ -
FUND BALANCE - ENDING	\$ 1,550,591	\$ 2,582,681	\$ 2,528,914	\$ (64,471)

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property Taxes	\$ 535,382	\$ 535,382	\$ 704,946	\$ 169,564
Local Option Sales Taxes	360,000	360,000	696,684	336,684
Other Taxes	23,800	23,800	32,921	9,121
Total Taxes	919,182	919,182	1,434,551	515,369
Intergovernmental				
Basic Education Plan	3,868,000	3,868,000	3,875,890	7,890
Career Ladder	16,509	16,509	10,487	(6,022)
Other State/Federal	259,567	890,834	437,829	(453,005)
Total Intergovernmental	4,144,076	4,775,343	4,324,206	(451,137)
Charges for Services				
Tuition	95,000	95,000	39,251	(55,749)
Other Charges	-	-	-	-
Total Charges for Services	95,000	95,000	39,251	(55,749)
Other Revenue				
Investment Earnings	3,000	3,000	3,199	199
Miscellaneous	-	75,775	63,253	(12,522)
Total Other Revenue	3,000	78,775	66,452	(12,323)
TOTAL REVENUES	5,161,258	5,868,300	5,864,460	(3,840)
EXPENDITURES				
Regular Instruction				
Teachers Salaries & Wages	2,175,582	2,177,734	2,150,627	27,107
Career Ladder	10,000	10,000	6,000	4,000
Homebound Teachers	2,000	3,500	3,491	9
Education Assistants	138,076	166,256	163,134	3,122
Other Salaries & Wages	-	88,000	87,943	57
Certified Substitute Teachers	10,000	7,000	5,670	1,330
Non-Certified Substitute Teachers	25,000	43,000	41,667	1,333
Payroll Taxes	183,309	192,465	180,046	12,419
Retirement	250,239	228,649	205,653	22,996
Medical Insurance	310,883	325,688	309,326	16,362
Other Fringe Benefits	37,776	42,690	42,463	227
Other Charges	7,000	11,000	10,141	859
Other Contracted Services	21,600	21,600	14,144	7,456

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Instructional Supplies/Materials	\$ 120,893	\$ 105,294	\$ 86,817	\$ 18,477
Textbooks	55,000	134,000	133,966	34
Instructional Equipment	33,000	33,000	33,000	-
Total Regular Instruction	3,380,358	3,589,876	3,474,088	115,788
Special Education				
Teachers & Career Ladder	149,646	149,646	143,369	6,277
Education Assistants	75,124	72,524	55,390	17,134
Other Salaries & Wages	-	10,400	10,312	
Payroll Taxes	17,613	17,613	15,183	2,430
Retirement	19,033	21,533	20,228	1,305
Medical Insurance	75,236	75,236	35,268	39,968
Other Fringe Benefits	5,763	5,763	3,745	2,018
Other Contracted Services	50,000	50,000	-	50,000
Total Special Education	392,415	402,715	283,495	119,132
Health Services				
Medical & Other Personnel	127,574	135,575	135,574	1
Payroll Taxes	9,939	9,735	9,703	32
Retirement	13,113	16,399	15,642	757
Medical Insurance	19,680	19,663	19,163	500
Other Fringe Benefits	2,149	2,147	2,130	17
Contracted Services	100	100	-	100
In-Service-Staff Development	982	982	982	-
Supplies	1,436	1,436	1,519	(83)
Other Charges	815	814	814	-
Total Health Services	175,788	186,851	185,527	1,324
Other Student Support				
Guidance Personnel	44,830	54,438	4,608	49,830
Payroll Taxes	3,489	3,795	667	3,128
Medical Insurance	4,715	4,715	-	4,715
Retirement	5,795	6,131	675	5,456
In-Service	2,300	2,300	247	2,053
Other Fringe Benefits	1,325	1,325	498	827
Equipment	-	13,260	13,260	-
Supplies & Materials	500	500	5,000	(4,500)
Total Other Student Support	62,954	86,464	24,955	61,509

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Library				
Salaries	\$ 169,639	\$ 173,758	\$ 173,732	\$ 26
Career Ladder	-	1,000	1,000	-
Payroll Taxes	13,121	13,871	12,560	1,311
Retirement	16,963	16,963	15,184	1,779
Medical Insurance	22,961	26,461	22,959	3,502
Other Fringe Benefits	2,724	3,074	2,721	353
In-Service/Staff Development	5,000	6,500	-	6,500
Library Books	8,500	5,900	-	5,900
Other Charges	6,130	6,130	8,012	(1,882)
Total Library	245,038	253,657	236,168	17,489
Other Special Education				
Salaries & Wages	50,103	51,003	51,003	-
Career Ladder	1,000	1,000	-	1,000
Payroll Taxes	3,945	3,945	3,913	32
Retirement	5,110	5,110	4,432	678
Communications	510	510	360	150
Other Fringe Benefits	26	26	26	-
Contracted Services & Other	36,343	38,943	38,853	90
Total Other Special Education	97,037	100,537	98,587	1,950
Board of Education				
Salaries	21,000	21,000	18,100	2,900
Payroll Taxes	1,756	1,756	1,512	244
Retirement	60	60	56	4
Professional Fees	15,900	15,900	8,671	7,229
Dues	9,605	11,605	10,687	918
Other Services	-	-	-	-
Trustee's Commissions	20,000	18,600	14,020	4,580
Insurance	34,200	36,400	36,346	54
In-Service Development	6,000	7,600	7,551	49
Other Charges	9,500	25,165	23,814	1,351
Contracted Services	-	-	-	-
Total Board of Education	118,021	138,086	120,757	17,329

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Director of Schools				
Salaries	\$ 113,462	\$ 126,046	\$ 126,046	\$ -
Career Ladder	1,000	1,000	1,000	-
Payroll Taxes	8,818	9,705	9,683	22
Retirement	10,600	10,403	9,702	701
Medical Insurance	2,870	2,925	2,853	72
Other Fringe Benefits	3,194	3,194	3,193	1
Communications & Postage	1,100	1,100	1,077	23
In-Service Development	3,500	3,325	3,316	9
Other Charges	-	35	35	-
Total Director of Schools	144,544	157,733	156,905	828
Principal				
Salaries	268,702	266,752	265,134	1,618
Career Ladder	-	-	-	-
Payroll Taxes	21,096	23,096	19,919	3,177
Retirement	27,126	26,976	24,793	2,183
Medical Insurance	17,631	20,631	20,625	6
Other Fringe Benefits	3,508	3,508	3,474	34
Travel	-	-	-	-
Supplies & Other	4,300	4,300	3,537	763
In-Service Development	3,500	500	213	287
Communication	1,300	1,300	960	340
Contracted Services	31,600	31,600	31,400	200
Total Principal	378,763	378,663	370,055	8,608
Fiscal				
Salaries	116,502	123,004	122,969	35
Payroll Taxes	9,062	8,717	8,622	95
Retirement/Medical Insurance	42,321	40,321	40,047	274
Other Fringe Benefits	1,914	1,914	1,714	200
Data Processing	16,371	16,371	16,341	30
Dues	275	275	-	275
Supplies & Other	16,670	22,413	21,408	1,005
Equipment	-	1,652	1,651	1
In-Service Development	2,500	3,300	3,282	18
Total Fiscal	205,615	217,967	216,034	1,933

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operations & Buildings				
Salaries	\$ 103,881	\$ 110,131	\$ 110,128	\$ 3
Payroll Taxes	8,156	8,286	8,241	45
Retirement/Medical Insurance	20,400	20,900	20,257	643
Building & Contents Insurance	15,500	16,850	16,844	6
Other Fringe Benefits	1,801	1,801	1,797	4
Contracted Services	14,987	15,487	15,381	106
Supplies	12,000	28,000	27,948	52
Utilities	137,000	169,700	169,433	267
Capital Outlay-Equipment/Buildings	-	125,604	116,769	8,835
Total Operations & Buildings	313,725	496,759	486,798	9,961
Maintenance				
Salaries	51,073	52,274	52,274	-
Payroll Taxes	3,968	3,968	3,579	389
Retirement	6,129	6,129	5,838	291
Other Fringe Benefits & Med. Insur.	14,629	15,429	14,587	842
Maintenance & Repairs	61,000	66,300	63,259	3,041
In-Service Development	100	-	-	-
Capital Outlay-Equipment	14,500	-	-	-
Other Contracted Services/Supplies	37,787	33,657	31,210	2,447
Total Maintenance	189,186	177,757	170,747	7,010
School Transportation				
Contracted Services -Bus Transport	13,000	76,216	47,195	29,021
Total School Transportation	13,000	76,216	47,195	29,021
Technology				
Salaries	128,335	133,736	130,735	3,001
Payroll Taxes	9,937	9,937	9,609	328
Retirement	15,400	14,900	14,603	297
Medical Insurance	14,760	14,860	14,762	98
Other Fringe Benefits	928	928	926	2
Communications	10,560	13,160	7,391	5,769
Maintenance & Repairs	5,000	5,000	1,991	3,009
In-Service Development	5,000	1,000	-	1,000
Contracted Services	33,363	51,363	50,283	1,080

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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Supplies & Other Charges	\$ 5,400	\$ 5,400	\$ 3,490	\$ 1,910
Internet Connectivity	55,039	47,039	42,514	4,525
Capital Outlay	40,271	240,510	185,242	55,268
Total Technology	323,993	537,833	461,546	76,287
Early Childhood Education				
Teachers	56,156	56,156	56,156	-
Education Assistants	15,211	17,076	17,076	-
Non-Certified Substitute Teachers	500	-	-	-
Payroll Taxes	5,588	5,516	5,516	-
Retirement	5,676	4,880	4,880	-
Medical Insurance	13,633	13,721	13,721	-
Other Fringe Benefits	1,051	965	965	-
Supplies & Other	1,632	1,610	1,610	-
In-Service Development	500	-	-	-
Capital Outlay - Equipment	-	-	-	-
Total Early Childhood Education	99,947	99,924	99,924	-
Non-Instructional Services				
Salaries	-	5,760	4,930	830
Payroll Taxes	-	442	378	64
Retirement	-	429	357	72
Supplies	-	-	-	-
Total Non-Instructional Services	-	6,631	5,665	966
Alternative Instruction Program				
Salaries	-	1,250	1,250	-
Payroll Taxes	-	105	105	-
Retirement	-	109	109	-
Total Alternative Instruct. Program	-	1,464	1,464	-
Career & Technical Programs				
Instructional Services	-	12,000	-	12,000
Other Charges	-	241,204	-	241,204
Equipment	-	116,533	4,640	111,893
Total Career/Technical Programs	-	369,737	4,640	365,097
TOTAL EXPENDITURES	6,140,384	7,278,870	6,444,550	834,232

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ (979,126)	\$ (1,410,570)	\$ (580,090)	\$ 830,392
Other Financing Sources (Uses)				
Insurance Recovery	-	-	-	-
Transfers In	979,126	979,126	979,126	-
Transfers Out		-	-	-
Net Change in Fund Balance	-	(431,444)	399,036	830,392
FUND BALANCE - BEGINNING	\$ 2,775,444	\$ 2,775,444	\$ 2,775,444	\$ -
FUND BALANCE - ENDING	\$ 2,775,444	\$ 2,344,000	\$ 3,174,480	\$ 830,480

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

TOWN OF ROGERSVILLE, TENNESSEE
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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, 2023, 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.

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.

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

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.

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 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, 2023, 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 1st through February 28th of the following calendar year. The 2022 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 2023 property taxes, which become a lien on January 1, 2023 and are not levied until October 1, 2023, 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 2023 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, 2023, 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, 2023, the carrying amount of the Town's cash and cash equivalents was \$8,130,518 (excluding cash on hand of \$1,700) and the respective bank balances totaled \$8,601,364. The difference between the two amounts represented deposits in transit, outstanding checks, or other reconcilable items. As of June 30, 2023, total bank balances of \$8,601,364 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, 2023, 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	\$ 16,857
Developed Market International Equity	N/A	N/A	7,613
Emerging Market International Equity	N/A	N/A	2,175
U.S. Fixed Income	N/A	N/A	10,876
Real Estate	N/A	N/A	5,438
Short-term Securities	N/A	N/A	543
Private Equity and Strategic Lending	N/A	N/A	10,876
			<u>\$ 54,378</u>

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:

	Rogersville				
		City School	Rogersville	Non-major	
Receivables	General Fund	Operating Fund	Water Commission	Funds	Total
Property Taxes	\$ 2,139,885	\$ 189,341	\$ -	\$ -	\$ 2,329,226
Accounts	-	-	556,145	-	556,145
Intergovernmental	730,428	411,150	-	502,320	1,643,898
Gross Receivables	2,870,313	600,491	556,145	502,320	4,529,269
Less: Allowance for Uncollectibles	-	-	(142,798)	-	(142,798)
Net Total Receivables	\$ 2,870,313	\$ 600,491	\$ 413,347	\$ 502,320	\$ 4,386,471

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, 2023:

General Fund - Due from State Street Aid	\$ 27,745
State Street Aid - Due to General Fund	(27,745)
Rogersville City School Fund - Due From PL-89-10 Fund	8,203
PL-89-10 Fund - Due to Rogersville City School Fund	<u>(8,203)</u>
Net	<u>\$ -</u>

Interfund transactions eliminated after June 30, 2023.

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, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land/Land Improvements	\$ 1,438,887	\$ -	\$ -	\$ 1,438,887
Construction in Progress	361,362	146,207	380,126	127,443
Total Capital Assets Not Being Depreciated	1,800,249	146,207	380,126	1,566,330
Capital Assets Being Depreciated:				
Buildings/Improvements	15,448,053	651,379	-	16,099,432
Machinery/Equipment/Other	6,056,573	340,136	-	6,396,709
Infrastructure	3,206,860	32,289	-	3,239,149
Total Capital Assets Being Depreciated	24,711,486	1,023,804	-	25,735,290
Less: Accumulated Depreciation for:				
Buildings/Improvements	(6,690,519)	(308,623)	-	(6,999,142)
Machinery/Equipment/Vehicles	(4,808,974)	(221,081)	-	(5,030,055)
Infrastructure	(1,721,728)	(59,649)	-	(1,781,377)
Total Accumulated Depreciation	(13,221,221)	(589,353)	-	(13,810,574)
Total Capital Assets Being Depreciated (net)	11,490,265	434,451	-	11,924,716
Governmental Activities Capital Assets (net)	\$ 13,290,514	\$ 580,658	\$ 380,126	\$ 13,491,046

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land/Intangibles	\$ 468,309	\$ -	\$ -	\$ 468,309
Construction in Progress	1,409,155	115,025	1,513,842	10,338
Total Capital Assets Not Being Depreciated	1,877,464	115,025	1,513,842	478,647
Capital Assets Being Depreciated:				
Buildings/Improvements	471,815	4,915	-	476,730
Utility Plant & Lines	23,567,751	1,530,915	-	25,098,666
Machinery/Equipment/Vehicles	1,669,832	140,166	-	1,809,998
Total Capital Assets Being Depreciated	25,709,398	1,675,996	-	27,385,394
Less: Accumulated Depreciation for:				
Buildings/Improvements	(225,218)	(8,833)	-	(234,051)
Utility Plant & Lines	(12,422,642)	(562,594)	-	(12,985,236)
Machinery/Equipment/Vehicles	(1,337,598)	(91,279)	-	(1,428,877)
Total Accumulated Depreciation	(13,985,458)	(662,706)	-	(14,648,164)
Total Capital Assets Being Depreciated (net)	11,723,940	1,013,290	-	12,737,230
Business-Type Activities Capital Assets (net)	\$ 13,601,404	\$ 1,128,315	\$ 1,513,842	\$ 13,215,877

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

<u>Governmental Activities</u>	
General Government	\$ 75,336
Police	72,628
Fire	23,209
Streets	117,937
Sanitation	17,169
Recreation	40,918
Education	240,837
School Food Service	1,319
Total Depreciation - Governmental Activities	589,353
<u>Business-Type Activities</u>	
Water & Sewer	662,706
Total Depreciation - Business-Type Activities	662,706
TOTAL DEPRECIATION	\$ 1,252,059

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, 2023, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within 1 Year
Governmental Activities					
2015B General Obligation Bonds (1)	\$ 290,000	\$ -	\$ 20,000	\$ 270,000	\$ 20,000
Capital Outlay Note	544,444	-	544,444	-	-
Add: Unamortized Premium	1,493	-	773	720	-
Total Bonds Payable	835,937	-	565,217	270,720	20,000
Compensated Absences-Gov. Activities	486,963	153,936	118,888	522,011	112,923
Net OPEB Obligation	973,685	134,336	-	1,108,021	-
Governmental Activity Long-Term Liabilities	\$ 2,296,585	\$ 288,272	\$ 684,105	\$ 1,900,752	\$ 132,923

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	1 Year
Governmental Activities					
2015B General Obligation Bonds (1)	\$ 290,000	\$ -	\$ 20,000	\$ 270,000	\$ 20,000
Capital Outlay Note	544,444	-	544,444	-	-
Add: Unamortized Premium	1,493	-	773	720	-
Total Bonds Payable	835,937	-	565,217	270,720	20,000
Compensated Absences-Gov. Activities	486,963	153,936	118,888	522,011	112,923
Net OPEB Obligation	973,685	134,336	-	1,108,021	-
Governmental Activity Long-Term Liabilities	\$ 2,296,585	\$ 288,272	\$ 684,105	\$ 1,900,752	\$ 132,923
	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	1 Year
Business-Type Activities					
Note Payable - TN Revolving Loan	\$ 821,893	\$ -	\$ 138,809	\$ 683,084	\$ 142,121
2012 General Obligation Refunding Bonds (2)	600,000	-	100,000	500,000	100,000
2015B General Obligation Bonds (1)	1,115,000	-	75,000	1,040,000	75,000
Waterworks Revenues Bonds	163,858	-	6,518	157,340	6,809
2018 General Obligation Bonds	1,845,000	-	80,000	1,765,000	80,000
Add: Unamortized Premium	16,507	-	2,612	13,895	-
Total Bonds Payable	4,562,258	-	402,939	4,159,319	403,930
Capital Leases	-	-	-	-	-
Compensated Absences	234,448	56,146	55,770	234,824	57,652
Business-Type Activity Long-Term Liabilities	\$ 4,796,706	\$ 56,146	\$ 458,709	\$ 4,394,143	\$ 461,582

(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. The Town's portion was paid off in the previous year.

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 remaining balance of the capital outlay note was retired in the current year.

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, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within 1 Year
Governmental Activities					
General Obligation Debt	\$ 290,000	\$ -	\$ 20,000	\$ 270,000	\$ 20,000
Note Payable-Capital Outlay	544,444	-	544,444	-	-
Governmental Activities Long-Term Debt	\$ 834,444	\$ -	\$ 564,444	\$ 270,000	\$ 20,000
Business-Type Activities					
General Obligation Debt	\$ 3,723,858	\$ -	\$ 261,518	\$ 3,462,340	\$ 261,809
Other Bonds & Notes Payable	821,893		138,809	683,084	142,121
Business-Type Activities Long-Term Debt	\$ 4,545,751	\$ -	\$ 400,327	\$ 4,145,424	\$ 403,930

Long-term debt of the Governmental Activities consisted of the following at June 30, 2023

2015B General Obligation Bonds, 2.675% interest rate, due in varying amounts through

June 2035 \$ 270,000

Capital Outlay Note payable to bank, due annually in varying amounts through June 2023
at an interest rate of 1.58%

-

Unamortized premiums on 2012 general obligation refunding bonds

720

270,720

Less: Amounts due within one year

(20,000)

Total Governmental Activities Long-Term Debt

\$ 250,720

Long-term debt of the Business-Type Activities consisted of the following at June 30, 2023:

2015B General Obligation Bonds, 2.683% interest rate, due in varying amounts through June 2035	\$ 1,040,000
2012 General Obligation Refunding Bonds, 2.28% interest rate, due in varying amounts through June 2028	500,000
2018 General Obligation Bonds, 3.356% interest rate, due in varying amounts through June 2040	1,765,000
Water Works Revenue Bonds-assumed upon Striggersville merger, due in monthly installments of principal and interest totaling \$1,128	157,340
State Revolving Fund Loan, 2.36% interest rate, due in varying amounts through February 2028	683,084
Unamortized premiums on 2012 general obligation refunding bonds	13,895
	<u>4,159,319</u>
Less: Amounts due within one year	(403,930)
Total Business-Type Activities Long-Term Debt	<u>\$ 3,755,389</u>

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

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
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	20,000	5,538	377,040	78,342
2029-2033	120,000	19,061	981,309	289,623
2034-2038	50,000	2,531	837,609	129,346
2039-2040	-	-	276,198	14,581
Total	\$ 270,000	\$ 53,661	\$ 4,145,424	\$ 932,463

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

As of June 30, 2023, 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.)

Government-Wide Level	Statement of Net Position
Deferred Inflows of Resources:	
Property Tax Revenue	\$ 2,139,885
	\$ 2,139,885
Fund Level	
Deferred Inflows of Resources:	
Property Tax Revenue	\$ 2,132,864
	\$ 2,132,864

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

In the previous fiscal year, the Town received \$649,357 in ARPA distributions. In the current year, the Town received the second installment of ARPA distributions in the amount of \$649,358. As no funds have yet been expended, and therefore not earned, the total amount of \$1,298,715 has been reflected 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	-
Total	\$ 983,946	\$ 983,946

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:

<u>Net Position</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Investment in Capital Assets	\$ 13,220,326	\$ 9,056,558	\$ 22,276,884
Restricted for Capital Projects (1)	39,628	-	39,628
Restricted for Other Purposes: (2)			
State Street Aid	125,530	-	125,530
Drug Operations	20,721	-	20,721
Board of Education	3,120,102	-	3,120,102
Board of Education-Stabilization Trust	54,378	-	54,378
Federal Projects - School	292,184	-	292,184
Board of Education-Internal School Funds	112,119	-	112,119
Debt Service	-	13,536	13,536
School Food Service	231,685	-	231,685
Public Safety-Fire	133,635	-	133,635
Net Pension Asset	887,982	-	887,982
Total Restricted for Other Purposes	4,978,336	13,536	4,991,872
Unrestricted Net Position	2,696,891	1,370,818	4,067,709
Total	\$ 20,935,181	\$ 10,440,912	\$ 31,376,093

(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	Non-major Governmental Funds	Total
Restricted to:				
Streets & Roads	\$ -	\$ -	\$ 125,530	\$ 125,530
Drug Enforcement	-	-	20,721	20,721
Education	-	3,120,102	292,184	3,412,286
Education-Stabilization Trust	-	54,378	-	54,378
Education/Internal School Funds	-	-	112,119	112,119
School Food Service	-	-	219,647	219,647
Public Safety-Fire	133,635	-	-	133,635
Capital Projects	39,628	-	-	39,628
Nonspendable:				
School Food Service	-	-	12,038	12,038
Assigned to:				
Community Center	-	-	17,678	17,678
Industrial Development	-	-	596,084	596,084
Unassigned	2,355,651	-	-	2,355,651
Total Fund Balances	\$ 2,528,914	\$ 3,174,480	\$ 1,396,001	\$ 7,099,395

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 Ameritas. 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 30th).

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 6/30/201		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 2023 plan year has been adjusted for any excess (or deficient) contributions that were made for the 2022 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.

2022 Plan Year Earnings- For the 2022 plan year earnings, this equals net investment earnings divided by the adjusted base assets:

$$\$160,129 / \$3,664,408 = 4.36986\%$$

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, 2023, there are 5 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, 2023, the defined benefit plan actuarial valuation indicates the plan had net assets of \$7,251,178 and the Town's pension contributions for the year totaled \$163,253. On June 30, 2023, \$2,897 in contributions were due to the plan and have been accrued and payable subsequent to June 30, 2023. In addition, the Town had active participant's totaling 67, and terminated participant's totaling 6 which includes vested and non/vested participants, and ineligible employees totaling 83.

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 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions- Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The 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, 2023 to the Teacher Legacy Pension Plan were \$197,463 which is 8.69% 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, 2023, the Rogersville City School reported a liability (asset) of (\$873,189) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. 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, 2022, Rogersville City School's proportion was 0.071199 percent. The proportion measured as of June 30, 2021, was 0.075178 percent.

Pension Expense- For the year ended June 30, 2022, Rogersville City School recognized (negative) pension expense of \$31,249.

Deferred Outflows of Resources and Deferred Inflows of Resources- For the year ended June 30, 2023, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to the Teacher Legacy Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 143,636	\$ 147,542
Changes in assumptions	547,011	-
Net difference between projected and actual earnings on pension plan investments	14,931	-
Changes in proportion of Net Pension Liability (Asset)	56,825	168
LEA's contributions subsequent to the measurement date of June 30, 2022	197,463	-
Total	<u>\$ 959,866</u>	<u>\$ 147,710</u>

Rogersville City School's employer contributions of \$197,463, 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30th:	
2024	\$ 106,773
2025	182,511
2026	(135,460)
2027	460,869
2028	-
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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
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, 2022 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and 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:

Asset Class	Long-Term Expected	
	Real Rate of Return	Target Allocation
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:

	1% Decrease	Current	1% Increase
	(5.75%)	(6.75%)	(7.75%)
Rogersville City School's proportionate share of the net pension liability (asset)	\$ 1,729,847	\$ (873,189)	\$ (3,041,046)

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, 2023, 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, 2023.

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 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

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, 2023 to the Teacher Retirement Plan were \$30,269, which is 2.87% 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, 2023, Rogersville City School reported a liability (asset) of (\$14,793) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. 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, 2022, Rogersville City School's proportion was 0.048834 percent. The proportion measured as of June 30, 2020, was 0.039098 percent.

Pension Expense- For the year ended June 30, 2023, Rogersville City School recognized pension expense of 19,970.

Deferred Outflows of Resources and Deferred Inflows of Resources- For the year ended June 30, 2023, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 809	\$ 8,988
Net difference between projected and actual earnings on pension plan investments	4,663	-
Changes in assumptions	17,329	-
Changes in proportion of Net Pension Liability (Asset)	2,468	12,535
LEA's contributions subsequent to the measurement date of June 30, 2022	30,269	-
Total	<u>\$ 55,538</u>	<u>\$ 21,523</u>

Rogersville City School's employer contributions of \$30,269 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30th:	
2024	\$ (597)
2025	(549)
2026	(1,316)
2027	6,806
2028	(80)
Thereafter	(519)

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

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

Inflation	2.25%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
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, 2022 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and 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:

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

	Current		
	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Rogersville City School's proportionate share of the net pension liability (asset)	\$ 77,654	\$ (14,793)	\$ (82,308)

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, 2023, 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, 2023.

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 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

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

Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to but not yet receiving benefits	49
Active employees	<u>35</u>
Total employees	<u><u>113</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, 2023, the employer contributions for Rogersville City School were \$128,214 based on a rate of 11.17% 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, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

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

Inflation	2.25%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
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, 2022 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and 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:

Asset Class	Long-Term Expected	
	Real Rate of Return	Target Allocation
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)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at June 30, 2021	\$ 3,827,456	\$ 3,723,292	\$ 104,164
Changes for the Year:			
Service Cost	108,381	-	108,381
Interest	260,026	-	260,026
Difference Between Expected & Actual Experience	19,807	-	19,807
Changes in assumptions	-	-	-
Contributions-Employer	-	109,552	(109,552)
Contributions-Employees	-	52,669	(52,669)
Net Investment Income	-	(142,278)	142,278
Benefit Payments, Including Refunds of Employee Contributions	(167,211)	(167,211)	-
Administrative Expense	-	(3,455)	3,455
Net Changes	221,003	(150,723)	371,726
Balance at June 30, 2022	\$ 4,048,459	\$ 3,572,569	\$ 475,890

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:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Rogersville City School's net pension liability (asset)	\$ 1,018,613	\$ 475,890	\$ 25,014

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

Pension Expense- For the year ended June 30, 2023, Rogersville City School recognized pension expense of \$188,200.

Deferred Outflows of Resources and Deferred Inflows of Resources- For the year ended June 30, 2023, Rogersville City School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 66,638	\$ 21,324
Net difference between projected and actual earnings on pension plan investments	9,971	-
Changes in assumptions	231,119	-
Contributions subsequent to the measurement date of June 30, 2022 (1)	128,214	-
Total	<u>\$ 435,942</u>	<u>\$ 21,324</u>

(1) The amount shown above for “Contributions subsequent to the measurement date of June 30, 2022” will be recognized as a reduction (increase) to net pension liability (asset) in the 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:	
2024	\$ 67,997
2025	69,041
2026	66,735
2027	82,624
2028	-
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, 2023, 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, 2023.

NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

	<u>OPEB Liability</u>	<u>Deferred Outflows from OPEB</u>	<u>Deferred Inflows from OPEB</u>	<u>OPEB Expense</u>
TGOP	\$ 1,108,021	\$ 623,720	\$ 278,503	\$ 195,046
TNP	-	-	-	4,629
Total	1,108,021	623,720	278,503	199,675

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	7
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>59</u>
	<u><u>66</u></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 \$7,581 to the TGOP for OPEB benefits as they came due.

Total OPEB Liability

Actuarial assumptions – The collective total OPEB liability in the June 30, 2023 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	8.37% for pre-65 in 2022, decreasing annually over a 7 year period to an ultimate rate of 4.50%. 8.99% for post-65 in 2022, decreasing annually over a 6 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, 2022 valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016– June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The 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.

Changes in Collective Total OPEB Liability

TGOP

	Total OPEB Liability
Total OPEB Liability - beginning balance	\$ 1,441,719
Changes for the year:	
Service cost	82,398
Interest	32,380
Changes of benefit terms	-
Differences between expected and actual experience	390,517
Change in assumptions	(171,607)
Benefit payments	(50,384)
Net changes	283,304
Total OPEB Liability - ending balance	\$ 1,725,023
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 617,002
Employer's proportionate share of the collective total OPEB liability	\$ 1,108,021
Employer's proportion of the collective total OPEB liability	64.23%

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 -3.30% from the prior measurement date. Rogersville City School recognized \$ 73,050 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 2.16% as of the beginning of the measurement period to 3.54% as of June 30, 2022. This change in assumption decreased the total OPEB liability.

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.

	Discount		
	1% Decrease (2.54%)	Rate (3.54%)	1% Increase (4.54%)
Proportionate share of collective total OPEB liability	\$1,184,808	\$1,108,021	\$1,035,349

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.

	1% Decrease (7.36%/7.99% decreasing to 3.50%)	Healthcare Cost Trend Rates (8.37%/8.99% decreasing to 4.50%)	1% Increase (9.37%/9.99% decreasing to 5.50%)
Proportionate share of collective total OPEB liability	\$1,008,299	\$1,108,021	\$1,222,644

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

OPEB expense – For the fiscal year ended June 30, 2023, Rogersville City School recognized OPEB expense of \$195,046.

Deferred outflows of resources and deferred inflows of resources – For the fiscal year ended June 30, 2023, 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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 430,365	\$ 18,847
Changes of assumptions	84,499	163,355
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.	51,315	96,301
Employer payments subsequent to the measurement date	57,581	-
Total	<u>\$ 623,760</u>	<u>\$ 278,503</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	\$	48,268
2024		48,268
2025		48,268
2026		48,268
2027		50,248
Thereafter		44,356

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, 2022, 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	12
Active employees	<u>38</u>
	<u>65</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, 2022 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, 2022 valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 – June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the 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 3.54 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

	Total OPEB Liability
Total OPEB liability - beginning balance	\$ 250,510
Changes for the year:	
Service cost	5,186
Interest	5,432
Changes of benefit terms	-
Differences between expected and actual experience	(2,474)
Change in assumptions	(44,465)
Benefit payments	(8,512)
Net changes	(44,833)
Total OPEB liability - ending balance	\$ 205,677
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 205,677
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 \$4,629 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 2.16% as of the beginning of the measurement period to 3.54% as of June 30, 2022. 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, 2023, Rogersville City School recognized OPEB expense of \$4,629.

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, 2023, 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 June 28, 2024, 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability (Asset)									
Service Cost	\$ 56,103	\$ 67,001	\$ 69,444	\$ 63,389	\$ 80,475	\$ 82,356	\$ 87,271	\$ 87,805	\$ 108,381
Interest	153,755	170,532	174,070	178,281	195,416	214,806	221,725	232,239	260,026
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	19,807
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)	(167,211)
Net Change in Total Pension Liability (Asset)	224,111	48,041	59,416	317,165	275,919	88,351	146,040	634,037	221,003
Total Pension Liability (Asset)-Beginning	2,034,376	2,258,487	2,306,528	2,365,944	2,683,109	2,959,028	3,047,379	3,193,419	3,827,456
Total Pension Liability (Asset)-Ending-(a)	\$2,258,487	\$2,306,528	\$2,365,944	\$2,683,109	\$2,959,028	\$3,047,379	\$3,193,419	\$3,827,456	\$4,048,459
Plan Fiduciary Net Position									
Contributions-Employer	\$ 60,545	\$ 61,814	\$ 60,009	\$ 65,508	\$ 72,076	\$ 74,595	\$ 93,763	\$ 104,163	\$ 109,552
Contributions-Employee	38,811	38,490	37,365	40,790	42,699	44,191	45,079	50,078	52,669
Net Investment Income	303,752	66,129	58,650	255,446	206,606	198,265	140,467	764,014	(142,278)
Benefit Payments, Including Refunds of Employee Contributions	(80,834)	(103,446)	(110,088)	(104,500)	(136,390)	(157,082)	(152,747)	(155,858)	(167,211)
Administrative Expense	(1,257)	(1,727)	(2,185)	(2,748)	(3,062)	(2,937)	(2,878)	(3,130)	(3,455)
Net Change in Plan Fiduciary Net Position	321,017	61,260	43,751	254,496	181,929	157,032	123,684	759,267	(150,723)
Plan Fiduciary Net Position-Beginning	1,820,856	2,141,873	2,203,133	2,246,884	2,501,380	2,683,309	2,840,341	2,964,025	3,723,292
Plan Fiduciary Net Position-Ending-(b)	\$2,141,873	\$2,203,133	\$2,246,884	\$2,501,380	\$2,683,309	\$2,840,341	\$2,964,025	\$3,723,292	\$3,572,569
Net Pension Liability (Asset)-Ending (a)-(b)	\$ 116,614	\$ 103,395	\$ 119,060	\$ 181,729	\$ 275,719	\$ 207,038	\$ 229,394	\$ 104,164	\$ 475,890

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
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%	88.25%
Covered Payroll	\$ 776,222	\$ 769,789	\$ 747,310	\$ 815,787	\$ 853,987	\$ 883,827	\$ 901,563	\$1,001,563	\$1,053,380
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%	45.18%

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 60,545	\$ 61,814	\$ 60,009	\$ 65,508	\$ 72,076	\$ 74,595	\$ 93,763	\$ 104,163	\$ 109,552	\$ 99,858
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	99,858
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	\$ 893,746
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%	11.17%

*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*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
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%	0.071199%
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)	\$ (873,189)
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	\$ 2,343,126
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%	-37.27%
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%	104.42%

*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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required	\$ 231,443	\$ 228,341	\$ 226,476	\$ 224,473	\$ 243,661	\$ 272,499	\$ 272,562	\$ 253,410	\$ 241,341	\$ 197,463
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	197,463
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	\$2,272,298
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%	8.69%

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

Changes of assumptions. In 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*

	2015	2016	2017	2018	2019	2020	2021	2022
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%	0.048834%
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)	\$ (14,793)
Rogersville City School's covered payroll	\$ 72,098	\$ 117,814	\$ 174,238	\$ 259,539	\$ 383,827	\$ 376,147	\$ 564,279	\$ 833,924
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%	-1.77%
Plan fiduciary net position as a percentage of the total pension liability (asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%

*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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually determined contribution	\$ 1,802	\$ 2,949	\$ 6,970	\$ 4,232	\$ 7,446	\$ 7,636	\$ 11,398	\$ 16,762	\$ 30,263
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	30,263
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	\$ 1,054,369
Contributions as a percentage of covered payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%

*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

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service cost	\$ 60,171	\$ 56,950	\$ 63,610	\$ 77,471	\$ 87,677	\$ 82,398
Interest	31,797	38,246	41,757	52,803	37,542	32,380
Changes of benefit terms	-	(36,333)	-	-	(327,785)	-
Differences between expected and actual experience	-	37,054	399,860	(43,631)	99,663	390,517
Changes of assumptions	(45,364)	35,175	(104,245)	168,703	(30,620)	(171,607)
Benefit payments	(55,496)	(60,460)	(57,212)	(70,865)	(71,260)	(50,384)
Net change in total OPEB Liability	(8,892)	70,632	343,770	184,481	(204,783)	283,304
Total OPEB liability - beginning	1,056,511	1,047,619	1,118,251	1,462,021	1,646,502	1,441,719
Total OPEB liability - ending	\$ 1,047,619	\$ 1,118,251	\$ 1,462,021	\$ 1,646,502	\$ 1,441,719	\$ 1,725,023
Nonemployer contributing entity's proportionate share of the collective total OPEB liability	\$ 364,390	\$ 351,669	\$ 377,063	\$ 423,341	\$ 468,034	\$ 617,002
Employer's proportionate share of the collective total OPEB liability	\$ 683,229	\$ 766,582	\$ 1,084,958	\$ 1,223,161	\$ 973,685	\$ 1,108,021
Covered-employee payroll	\$ 2,240,813	\$ 2,087,559	\$ 1,976,272	\$ 2,398,278	\$ 1,431,645	\$ 1,400,348
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%	0.08%

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

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.

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
TENNESSEE OPEB PLAN
Fiscal Year Ending June 30

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service cost	\$ 5,856	\$ 4,812	\$ 4,440	\$ 3,696	\$ 5,787	\$ 5,186
Interest	6,509	7,381	7,907	8,002	6,093	5,432
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	8,200	1,802	(7,841)	6,794	(2,474)
Changes of assumptions	(20,385)	(1,920)	4,319	50,145	(34,112)	(44,465)
Benefit payments	(6,450)	(6,584)	(7,521)	(8,784)	(7,918)	(8,512)
Net change in total OPEB Liability	(14,470)	11,889	10,947	45,218	(23,356)	(44,833)
Total OPEB liability - beginning	220,282	205,812	217,701	228,648	273,866	250,510
Total OPEB liability - ending	\$ 205,812	\$ 217,701	\$ 228,648	\$ 273,866	\$ 250,510	\$ 205,677
Nonemployer contributing entity's proportionate share of the collective total OPEB liability	\$ 205,812	\$ 217,701	\$ 228,648	\$ 273,866	\$ 250,510	\$ 205,677
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	\$ 1,400,348
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%	0.00%

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
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.

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

TOWN OF ROGERSVILLE, TENNESSEE
COMBINING BALANCE SHEET
- NON-MAJOR GOVERNMENTAL FUNDS -
June 30, 2023

	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	School PL-89-10 Fund	Capital Projects Fund	
Assets									
Cash & Cash Equivalents	\$ 125,530	\$ 17,678	\$ 596,084	\$ 20,721	\$ 112,119	\$ 220,146	\$ -	\$ -	\$ 1,092,278
Receivables (net)	27,745	-	-	-	-	7,081	467,494	-	502,320
Inventory	-	-	-	-	-	12,038	-	-	12,038
Deposits	-	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Total Assets	153,275	17,678	596,084	20,721	112,119	239,265	467,494	-	1,606,636
Liabilities									
Due to Other Funds	27,745	-	-	-	-	-	8,203	-	35,948
Accounts Payable	-	-	-	-	-	7,580	167,107	-	174,687
Total Liabilities	27,745	-	-	-	-	7,580	175,310	-	210,635
Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Total Deferred Inflows	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable	-	-	-	-	-	12,038	-	-	12,038
Restricted	125,530	-	-	20,721	112,119	219,647	292,184	-	770,201
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	17,678	596,084	-	-	-	-	-	613,762
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	125,530	17,678	596,084	20,721	112,119	231,685	292,184	-	1,396,001
Total Liabilities, Deferred Inflows, & Fund Balances	\$ 153,275	\$ 17,678	\$ 596,084	\$ 20,721	\$ 112,119	\$ 239,265	\$ 467,494	\$ -	\$ 1,606,636

TOWN OF ROGERSVILLE, TENNESSEE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES
- NON-MAJOR GOVERNMENTAL FUNDS -
For the Year Ended June 30, 2023

	Special Revenue Funds								
	State Street Aid Fund	Community Center Fund	Industrial Park Dev. Fund	Drug Fund	Internal School Funds	School Cafeteria Fund	School PL-89-10 Fund	Capital Projects Funds	Total Non-Major Governmental Funds
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	162,268	-	-	-	-	347,972	1,344,264	-	1,854,504
Charges for Services	-	-	-	-	-	58,314	-	-	58,314
Interest Income	-	50	2,872	1	174	10	-	-	3,107
Other	-	-	-	-	136,122	596	-	-	136,718
Total Revenues	162,268	50	2,872	1	136,296	406,892	1,344,264	-	2,052,643
Expenditures									
Streets	177,017	-	-	-	-	-	-	-	177,017
Education	-	-	-	-	122,520	-	1,296,219	-	1,418,739
Fire	-	-	-	-	-	-	-	-	-
School Food Service	-	-	-	-	-	380,305	-	-	380,305
Drug Fund Expenditures	-	-	-	-	-	-	-	-	-
General Government	-	-	4,000	-	-	-	-	13,758	17,758
Community Development	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	177,017	-	4,000	-	122,520	380,305	1,296,219	13,758	1,993,819
Excess (Deficiency) of Revenue									
Over (Under) Expenditures	(14,749)	50	(1,128)	1	13,776	26,587	48,045	(13,758)	58,824
Issue of Capital Outlay Note	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	45,000	-	-	45,000
Transfers Out	-	-	-	-	-	-	(45,000)	(54,428)	(99,428)
Net Change in Fund Balance	(14,749)	50	(1,128)	1	13,776	71,587	3,045	(68,186)	4,396
Fund Balance - Beginning	140,279	17,628	597,212	20,720	98,343	160,098	289,139	68,186	1,391,605
Fund Balance - Ending	\$ 125,530	\$ 17,678	\$ 596,084	\$ 20,721	\$ 112,119	\$ 231,685	\$ 292,184	\$ -	\$ 1,396,001

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
STATE STREET AID FUND
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
State Street Aid	\$ 150,000	\$ 163,999	\$ 162,268	\$ (1,731)
Total Revenues	<u>150,000</u>	<u>163,999</u>	<u>162,268</u>	<u>(1,731)</u>
Expenditures				
Street Lighting	120,000	138,000	136,743	1,257
Street Maintenance	30,000	40,274	40,274	-
Street Paving	-	-	-	-
Total Expenditures	<u>150,000</u>	<u>178,274</u>	<u>177,017</u>	<u>1,257</u>
Net Change in Fund Balance	-	(14,275)	(14,749)	(474)
Fund Balance - Beginning	140,279	140,279	140,279	-
Fund Balance - Ending	<u>\$ 140,279</u>	<u>\$ 126,004</u>	<u>\$ 125,530</u>	<u>\$ (474)</u>

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
COMMUNITY CENTER FUND
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest Income	\$ 49	\$ 49	\$ 50	\$ 1
Total Revenues	49	49	50	1
Expenditures	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	49	49	50	1
Fund Balance - Beginning	17,628	17,628	17,628	-
Fund Balance - Ending	<u>\$ 17,677</u>	<u>\$ 17,677</u>	<u>\$ 17,678</u>	<u>\$ 1</u>

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
INDUSTRIAL PARK DEVELOPMENT FUND
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest Income	\$ 1,740	\$ 1,740	\$ 2,872	\$ 1,132
Total Revenues	<u>1,740</u>	<u>1,740</u>	<u>2,872</u>	<u>1,132</u>
Expenditures				
Salaries	-	-	-	-
Other	2,000	2,000	4,000	(2,000)
Total Expenditures	<u>2,000</u>	<u>2,000</u>	<u>4,000</u>	<u>(2,000)</u>
Net Change in Fund Balance	(260)	(260)	(1,128)	(868)
Fund Balance - Beginning	597,212	597,212	597,212	-
Fund Balance - Ending	<u><u>\$ 596,952</u></u>	<u><u>\$ 596,952</u></u>	<u><u>\$ 596,084</u></u>	<u><u>\$ (868)</u></u>

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
DRUG FUND
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest Income	\$ -	\$ 1	\$ 1	\$ -
Fines/Collections	190	-	-	-
Other Income	-	-	-	-
Total Revenues	<u>190</u>	<u>1</u>	<u>1</u>	<u>-</u>
Expenditures				
Enforcement Operations	250	-	-	-
Law Enforcement	250	-	-	-
Total Expenditures	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(310)	1	1	-
Fund Balance - Beginning	20,720	20,720	20,720	-
Fund Balance - Ending	<u>\$ 20,410</u>	<u>\$ 20,721</u>	<u>\$ 20,721</u>	<u>\$ -</u>

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
SCHOOL CAFETERIA FUND
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Lunch/Breakfast Sales	\$ 106,000	\$ 106,000	\$ 56,813	\$ (49,187)
A La Carte Sales	15,000	15,000	1,501	(13,499)
Other Income	3,100	3,100	596	(2,504)
Interest Income	100	100	10	(90)
State Matching	3,600	3,600	3,188	(412)
Other Federal Funds	-	-	628	628
USDA-Lunch & Breakfast	223,524	264,049	315,797	51,748
USDA-Commodities	30,000	30,000	28,359	(1,641)
Total Revenues	381,324	421,849	406,892	(14,957)
Expenditures				
Salaries & Wages	133,414	138,882	134,624	4,258
Payroll Taxes & Retirement	22,840	22,440	20,098	2,342
Medical Insurance/Other Benefits	33,375	33,775	30,665	3,110
Contracted Services	5,000	3,760	3,755	5
Food Preparation Supplies	17,000	18,900	15,724	3,176
Food Purchases	120,000	156,525	133,706	22,819
USDA Commodities	30,000	30,000	28,359	1,641
In-Service Staff Development	1,200	1,200	1,181	19
Maintenance/Repairs	8,000	8,200	8,131	69
Postage/Travel/Office Expense	1,025	297	-	297
Other Charges	2,800	1,200	1,151	49
Food Service Equipment	6,670	6,670	2,911	3,759
Total Expenditures	381,324	421,849	380,305	41,544
Other Financing Sources (Uses)				
Trasnfers In	-	45,000	45,000	-
Net Change in Fund Balance	-	45,000	71,587	26,587
Fund Balance - Beginning	160,098	160,098	160,098	-
Fund Balance - Ending	\$ 160,098	\$ 205,098	\$ 231,685	\$ 26,587

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
SCHOOL PL 89-10 FUND
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Lunch/Breakfast Sales	\$ 467,852	\$ 2,551,964	\$ 1,344,264	\$ (1,207,700)
Total Revenues	467,852	2,551,964	1,344,264	(1,207,700)
Expenditures				
Salaries & Wages	261,414	1,081,768	594,406	487,362
Payroll Taxes & Retirement	40,834	188,809	93,870	94,939
Medical Insurance	44,846	157,396	91,663	65,733
Other Fringe Benefits	4,220	22,456	10,272	12,184
Supplies & Materials	40,698	176,956	136,184	40,772
Contracted Services	38,424	99,550	73,204	26,346
In-Service Staff Development	31,550	67,852	37,122	30,730
Other Charges	5,866	41,201	36,043	5,158
Capital Outlay	-	670,976	223,454	447,522
Total Expenditures	467,852	2,506,964	1,296,218	1,210,746
Other Financing Sources (Uses)				
Trasnsfers In / (Out)	-	(45,000)	(45,000)	-
Net Change in Fund Balance	-	-	3,046	3,046
Fund Balance - Beginning	160,098	160,098	160,098	-
Fund Balance - Ending	\$ 160,098	\$ 160,098	\$ 163,144	\$ 3,046

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE
- BUDGET & ACTUAL -
CAPITAL PROJECTS FUND
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest Income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Capital Outlay	-	-	-	-
Fees	49,076	49,076	13,758	35,318
Total Expenditures	49,076	49,076	13,758	35,318
Issue of Capital Outlay Note	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	54,428	54,428
Net Change In Fund Balance	-	(49,076)	(68,186)	35,318
Fund Balance - Beginning	68,186	68,186	68,186	-
Fund Balance - Ending	\$ 68,186	\$ 19,110	\$ -	\$ (19,110)

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF REVENUES & EXPENDITURES
- BUDGET & ACTUAL -
SOLID WASTE SANITATION ACTIVITIES
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenue	\$ -	\$ -	\$ -	\$ -
Total Revenue	-	-	-	-
Expenditures				
Salaries & Wages	270,000	271,000	271,943	(943)
Payroll Taxes	21,000	21,000	20,832	168
Repairs/Maintenance	10,000	3,000	2,483	517
Operating Supplies	2,000	2,500	2,331	169
Uniforms	4,000	4,100	4,252	(152)
Vehicle Expense	23,000	29,500	28,800	700
Insurance	25,000	20,850	20,776	74
Other	2,000	2,700	2,648	52
Capital Outlay	-	-	-	-
Total Expenditures	357,000	354,650	354,065	585
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (357,000)	\$ (354,650)	\$ (354,065)	\$ 585

*** 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, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/22	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/23
Governmental Activities									
<u>Notes Payable</u>									
Payable through Town of Rogersville General Fund									
Capital Outlay Note	700,000	1.580%	6/23/2020	6/23/2023	\$ 544,444	\$ -	\$ 544,444	\$ -	\$ -
Total Notes Payable through Rogersville City General Fund					544,444	-	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	290,000	-	20,000	-	270,000
Total Bonds Payable through Rogersville City General Fund					290,000	-	20,000	-	270,000

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
June 30, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/22	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/23
Business-Type Activities									
<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	\$ 821,893	-	138,809	-	\$ 683,084
Total Other Loans Payable through Rogersville Water Commission					821,893	-	138,809	-	683,084
<u>Bonds Payable</u>									
Payable through Rogersville Water Commission									
Water Works Revenue Bonds	250,000	1.500%	12/18/2001	9/30/2039	163,858	-	6,518	-	157,340
2012 General Obligation Refunding Bonds	1,605,000	2.280%	10/15/2012	6/1/2028	600,000	-	100,000	-	500,000
2015B General Obligation Bonds	1,575,000	2.683%	9/1/2015	6/1/2035	1,115,000	-	75,000	-	1,040,000
2018 General Obligation Bonds	1,995,000	3.356%	10/25/2018	6/1/2040	1,845,000	-	80,000	-	1,765,000
Total Bonds Payable through Rogersville Water Commission					3,723,858	-	261,518	-	3,462,340

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF BONDED DEBT
GOVERNMENTAL ACTIVITIES
June 30, 2023

2015B General Obligation Bonds			
Fiscal Year Ending June 30:	Principal		Interest
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
	\$	270,000	\$ 53,661

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF BONDED DEBT
BUSINESS-TYPE ACTIVITIES
June 30, 2023

	<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>
Fiscal Year Ending										
June 30:										
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>\$ 157,340</u>	<u>\$ 62,341</u>	<u>\$ 500,000</u>	<u>\$ 40,250</u>	<u>\$ 1,040,000</u>	<u>\$ 205,642</u>	<u>\$ 1,765,000</u>	<u>\$ 584,495</u>	<u>\$ 3,462,340</u>	<u>\$ 892,728</u>

**TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF CAPITAL OUTLAY NOTES
GOVERNMENTAL ACTIVITIES
June 30, 2023**

	Capital Outlay Note Issued 06/23/2020	
	Principal	Interest
Fiscal Year Ending June 30:		
N/A	\$ -	\$ -

Note was paid off in June 2023

TOWN OF ROGERSVILLE, TENNESSEE
OTHER NOTES
BUSINESS-TYPE ACTIVITIES
June 30, 2023

		Tn Revolving Loan Program	
		Issued 6/14/2005	
		<u>Principal</u>	<u>Interest</u>
Fiscal Year Ending June 30:			
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>683,084</u>	<u>\$ 39,735</u>

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF CHANGES IN PROPERTY TAX RECEIVABLE
For the Year Ended June 30, 2023

Tax Year	Property Tax Receivable Balance 7/1/2022	Property Tax Levied	Anticipated Current Year Levy	Abatements and Adjustments	Collections	Balance 6/30/2023
2023	\$ -		\$ 1,988,508	\$ -	\$ -	\$ 1,988,508
2022	2,192,933	-	-	(3,259)	(2,112,521)	77,153
2021	303,946	-	-	-	(278,847)	25,099
2020	34,533	-	-	-	(19,049)	15,484
2019	12,862	-	-	-	(3,333)	9,529
2018	7,429	-	-	-	(1,994)	5,435
2017	6,094	-	-	-	(991)	5,103
2016	3,247	-	-	-	(894)	2,353
2015	2,917	-	-	-	(606)	2,311
2014	3,587	-	-	-	(532)	3,055
2013	6,334	-	-	-	(479)	5,855
2012	4,608	-	-	(4,098)	(510)	-
	\$ 2,578,490	\$ -	\$ -	\$ (7,357)	\$ (2,419,756)	\$ 2,139,885

The 2023 tax notices become a lien in the state of Tennessee on January 1st of each year. The notices are due from October 1, 2023 through February 28, 2024. The total amount is reflected as a deferred outflow of resources on the balance sheet as of June 30, 2023.

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, 2023

<u>Calendar Tax Year</u>	<u>Assessed Valuation</u>	<u>Tax Rate Per \$100</u>
2023	133,771,566	1.4865
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, 2023

WATER RATES	INSIDE TOWN	OUTSIDE TOWN
First 1,000 Gallons	\$14.84	\$22.70
Over 1,000 Gallons	6.9	10.33
SEWER RATES	INSIDE TOWN	OUTSIDE TOWN
First 1,000 Gallons	\$16.30	\$16.30
Over 1,000 Gallons	\$7.31	\$7.31
UTILITY DISTRICT RATES		
Persia Utility:		
First 500,000 Gallons	\$5.61/1,000	
Over 500,000 Gallons	\$1.61/1,000	
OTHER UTILITY DISTRICTS		
	\$5.61/1,000	

Note: Rates in effect at 6/30/23

Total number of customers at year end - Water: 4,374

Total number of customers at year end - Sewer: 1,899

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS &
STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2023

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
<u>Federal Awards</u>			
U.S. Department of Education:			
Passed-through Tennessee Deptment of Education:			
Title I Grants to Local Educational Agencies	84.010A	S010A210042	\$ 247,203
Title II - Supporting Effective Instruction State Grant	84.367A	S367A210040	37,879
Title IV - Student Support and Academic Enrichment Program	84.424A	S424A229944	17,684
Title V	84.356B	S358B120042	46,279
Special Education (IDEA) Cluster (4)			
Special Education - Grants to States	84.027A	H027A220052	116,101
Special Education - Preschool Grants	84.173A	H173A210095	1,164
ARP IDEA Part B	84.027W	H173X2199995	2,349
ARP IDEA Preschool	84.173X	H027X210052	4,266
American Rescue Plan and COVID-19 Cluster (5)			
ARP Homeless	84.425X	S425W210044	1,005
COVID-19 Best for All	84.425D	A412D210047	174,338
COVID-19-Education Stabilization Fund Prgm.-Elementary & Secondary School Emergency Relief Fund (ESSER 2.0)	84.425D	S3425D210047	29,447
COVID-19-Education Stabilization Fund Prgm.-Elementary & Secondary School Emergency Relief Fund (ESSER 3.0)	84.425U	S425U210047	539,616
COVID-19-TN ALL Corps	84.425UD	S425U210047	52,282
Literacy Network Grant / Early Learning Network Grant	84.425	S425C219927	40,000
Literacy Stipend Training Grant	84.425B	S425C210027	18,000
Total U.S. Department of Education			\$ 1,327,613
U.S. Department of Health & Human Services			
Passed-through Tennessee Department of Health			
Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323	(3)	24,760
Resilient School Communities Grant	93.354	(3)	6,845
Total U.S. Department of Health & Human Services			\$ 31,605
U.S. Department of Agriculture:			
Passed through Tennessee Department of Education			
School Cafeteria Cluster			
COVID-19 - Pandemic EBT	10.649	(3)	628
School Breakfast Program (SBP)	10.553	(3)	63,366
National School Lunch Program (NSLP)	10.555	(3)	230,448
NSLP - Supply Chain Assisstance Grant	10.555	(3)	21,982
Commodities - Noncash Assistance	10.555	(3)	28,359
Total U.S. Department of Agriculture			\$ 344,783
U.S. Department of Housing & Urban Development:			
Passed-through Tennessee Department of Environment & Conservation			
Community Dev. Block Grant	14.228	(3)	53,061
Total U.S. Department of Housing & Urban Development			\$ 53,061
TOTAL FEDERAL AWARDS			\$ 1,757,062

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS &
STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2023

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
State Financial Assistance			
Tennessee Department of Education			
Basic Education Program	N/A	(3)	\$ 3,875,890
Early Childhood Education	N/A	(3)	99,924
Career Ladder & Extended	N/A	(3)	10,487
School Safety	N/A	(3)	18,260
Summer Learning Camp	N/A	(3)	92,622
Summer Learning Transportation	N/A	(3)	1,121
Coordinated School Health	N/A	(3)	80,000
Child Nutrition	N/A	(3)	3,188
Innovative School Models	N/A	(3)	127,903
Total Tennessee Department of Education			<u>\$ 4,309,395</u>
Tennessee Department of Economic & Community Development			
Rogersville-Hawkins County Chamber of Commerce - Recipient			
Town of Rogersville - Subrecipient			
Downtown Improvement Grant	N/A	(3)	78,948
Total Tennessee Department of Economic & Community Development			<u>\$ 78,948</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u><u>\$ 4,388,343</u></u>

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 \$123,880

Note 5 - ARP & COVID-19 Cluster Total \$854,688

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, 2023, 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 June 28, 2024.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that I consider to be a significant deficiency.

Report on Compliance and Other Matters

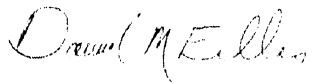
As part of obtaining reasonable assurance about whether the Town of Rogersville, Tennessee's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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*.

Town of Rogersville, Tennessee's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Rogersville, Tennessee's response to the findings identified in my audit and described in the accompanying schedule of findings and questioned costs. The Town of Rogersville, Tennessee's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

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
June 28, 2024

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, 2023. 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, 2023.

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". The signature is written in dark ink and is positioned above the printed name and date.

David M. Ellis, CPA
Greeneville, Tennessee
June 28, 2024

TOWN OF ROGERSVILLE, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

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?	Yes
3. Noncompliance material to the financial statements noted? No

FEDERAL AWARDS

4. Internal control over major federal programs:

Material weakness identified?	No
Significant deficiency identified?	No
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 84.425 which includes the grants in the American Rescue Plan and COVID-19 program as described on the Schedule of Federal Awards and State Financial Assistance
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, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

2023-001 Expenditures exceeded budget appropriations in the General Fund

Condition: The Town had expenditures that exceeded budget appropriations in the General Fund

Cause: The Town miscalculated accruals of expenditures and the mistake was not corrected until after year end. Once the errors were corrected, it caused the actual amounts to exceed the budget appropriations. Since it was not discovered until after year end, the Town did not amend the budget to address these errors.

Criteria: Tennessee State code 6-56-208 requires municipalities to amend their budgets prior to increasing spending for any appropriation. Amendments should show the source of funds supporting any new spending including fund balance, transfers, or reductions in other appropriations.

Effect: The Town is not in compliance with Tennessee state budgetary guidelines.

Recommendation: The Town should review its general ledger prior to year-end to ensure revenues and expenditures are posted correctly.

Response: The Town agrees with the recommendation.

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, 2023

Financial Statement Findings

N/A

Federal Award Findings and Questioned Costs

N/A

CITY COUNCIL
TODD BIGGS
DANNY BROOKS
ELOISE EDWARDS
BROCK GLADSON
BRIAN HARTNESS
SONDA PRICE

TOWN OF ROGERSVILLE

P.O. Box 788
106 East Kyle Street
Rogersville, Tennessee 37857
(423) 272-7497
Fax: (423) 272-9451

WATER COMMISSION
TODD BIGGS
DANNY BROOKS
ELOISE EDWARDS
BROCK GLADSON
BRIAN HARTNESS
SONDA PRICE

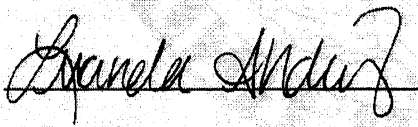
MANAGEMENT'S CORRECTIVE ACTION PLAN For the Year Ended June 30, 2023

Finding 2023-001: Expenditures exceeded budget appropriations in the General Fund.

Name of contact person: Lucinda Andies

Corrective action: Current year budget will be amended to reflect revenues and expenditures correctly. Prior year finding was due to expense not being accrued correctly.

Anticipated Completion Date: 6-30-24

Signature: 
Title: Deputy Recorder

KEVIN D. KEETON
City Attorney

JIM SELLS
Mayor

GLENN D. HUTCHENS, JR.
City Recorder