

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2023



SHELBY COUNTY, TENNESSEE



**Annual Comprehensive
Financial Report
of
Shelby County, Tennessee
For The Year Ended
June 30, 2023**

Prepared by the Department of Finance

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Shelby County Mayor Lee Harris



Shelby County Government

LEE HARRIS
MAYOR

February 29, 2024

To the Members of the Board of County Commissioners and the Citizens of Shelby County, Tennessee:

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of Shelby County Government, Tennessee (the "County"), for the fiscal year ended June 30, 2023. The ACFR is provided to give detailed information about the financial position and activities of the County to citizens, the Board of Commissioners, County staff and external users. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities are included. Generally accepted accounting standards require that the County publish a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion & Analysis section (MD&A). This letter of transmittal is designed to complement the MD&A that follows and should be read in conjunction with that section.

Local ordinances and state statutes require that Shelby County publish a complete set of annual financial statements that are prepared in compliance with Generally Accepted Accounting Principles (GAAP) and audited by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free from any material misstatement.

The two certified public accountants hired to audit these financials are Watkins Uiberall, PLLC and Banks, Finley, White and Company. Jointly, they have issued an unmodified opinion on Shelby County's financial statements for the fiscal year ended June 30, 2023. The independent auditors' report is presented as the first component of the financial section of this report.

Profile of Shelby County, Tennessee

Shelby County, established in 1819, is the largest county in the State of Tennessee, with the City of Memphis serving as the County seat. The County is located in the extreme southwest corner of Tennessee on the eastern bank of the Mississippi River, and it serves as the hub of the surrounding 105-county Mid-South region. Contained within the County's 783 square miles are

the seven incorporated municipalities of Arlington, Bartlett, Collierville, Germantown, Lakeland, Memphis, and Millington. The population of the County is 916,371 according to the U.S. Census Bureau 2022 American Community Survey. The County is empowered to levy, without limit, a property tax on both real and personal property located within its boundaries.

The County operates under the Mayor-Commission form of government. The Mayor, as the County's chief executive officer, oversees the operations of the County's seven divisions. The thirteen members of the Shelby County Board of Commissioners (the Commission), as the legislative branch of the government, review and approve the County's programs and budgets. The Mayor and each Commissioner serve a four-year term. The Sheriff, County Clerk, Assessor, Register, Trustee, Circuit Court Clerk, Criminal Court Clerk, General Sessions Court Clerk, Juvenile Court Clerk, and Probate Court Clerk are also elected to four-year terms.

Shelby County provides a full range of services, including health and community services, fire protection, recreational activities, law enforcement and detention, judicial and corrections systems. Shelby County is also financially accountable for a legally separate public education system, public hospital, agricultural center, and emergency communications district, which are reported separately within the Shelby County financial statements. Additional information on these entities can be found in Note I. A. in the notes to the financial statements.

The annual budget is the foundation for Shelby County's financial planning and control. All departments and elected officials submit their requested budgets to the County Mayor by late February. After a series of administrative reviews, the County Mayor presents a proposed consolidated budget to the County Commission in April. The County Commission conducts budget hearings and then adopts a final budget. This process is generally completed before July 1, which is the beginning of the fiscal year. However, the County Commission has the authority to adopt a continuing budget until a final budget can be approved. The appropriated budget is prepared by fund, division (e.g., public works), and department (e.g., parks). The Mayor may authorize transfers of appropriations within the same fund, division, or expenditure category (i.e., personnel or non-personnel). Any other transfers require approval by the County Commission.

Local Economy

Shelby County continues to be a major wholesale and retail center for western Tennessee, eastern Arkansas and northern Mississippi. It has continued to recognize improvements in the local economy as did most of the State. The industrial economy of the County remains highly diversified. In addition to being a leader in distribution and logistics, Shelby County's economy is driven by advanced manufacturing, particularly in the medical device industry. Shelby County has participated in the global recovery from the Covid-19 pandemic, seeing continued growth in the tourism industry.

The U.S. Bureau of Economic Analysis reports that the major areas of employment in Shelby County are health care and social assistance, transportation and warehousing, administrative and support services, government and government enterprises, and retail trade. According to the U.S. Bureau of Labor Statistics, the unemployment rate for Shelby County was 4.0% as of December 2023, as compared to the state's rate of 3.5% and the national rate of 3.5%. Over the past ten years, the

high for the unemployment rate was 9.7% for the County in December 2013 and declined to a low 3.6% in April 2019 prior to the onset of the Covid-19 pandemic. As the impact of the pandemic ebbed, the unemployment rate continued to fall. As noted above, the unemployment rate stands at 4% as of December 2023, slightly above its pre-pandemic level, and slightly higher than State and National levels.

Median household incomes in Shelby County are lower than those of the State of Tennessee and the United States as a whole. According to the U.S. Census Bureau 2022 American Community Survey, the median household income in Shelby County was \$61,516; meanwhile, it was \$65,254 in Tennessee and \$74,755 for the United States. However, the cities and towns in Shelby County are frequently recognized nationally as the nation's "best places to live" with a low average cost of living as exemplified by a median owner-occupied housing price of \$206,100, which is 73% of the nation's median of \$281,900 according to the U.S. Census Bureau 2022 5-year estimate American Community Survey.

Financial Planning

Close cooperation exists between the Administration and the Commission in developing an annual financial plan in a transparent and timely process with the shared goals of maintaining structural balance, stable tax rates, and adequate fund balance levels. In each annual budget process, operating revenue and expenditures are projected for the next five years to evaluate the longer-term implications of decisions regarding new programs, service level changes, salary increases, benefits, and the property tax rate. As part of the annual budget process, the County also reviews and updates its plan for capital improvements and debt based on an analysis of historical data and projections of future requirements.

Over the past ten years, total revenues related to governmental funds have increased by \$227.1 million, or 21.0%, as shown in the table on page G-6. During this period, property tax revenues have grown by \$83.5 million, or 11.1%, and are 63.7% of total revenues, down by 4.1 less than ten years prior at 67.8%. Meanwhile, other local taxes, which now represent 10.5% of total revenues, have increased by \$31.6 million, or 29.8% as compared to ten years prior. Federal and local revenues have increased by \$75.3 million, or 138.6% over 10 years primarily due to funding per the Federal State and Local Fiscal Recovery Funds (SLFR). The County received and recognized \$29 million of this award in FY2023. State revenues have increased by \$31.6 million, or 38.2%; Federal and local revenues now represent 9.9% of total revenues, and State revenues now represent 8.8% of total revenue. Fines, fees and permits increased by \$1.1 million over 10 years or 1.6%.

Over the same ten-year period, the County's total expenditures related to governmental funds have increased by \$192.7 million, or 18.4%, excluding capital project outlays that are highly variable. This increase is in part due to continued administration of community enhancement and health services programs noted below. Funding for Health Services increased by \$21.7 million or 36.1% over 10 years. This increase can be contributed to the higher cost of drugs and services provided due to the pandemic. Education funding has increased by \$51.5 million or 13.4%; law enforcement expenditures have increased by \$26.4 million, or 16.5%; general government expenditures have increased by \$37.4 million, or 87.4%; judicial services have increased by \$5.6 million, or 7.8%; and other elected officials have increase by \$11.7 million or 40.9%. Meanwhile, continued adherence to the County's debt reduction plan has resulted in a reduction of interest and administrative costs on debt of \$24.4 million or 35.3%. While community services expenditures increased by \$36.5 million or 58.2% over 10 years, these expenses were \$39.8 million or 67% higher than in FY21 primarily due to the continued administration of community enhancement programs such as rental and utility assistance programs that were supported by the SLFR award and other federal grants; as compared to FY22, community services expenditures were down \$12.6 million or 11.3%.

Relevant Financial Policies

Due to the County's historical operating performance, ability to adjust property taxes, manageable long-term debt burden, healthy fund balances and Fund Balance Policy, the County's bonds are rated Aal by Moody's Investor Service and AA+ by Fitch Ratings and S&P Global Ratings. The County has adopted fund balance policies for both the General Fund and the Debt Service Fund to buffer the County's cash flow cycle during the year. The County always has negative cash flows from the beginning of the fiscal year in July through late November, as most property tax payments are received from December through February before taxes become delinquent on March 1. For the General Fund, the Commission adopted a policy of maintaining unassigned fund balance between 20% and 30% of revenue, with the stated intent to remain above 25%. Since 2018, uses of fund balance have been budgeted and utilized, and these have resulted in a reduction in the General Fund unassigned fund balance to 18.0% as of June 30, 2023. As the economy continues to normalize after the pandemic, this decrease should also normalize. For the Debt Service Fund, the County also adopted a policy of maintaining the fund balance at 20% to 30% of revenue. As of June 30, 2023, the Debt Service Fund balance was \$47.8 million or 32.0%.

Annually, the County adopts a five-year capital improvement plan (CIP). To control the County's debt and annual debt service payments, the County's annual CIP appropriations are limited to \$75 million by the Debt Management Policy, unless clear justification for additional expenditures is provided. This annual limit was initially established by the County's 2002 Debt Reduction Plan, and as a result, the County's general obligation debt has been reduced from \$1.85 billion in 2006 to \$923.2 million as of June 30, 2023.

Major Initiatives

In the face of recent unprecedented challenges in Shelby County's history, our commitment to serve the community has stood unwavering. Shelby County Government continues its uninterrupted operation with a rich legacy spanning over two centuries. Each year, our collective focus sharpens on initiatives aimed at cultivating an educated, informed, and engaged community. Through collaborative efforts with the County Commission, strategic investments have been made in key areas such as education, transit, property tax relief, and healthcare resolutions. These endeavors underscore our dedication to addressing the evolving needs of the community and laying the foundation for a resilient and thriving future.

Landmark Investment in Regional One Health

In June 2023, the Shelby County Commission approved a resolution to allocate \$350 million in funding over five years for rebuilding Regional One Health, the only trauma unit hospital in the tri-state area. This will be the first step in a three-phase process to get resources from the state and form a permanent partnership with the University of TN Health Science Center (UTHSC). Reimagining Regional One as the Mid-south's first academic medical center will help Shelby County lead the way in technology, attract top talent, and leverage that talent to provide therapies that benefit research, patient care, and educational missions. Funding sources would also create employment opportunities for the local workforce. The construction of the new public hospital will spur nearly \$2 billion in economic activity.

Historic Investment in New Schools

Allocation of \$436.3 million for the county's seven municipal school systems resulted in the highest level of funding for schools likely in Shelby County's history. Funding sources more than doubled the capital improvement budgets of Shelby County's public-school systems, including \$80 million to support Memphis-Shelby County Schools' commitment to build a new high school in Frayer and a second high school in the new East Region of Cordova.

Increased Funding in Public Safety, Justice and Crime Victims Support

The County allocated \$1 million from the general fund for a new violence intervention program to help Shelby County combat "a devastating crime wave." The funds are focused on the reduction of violent crime, improvement of program compliance among justice-involved clients, refinement of program infrastructure, and provision of information technology upgrades to improve the effectiveness of the local criminal justice system. Furthermore, this \$1 million commitment to a new violence interruption fund follows in the steps of the City of Memphis and Regional One Health, both of which have such programs. Shelby County has taken a strategic approach to make our community safer and break the cycle of individuals entering and exiting the justice system. The Work to Break the Cycle website offers updated Shelby County Government positions for individuals with arrest or conviction records. It complements the 2020 Ban the Box Ordinance, which removed questions about criminal history from job applications. Mental health support is further being integrated into justice initiatives.

In addition, a proposal for a mental health treatment facility is in the works.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Shelby County, Tennessee for its Comprehensive Annual Financial Report for the year ended June 30, 2022. The County has received this prestigious award for more than thirty-two consecutive years. To be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. The County also received the GFOA Distinguished Budget Presentation Award for the fiscal year ended June 30, 2022, which is our fourteenth consecutive year to receive this award.

The preparation of this report could not have been accomplished without the efficient and professional services of the entire staff of the Finance Department. We would also like to thank the County Commissioners and all Elected Officials who assisted and contributed to the timely preparation of this report and for conducting the operations of Shelby County in a responsible and progressive manner.

All the best,


Lee Harris
Mayor


Audrey Tipton

Director, Division of Finance and Administration


Harold Collins

Chief Administrative Officer

**Shelby County, Tennessee
County Officials
As of June 30, 2023**

Shelby County Board of Commissioners

**Mickell M. Lowery, Chairman
Miska Clay-Bibbs, Chair Pro Tempore**

**Amber Mills
David C. Bradford
Mick Wright
Brandon Morrison**

**Shante K. Avant
Charlie Caswell, Jr.
Henri Brooks
Edmund Ford, Jr.**

**Britney Thornton
**Erika Sugarmon
*Michael Whaley**

*Audit Committee Chairman
**Audit Committee Vice-Chairman

Publicly Elected Officials

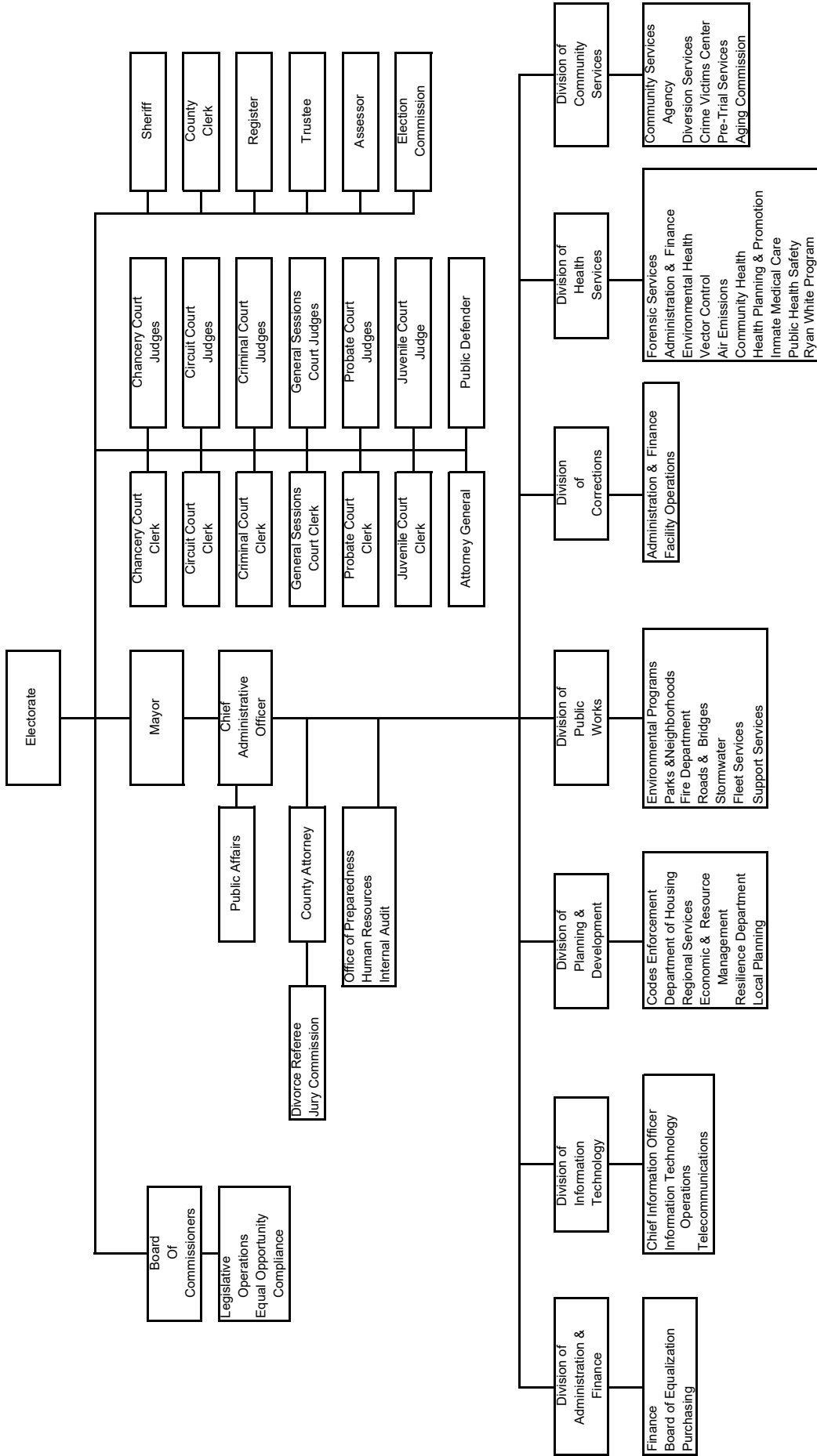
**Assessor of Property – Melvin Burgess
Attorney General – Steve Mulroy
County Clerk – Wanda Halbert
County Mayor – Lee Harris
County Register – Willie F. Brooks, Jr.
County Trustee – Regina Morrison Newman
Juvenile Court Clerk – Janeen R. Gordon
Chancery Court Clerk and Master – W. Aaron Hall
Circuit Court Clerk – Jamita Swearengen
Criminal Court Clerk – Heidi Kuhn
General Sessions Court Clerk – Joe W. Brown
Probate Court Clerk – Eddie S. Jones Jr.
Sheriff – Floyd Bonner, Jr.**

Shelby County Administrative Officials

**Lee Harris – Mayor
Harold Collins - Chief Administrative Officer
Audrey Tipton - Director of Administration and Finance
Sandra Perry - Chief Information Officer
John Zeanah - Director of Planning and Development
Cliff Norville - Director of Public Works
Anthony Alexander - Director of Corrections
Dr. Michelle Taylor Hall - Director of Health Services
Dorcas Young Griffin - Director of Community Services
Marlinee Iverson – County Attorney**

Shelby County Government Organizational Chart

As of June 30, 2023





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Shelby County
Tennessee**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

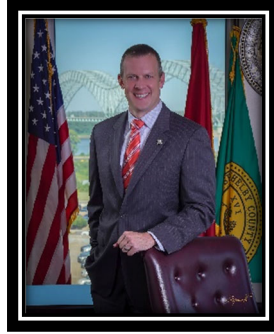
June 30, 2022

Christopher P. Morill

Executive Director/CEO



Amber Mills



David C. Bradford



Mick Wright



Brandon Morrison



Shante K. Avant



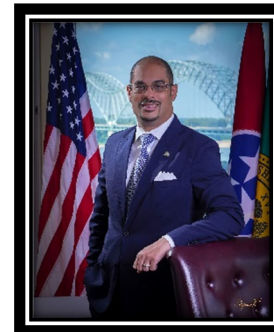
Charlie Caswell, Jr.



Henri E. Brooks



Mickell M. Lowery



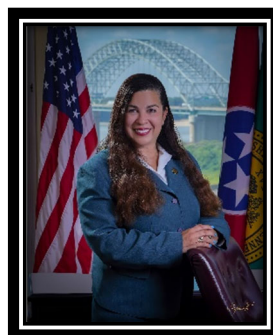
Edmund Ford, Jr.



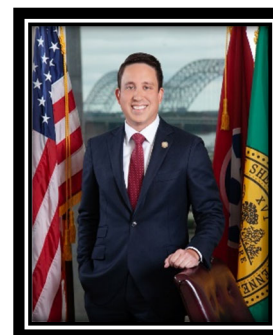
Britney Thornton



Miska Clay Bibbs



Erika Sugarmon



Michael Whaley

COMMISSIONERS

INDEPENDENT AUDITORS' REPORT

To the Chairman and Members
Shelby County Board of Commissioners and
the Mayor of Shelby County, Tennessee
Memphis, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the statements of budgetary comparison for the general fund, education fund, grants fund, and the aggregate remaining fund information of Shelby County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Shelby County, Tennessee's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of the Shelby County Health Care Corporation, Agricenter International, Inc., and Emergency Communications District of Shelby County, Tennessee which represents \$419,502,639, \$229,140,040, and \$759,972,989, respectively, of the assets, net position, and revenues of the component units as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those component units, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Shelby County, 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Shelby County, Tennessee's ability to continue as a going concern for a reasonable period of time.

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

Adoption of New Accounting Standards

As discussed in Note I to the financial statements, during the year ended June 30, 2023, Shelby County, Tennessee adopted the provisions of Governmental Accounting Standards Board Statement No. 96, *Software Based IT Arrangements*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelby County, Tennessee's basic financial statements. The accompanying combining and other statements and schedules, other budgetary comparison schedules, and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and other statements and schedules, other budgetary comparison schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2024, on our consideration of the Shelby County, Tennessee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Shelby County, 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 Shelby County, Tennessee's internal control over financial reporting and compliance.

Watkins Mikusall, PLLC *Banks, Jolley, White & Co.*

Memphis, Tennessee
February 29, 2024



Management's Discussion and Analysis

The management of Shelby County Government (County) presents this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information furnished in the transmittal letter found at the front of this report and the basic financial statements, which follow in this section.

Accounting principles generally accepted in the United States of America for governmental entities are established by the Governmental Accounting Standards Board (GASB). This annual financial report uses the standards established by the GASB's Statement No. 34 *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Shelby County follows all GASB standards in addition to Statement No. 34 as well as other authoritative literature known collectively within the accounting profession as "generally accepted accounting principles."

Financial Highlights

- At June 30, 2023 the unassigned fund balance for the General Fund was \$82.4 million, 18.0% of total General Fund revenue, an increase of \$798 thousand over the prior year. The unassigned fund balance at the end of the previous year was \$81.6 million, or 18.6% of General Fund revenue. Overall, the General Fund balance increased \$7.2 million, but the unassigned fund balance as a percentage of the total fund balance fell from 76.4% to 72.3%. General Fund Revenue increases were seen in Property taxes - \$10.3 million; Other local taxes - \$4.2 million; State revenue - \$2.1 million; and Investment Income - \$7.7 million; offset by a decrease in Federal and Local taxes of \$4.7 million.
- Fund balance for the Debt Service Fund increased \$4.1 million to \$47.8 million, which is 32.0% of total revenue of the Debt Service Fund. This balance is consistent with our debt plan to provide for future debt service requirements.
- Grant fund revenues decreased from \$213.2 million to \$187.4 million, and expenditures correspondingly decreased from \$161.3 million to \$158.4 million. The decrease in both revenue and expenditures is primarily due to variability in timing of recognition of American Rescue Plan Act (ARPA) funds. Fund balance increased by \$6.0 million. This can be attributed to timing of expenditures.
- Fund balance for Capital Projects Fund increased significantly to \$112.6 million. This increase is primarily attributed to the issuance of General Obligation Public Improvement and School Bonds issued in the current fiscal year. The County normally issues debt every two years.
- Education Fund balance increased by \$2.7 million.
- The net position for Business-type activities was virtually unchanged during the year, with the net position maintained at negative \$13.8 million.
- The County's total net position improved by \$117.9 million primarily due to increased revenue in business taxes (Other) and interest income coupled with expense savings in personnel due to a high level of vacancies. After these results for the year the County's negative net position at June 30, 2023 was negative \$307.2 million.

More details on these highlights and other information are in the remainder of this discussion and analysis.

Overview of the Financial Report

The Annual Comprehensive Financial Report includes three major sections – Introductory Section, Financial Section, and Statistical Section. The Introductory Section includes a transmittal letter and general information about the County. The Statistical Section includes financial and non-financial data, some from sources other than financial records and often covering up to ten years. The Financial Section is the major part of the financial report. The Independent Auditor's Report applies only to the Financial Section. This discussion and analysis applies only to the Financial Section.

The Financial Section includes the following statements and schedules:

- Basic Financial Statements
 - Government-wide financial statements
 - Fund financial statements
 - Notes to financial statements
- Required Supplementary Information
- Combining and Other Statements and Schedules
- Other Budgetary Comparison Schedules

BASIC FINANCIAL STATEMENTS

Differences between government-wide and fund financial statements. The government-wide financial statements are much more aggregated and summarized than the fund financial statements. The government-wide Statement of Net Position includes capital assets and long-term debt, whereas the fund Balance Sheet includes neither. The government-wide Statement of Activities does not report the issuance or repayment of long-term debt during the year and reports depreciation expense but not amounts expended for capital assets during the year. The fund Statement of Revenues, Expenditures and Changes in Fund Balances includes as other financing sources the amount of long-term debt incurred during the year and as expenditures the amount of principal repaid. This statement also includes amounts expended for capital assets but not depreciation. These are some of the most common, significant differences but there are others. Following the fund Balance Sheet and the Fund Statement of Revenues, Expenditures and Changes in Fund Balances is a reconciliation of those statements to the government-wide Statement of Net Position and the Statement of Activities.

Government-wide financial statements. The *government-wide financial statements* are designed to provide a broad overview of Shelby County Government's finances in a manner similar to a private-sector business. The two government-wide financial statements present highly summarized information for all of County government.

The *Statement of Net Position* presents information on all of Shelby County's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between

the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of Shelby County. The County has in prior years issued substantial amounts of debt for capital assets of others, such as the Shelby County Schools. This debt is a liability of the County but the buildings constructed with the funds are not assets of the County; thus the County has a deficit net position. In some years the County may issue enough similar debt that an annual decrease in net position occurs.

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

Both of the government-wide financial statements distinguish functions of Shelby County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Shelby County include general government, hospital, planning & development, public works, corrections, health services, community services, law enforcement, judicial, other elected officials, education, capital projects outlay and interest on debt. The business-type activities of Shelby County consist of codes enforcement, fire services and corrections center.

The government-wide financial statements include not only Shelby County itself - known as the *primary government* - but also four legally separate entities for which Shelby County is financially accountable. These entities are the Shelby County Board of Education, Shelby County Health Care Corporation (Regional One), Agricenter International, and the Emergency Communications District (E-9-1-1). Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. This discussion and analysis is devoted to Shelby County Government rather than the component units.

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. Shelby County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Shelby County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Shelby County maintains nineteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Debt Service Fund, Capital Projects Fund, Education Fund, and Grants Fund, all of which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds *combining statements* elsewhere in this report.

Proprietary funds. Shelby County maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Shelby County uses enterprise funds to account for Consolidated Codes Enforcement, Fire Services and Correction Center. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Shelby County's various functions. Shelby County uses internal service funds to account for its Central Services, Group Health, Tort Liability and Employer Insurance funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The Corrections Center is reported as a major enterprise fund and all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds are provided in the form of *combining statements* elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Shelby County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Fiduciary Funds statements report the Custodial Funds and the combined Shelby County Retirement System and the Shelby County OPEB Trust, which are reported separately in a *combining statement* elsewhere in this report.

Component units combining statement. Component units are not "funds" of Shelby County as the primary government. However, the government-wide financial statements include one column for all component units as discussed above. In order to provide details on each component unit, a *Combining Statement of Net Position* and a *Combining Statement of Activities* are included in the fund financial

statements section of the basic financial statements. Complete, separately issued financial statements for each component unit may be obtained from those component units as described in Note I(A) in the Notes to the Financial Statements.

Budgetary Comparison Statements. Within this section are budgetary comparison statements for the general fund and other “major” special revenue funds (the Education Fund and the Grants Fund) to demonstrate compliance with their budget. Other budgetary comparison schedules not fitting the criteria defined for this section are presented under “Combining and Other Statements and Schedules” and “Other Budgetary Comparison Schedules.”

Notes to 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. “Notes” is the traditional term applied to this information; however, the term is misleading in that the Notes can vary in length from one paragraph to several pages.

REQUIRED SUPPLEMENTARY INFORMATION

This section contains other information that financial reporting standards specify should be included under this caption. Supplementary information is presented for the Shelby County Retirement System and the Shelby County OPEB Trust.

COMBINING AND OTHER STATEMENTS AND SCHEDULES

Combining fund statements for the non-major enterprise funds, non-major special revenue funds, and internal service funds are included in this section of the report. Supplemental schedules include budgetary comparisons, detail of county charter officers’ activities and schedules of debt by debt issue.

Government-wide Financial Analysis (Reporting the County as a Whole)

FINANCIAL POSITION

Table 1 shows a condensed version of the Statement of Net Position (see the government-wide financial statements for the full version as of June 30, 2023). This statement shows the financial position of the County as a whole at specific points in time – in this case as of June 30, 2023, and as of June 30, 2022.

Property taxes receivable is by far the largest portion of Shelby County’s assets and deferred outflows (34.5% at June 30, 2023 and 37.1% at June 30, 2022). The June 30, 2023 property taxes receivable includes \$833.0 million, offset by an equal unavailable revenue amount in deferred inflows of resources, which became a property lien on January 1, 2023 but are levied for next fiscal year’s operations. The similar amount at June 30, 2022, was \$835.4 million. Total assets and deferred outflows of resources increased by \$159.8 million. This includes increases in deferred outflows of \$90.1 million and an increase of \$31.9 million in current and other assets. There was also a \$58.2 million increase in capital assets. Total liabilities and deferred inflows increased by \$1.7 million during the year. Long-term liabilities increased \$146.7 million during the year.

Table 1
Condensed Statement of Net Position
As of June 30, 2023 and June 30, 2022

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Property taxes receivable	\$ 855,952,605	\$ 859,925,634	\$ ---	\$ ---
Current and other assets	590,084,680	488,726,465	45,895,969	43,909,499
Capital assets net	676,642,829	659,712,855	24,727,893	24,124,543
Pension and OPEB assets, net	59,953,898	100,110,930	12,637,102	19,623,070
Total assets	<u>2,182,634,011</u>	<u>2,108,475,884</u>	<u>83,260,964</u>	<u>87,657,112</u>
Deferred outflows of resources	177,401,619	105,109,485	35,926,286	18,088,374
Total deferred outflows of resources	<u>177,401,619</u>	<u>105,109,485</u>	<u>35,926,286</u>	<u>18,088,374</u>
Total assets and deferred outflows	<u>2,360,035,630</u>	<u>2,213,585,369</u>	<u>119,187,250</u>	<u>105,745,486</u>
Long-term liabilities	1,592,323,421	1,364,785,719	123,382,164	80,807,022
Other liabilities	191,306,546	238,232,966	1,883,772	2,261,662
Total liabilities	<u>1,783,629,967</u>	<u>1,603,018,685</u>	<u>125,265,936</u>	<u>83,068,684</u>
Deferred inflows of resources	869,784,251	1,021,864,750	7,723,514	36,511,324
Total deferred inflows of resources	<u>869,784,251</u>	<u>1,021,864,750</u>	<u>7,723,514</u>	<u>36,511,324</u>
Total liabilities and deferred inflows	<u>2,653,414,218</u>	<u>2,624,883,435</u>	<u>132,989,450</u>	<u>119,580,008</u>
Net investment in capital assets	444,727,197	465,189,594	24,727,893	24,024,367
Restricted	151,046,027	166,057,875	12,637,102	19,623,070
Unrestricted	<u>(889,151,811)</u>	<u>(1,042,545,535)</u>	<u>(51,167,195)</u>	<u>(57,481,959)</u>
Total net position	<u><u>(293,378,587)</u></u>	<u><u>(411,298,066)</u></u>	<u><u>(13,802,200)</u></u>	<u><u>(13,834,522)</u></u>

Table 1 (continued)
Condensed Statement of Net Position
As of June 30, 2023 and June 30, 2022

Total Primary Government

	June 30, 2023	June 30, 2022	Change
Property taxes receivable	\$ 855,952,605	\$ 859,925,634	\$ (3,973,029)
Current and other assets	635,980,649	532,635,964	103,344,685
Capital assets, net	701,370,722	683,837,398	17,533,324
Pension and OPEB assets, net	72,591,000	119,734,000	(47,143,000)
Total assets	<u>2,265,894,976</u>	<u>2,196,132,996</u>	<u>69,761,980</u>
Deferred outflows of resources	213,327,905	123,197,859	90,130,046
Total deferred outflows of resources	<u>213,327,905</u>	<u>123,197,859</u>	<u>90,130,046</u>
Total assets and deferred outflows	<u>2,479,222,881</u>	<u>2,319,330,855</u>	<u>159,892,026</u>
Long-term liabilities	1,715,705,585	1,445,592,741	270,112,844
Other liabilities	193,190,318	240,494,628	(47,304,310)
Total liabilities	<u>1,908,895,903</u>	<u>1,686,087,369</u>	<u>222,808,534</u>
Deferred inflows of resources	877,507,765	1,058,376,074	(180,868,309)
Total deferred inflows of resources	<u>877,507,765</u>	<u>1,058,376,074</u>	<u>(180,868,309)</u>
Total liabilities and deferred inflows	<u>2,786,403,668</u>	<u>2,744,463,443</u>	<u>41,940,225</u>
Net investment in capital assets	469,455,090	489,213,961	(19,758,871)
Restricted	163,683,129	185,680,945	(21,997,816)
Unrestricted	<u>(940,319,006)</u>	<u>(1,100,027,494)</u>	<u>159,708,488</u>
Total net position	<u>\$ (307,180,787)</u>	<u>\$ (425,132,588)</u>	<u>\$ 117,951,801</u>

“Net Position” is the difference between assets plus deferred outflows and liabilities plus deferred inflows and, in a general sense, may be considered the recorded financial “net worth” of the County. The most obvious concern that can be noted about net position is the large negative net position amount. The major factor causing this negative net position amount relates to debt issued for capital assets (buildings, roads, etc.) where the capital asset values are *not* recorded in the County’s financial records, but the debt *is* in the County’s records. Some of this debt has been issued to provide capital assets to component units of the County, including the Shelby County Board of Education and the Shelby County Health Care Corporation (Regional One). These component units report the capital assets but not the debt. Other debt is issued for entities not a part of the County reporting entity, including the municipal school districts within Shelby County. As a result of reporting the debt liabilities without reporting the assets acquired with the proceeds of the debt, a negative net position amount is reported in the County’s Statement of Net Position. If the related capital assets were reported by the County or the debt were reported by the benefiting entities, the County would have a significant, positive net position. The net unfunded pension obligation also adds to the negative net position reported by Shelby County.

The following long-term debt and notes payable are reported by the County for which related capital assets are not recorded by Shelby County:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Shelby County and Municipal Public School Systems	\$ 685,155,378	\$ 709,078,334
Shelby County Health Care Corp. (Regional One)	5,719,355	8,746,463
Memphis and Shelby County Port Commission	13,540,000	14,467,500
Other	11,841,294	13,296,891
Total	<u>\$ 716,256,027</u>	<u>\$ 745,589,188</u>

Shelby County, the component units, and other entities use these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Shelby County’s investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The County’s total net position for governmental activities increased by \$117.9 million for the year. The reasons for these changes can be generally understood from information in the sections below about “Changes in Net Position” and the “Financial Analysis of the Government’s Funds.” It will be noted that the net changes in deferred outflows and deferred inflows of resources were the significant factor in the current fiscal year. Changes in net position are discussed below.

CHANGES IN NET POSITION – REVENUES, EXPENSES AND TRANSFERS

For governmental activities, program revenues are those generated by the department or program as a result of the activities engaged in by the department or program. Property taxes are the primary source of general revenue. Total general revenues increased \$26.4 million or 2.7%. Property taxes increased \$1.2 million or 0.1% and other taxes increased \$10.8 million or 9.4%. These increases can be attributed to the increase in services and collection efforts. Other revenue, which is primarily interest income, increased \$14.3 million or 794% due to an elevated interest rate environment. Program revenues decreased 5.1% or \$16.9 million. This was due primarily to a reduction of State and Local Fiscal Recovery (SLRF) funds utilized in FY23 as supported programs began phase-out.

Total expenditures for the year in governmental activities increased \$12.8 million or 1.1%. General Government and Hospital expenditures decreased \$20.9 million or 15.7%; and Community Services decreased \$11.1 million or 9.8 %; These decreases in expenditures are primarily due to a gradual reduction of COVID-19 support programs as SLRF funds are utilized. Planning and Development expenditures increased \$3.9 million or 32.7%. Law Enforcement expenditures increased \$12.1% million or 7.3%.

Table 2 summarizes the financial activity for the County as a whole for the fiscal year ended June 30, 2023, with comparative amounts for the fiscal year ended June 30, 2022.

Table 2
Shelby County Changes in Net Position
Fiscal Years Ended June 30, 2023 and 2022

	FY 2023	FY 2022	Change
Governmental activities:			
<u>Revenues:</u>			
Program revenues:			
Charges for services	\$ 113,344,877	\$ 113,868,569	\$ (523,692)
Operating grants and contributions	196,335,592	216,861,932	(20,526,340)
Capital grants and contributions	4,705,624	533,183	4,172,441
Total program revenues	314,386,093	331,263,684	(16,877,592)
General revenues:			
Property taxes	871,489,414	870,259,076	1,230,338
Other taxes	125,435,573	114,624,075	10,811,498
Other	16,118,376	1,801,119	14,317,257
Total general revenues	1,013,043,363	986,684,270	26,359,093
Total revenues-governmental activities	1,327,429,456	1,317,947,954	9,481,501
<u>Expenses:</u>			
General Government	100,256,305	84,215,151	16,041,154
Hospital	11,592,721	48,508,000	(36,915,279)
Planning and Development	15,930,136	12,008,807	3,921,329
Public Works	68,867,623	56,021,988	12,845,635
Corrections	1,548,205	1,155,671	392,534
Health Services	77,420,211	76,419,130	1,001,081
Community Services	100,876,117	111,927,109	(11,050,992)
Law Enforcement	178,443,427	166,365,613	12,077,814
Judicial	82,048,061	64,368,235	17,679,826
Other Elected Officials	42,234,424	44,660,232	(2,425,808)
Education	465,821,369	466,384,834	(563,465)
Debt interest and related cost	44,044,766	44,204,881	(160,115)
Total expenses-governmental activities	1,189,083,365	1,176,239,651	12,843,713
Increase (decrease) in net position before transfers	138,346,091	141,708,303	(3,362,212)
Transfers	(20,426,612)	(23,867,871)	3,441,259
Increase (decrease) in net position	117,919,479	117,840,432	79,047
Net position - beginning of year, restated	(411,298,066)	(529,138,498)	117,840,432
Net position - end of year	(293,378,587)	(411,298,066)	117,919,479

Table 2 (continued)
Shelby County Changes in Net Position
Fiscal Years Ended June 30, 2023 and 2022

Business-type activities:	FY 2023	FY 2022	Change
<u>Revenues:</u>			
Operating revenues:			
Charges for services	\$ 82,919,163	\$ 80,387,449	\$ 2,531,714
Operating grants and contributions	1,751,732	1,505,203	246,529
Total operating revenues	<u>84,670,895</u>	<u>81,892,652</u>	<u>2,778,243</u>
Non-operating revenues	<u>910,793</u>	<u>42,801</u>	<u>867,992</u>
Total revenues	<u>85,581,688</u>	<u>81,935,453</u>	<u>3,646,235</u>
<u>Expenses:</u>			
Operating expenses	<u>105,975,978</u>	<u>84,631,554</u>	<u>21,344,424</u>
Total expenses	<u>105,975,978</u>	<u>84,631,554</u>	<u>21,344,424</u>
Increase (decrease) in net position before transfers	(20,394,290)	(2,696,101)	(17,698,189)
Transfers	<u>20,426,612</u>	<u>23,867,871</u>	<u>(3,441,259)</u>
Increase (decrease) in net position	32,322	21,171,770	(21,139,448)
Net position - beginning of year	<u>(13,834,522)</u>	<u>(35,006,292)</u>	<u>21,171,770</u>
Net position - end of year	<u>(13,802,200)</u>	<u>(13,834,522)</u>	<u>32,322</u>
Total primary government:			
Increase (decrease) in net position	117,951,802	139,012,202	(21,060,400)
Net position - beginning of year, restated	<u>(425,132,588)</u>	<u>(564,144,790)</u>	<u>139,012,202</u>
Net position - end of year	<u>\$ (307,180,786)</u>	<u>\$ (425,132,588)</u>	<u>\$ 117,951,802</u>

In business-type activities, operating revenues increased by \$2.8 million or 3.4%. Operating expenses increased by \$21.3 million or 25.2% with the increase driven primarily by pension and other post-employment costs.

CHANGE IN FINANCIAL POSITION DURING YEAR

The overall change in the financial position of Shelby County during the current fiscal year was an increase in net position of \$117.9 million. The County's governmental activities operated with an increase in net position of \$117.9 million. The business-type activities were virtually unchanged. This resulted in the County's overall net position changing from a deficit balance of \$425.1 million to a deficit balance of \$307.2 million.

Financial Analysis of the Government's Funds

As noted earlier, Shelby County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Shelby County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing Shelby County’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. Governmental accounting standards prescribe fund balance categories in a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The categories, in order of the constraints, are non-spendable, restricted, committed, assigned and unassigned. More details on these classifications are presented in the Notes to Financial Statements I (E) under “Net Position and Fund Balance.”

As of the end of the current fiscal year, Shelby County’s governmental funds reported a combined ending fund balance of \$379,733,749. The components of the balances are:

	June 30, 2023	June 30, 2022
General Fund	\$ 114,014,715	\$ 106,767,195
Debt Service Fund	47,845,772	43,731,776
Special Revenue Funds	70,895,850	51,387,848
Education Fund	12,689,542	9,989,518
Grants Fund	21,635,318	15,554,962
Total, Except Capital Projects Fund	267,081,197	227,431,299
Capital Projects Fund	112,652,552	11,609,643
Total all Governmental Funds	<u>\$ 379,733,749</u>	<u>\$ 239,040,942</u>

There was a \$39.6 million net increase in fund balance, excluding capital projects. There was an increase of \$7.2 million in the General Fund; an increase in Debt Service Fund of \$4.1 million; an increase of \$19.5 million in Special Revenue Funds, an increase of \$2.7 million in Education Fund; and \$6.0 million in Grants Funds. There was an increase of \$101.0 million in the Capital Projects Fund. Each of these changes is discussed below.

The *General Fund* is the chief operating fund of Shelby County and operated with a net increase in fund balance of \$7.2 million, compared to an increase of \$5.0 million in the previous year. The General Fund revenue overall increased \$18.6 million from the prior year. Property taxes increased \$10.0 million (3.5%). State revenue increased \$2.1 million (8.1%); and Federal and local revenues decreased \$4.7 million (40.3%). Charges for services, Fines, fees and permits and other revenue decreased in the aggregate by \$1.1 million. Total expenditures in FY 2023 exceeded revenues by \$6.0 million, compared to expenditures over revenues of \$29.2 million in FY 2022. General Fund expenditures were \$16.7 million (3.7%) lower than previous year’s expenditures, and net other financing sources and

uses decreased \$33.0 million. Property tax revenues for FY 2023 increased primarily due to increased collections efforts and continued local growth. The General Fund's unassigned fund balance increased \$81.6 million to \$82.4 million; this amount is available for spending at the government's discretion.

As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund revenue. Unassigned fund balance represents 18.0% of total General Fund revenue. The County's Fund Balance Policy is to maintain an unassigned fund balance in the General Fund between 20% and 30% of General Fund revenue. As the economy continues to recover from the pandemic, the County anticipates that the ratio of unassigned general fund balance to revenue will normalize.

The *Debt Service Fund* total fund balance increased \$4.1 million during the year to \$47.8 million, all of which is restricted or committed for the payment of debt service. Tax revenue decreased \$1.0 million during the year due to a slight decrease in the property tax rate. Debt Service expenditures decreased primarily due to lower interest expense as the County has significantly reduced debt over the last decade.

The fund balance of the *Capital Projects Fund* fluctuates significantly as funds are borrowed or transferred in for capital project purposes and then expended for the projects. This fund balance increased \$101.0 million during the year, from \$11.6 million to \$112.7 million. Expenditures for various capital projects were \$73.2 million; and Other financing sources included \$165.7 million for long term debt and premium issuance.

The *Education Fund* is used to provide local funding to the Shelby County Board of Education and six municipal school districts. A portion of the County property tax is specifically assessed for the schools in addition to 100% of Wheel Tax revenues. There is usually no net change in fund balance and no fund balance in the Education Fund. However, the fund balance on June 30, 2023, was \$12.7 million. This was primarily due to increased property tax collections and 100% of Wheel Tax revenue. The Pre-K fund was established as a dedicated source of funding for early childhood development and classroom environment. While Pre-K is a Special Revenue fund, it is included with the Education Funds and supported primarily by sales tax collections and not considered as part of the maintenance-of-effort obligations.

The *Grants Fund* fund balance increased from \$15.6 million at June 30, 2022 to \$21.6 million at June 30, 2023. Total revenue decreased by \$25.8 million to \$187.4 million. This is primarily contributed to the increased funding from American Rescue Plan Act in FY2022. Total expenditures and transfers out also decreased by \$33.4 million during the year due to additional expenditures related to mitigating the pandemic last year.

The *Nonmajor Governmental Funds* are special revenue funds. All of the special revenue fund balances are used for the specific purposes designated by the provider of the funds or the legislation establishing the fees and charges that generate the revenue. These funds in total had a net increase of \$19.5 million in fund balances during the year. Changes in individual fund balances were increases of \$5.6 million in the Roads and Bridges Fund; \$9.7 million in the Hotel Motel Tax Fund, \$1.2 million Data Processing funds and \$0.3 million increase for Health Services Restricted funds.

Proprietary funds. Shelby County's proprietary funds report financial information on the same basis as the government-wide financial statements (full accrual accounting based on the economic substance of transactions) but in more detail. Proprietary funds consist of two types of funds: business-type activities - enterprise funds and governmental activities - internal service funds.

The County has three business-type activities; these are essentially self-supporting activities. In total these funds had an increase of \$.7 million in net position during the year. Total net position balances at year-end are a deficit of \$10.4 million, of which \$47.8 million is unrestricted off-set by \$24.7 million net investment in capital assets and \$12.6 million in OPEB net assets. The negative unrestricted balances are the result of financial reporting standards that require proprietary funds to record unfunded net pension liabilities.

Corrections Center Fund. The State of Tennessee reimburses the County for a portion of the cost of housing State prisoners at the Corrections Center; State prisoners account for approximately 85% of the prison population. The General Fund provides the remaining cost, excluding depreciation. Expenses continue to exceed revenues, requiring additional support from the General Fund. Total transfers to the Corrections Center Fund from the General Fund were \$20.1 million. The overall deficit net position increased to \$20.5 million. Implementation of GASB 68 *Accounting and Financial Reporting for Pensions* has negatively affected the net position of all of the enterprise funds because of the pension's net liability.

Consolidated Codes Enforcement Fund. Operating revenue increased to \$14.3 million and operating expenses increased to \$13.4 million. The County's General Fund and the City of Memphis contributed \$1.7 million each to support operations. The change in net position was a positive \$4.6 million. The positive net position at June 30, 2023 of \$13.4 million consists of a positive \$3.3 million investment in capital assets; \$1.9 million in OPEB assets and unrestricted balance of 8.1 million.

Fire Services Fund operates primarily on user fees collected from residents and businesses in the unincorporated areas of the County served by the department. In the current year, revenue from fees were \$27.9 million, a decrease over prior year of \$.3 million, and other operating revenue was \$6.2 million, an increase of \$.2 million. Operating expenses increased \$5.5 million over prior year to \$33.9 million for FY2023. Net operating income was \$.2 million. The increase in operating expenses is attributed to salaries. The change in net position for the year was a positive \$.5 million. Total net position changed from a negative \$3.8 million at June 30, 2022 to a negative \$3.3 million at June 30, 2023.

The County has four internal service funds. These funds are reported using full accrual accounting. For the government-wide financial statements, these funds are combined with governmental activities. Internal service funds provide goods or services to other funds or departments on a cost-reimbursement basis. At June 30, 2023, these funds combined had net position of \$31.2 million, a decrease of \$3.4 million. The Group Health Insurance Fund had a decrease of \$2.6 million to a total net position of \$21.2 million. Revenues decreased by \$.8 million and health claims increased \$2.7 million as

compared to the previous year. This increase could be attributed to extraordinary expenses for a limited number of personnel as well as employees re-starting healthcare delayed during the pandemic.

The Employer Insurance Fund had an increase of \$.3 million to a net position of \$4.3 million. The Tort Liability Fund had an increase of \$.1 million to a net position of \$.1 million. The Central Services Fund had a decrease of \$1.3 million to a net position of \$5.7 million.

Fiduciary funds. Shelby County reports five fiduciary funds. The largest is the Shelby County Retirement System. The funds in this trust are available only for retirement benefits of current and retired County employees. The actuarial value of accumulated funds in the Retirement System at June 30, 2023 was 66% of the currently calculated actuarial accrued liability. The County provides funding as required each year for the increased liability for benefits being earned by current employees. At June 30, 2023, the Retirement System had net position held in trust of \$1,395.8 million, an increase of \$105.8 million, due to an increase in the market value of investments driven by strong capital markets.

The Shelby County OPEB Trust was created as of July 1, 2007, to accumulate funds and pay other post-employment benefits to terminated County employees. As of June 30, 2023, the Trust had net position held in trust of \$311.3 million, an increase of \$21.8 million for the year. Net investment gains for the year were \$175.5 million compared to a net loss of \$181.6 million in the prior year. The ratio of current funding to the actuarial liability was 159.52% at the latest actuarial valuation (June 30, 2023), an increase from 133.46% at June 30, 2022 due to strong capital markets.

The County also maintains custodial funds to account for the assets held by a number of the County's Charter Officers and nonmajor governmental funds.

Governmental Fund Budgetary Highlights

Differences between the original budget and the final amended budget and between the final budget and actual results were in part driven by appropriation of American Rescue Plan Act of (ARPA) funds. For the General Fund, these variances can be briefly summarized as follows:

- The total revenue budget increased by \$1.9 million from original to amended, and immaterial change of less than 0.5%.
- The original expenditure budget increased by a net amount of \$22.2 million (4.5%) during the year. The County Commission approved the appropriation of American Rescue Plan Act (ARPA) funds to support one-time nonrecurring general fund expenditures and grants to non-profit organizations.
- Actual revenues were greater than the amended budget by \$23.8 million in total (5.5%), largely due to higher than anticipated property tax revenues of \$6.2 million; \$8.8 million in other local taxes; and \$7.9 million in investment income.

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- Actual total expenditures were \$60.6 million (11.8%) less than the amended budget, primarily attributable to personnel savings resulting from vacancies throughout the county in excess of the budgeted attrition rate for the General Fund.
 - The amended budget included \$16.5 million in planned use of fund balance. The actual results were a fund balance increase of \$7.2 million. This favorable variance is due to spending control measures implemented in the County and funding received as result of the American Rescue Plan Act (ARPA).

Capital Assets and Debt Administration

Capital Assets. Shelby County Government's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounts to \$701.5 million (net of accumulated depreciation). This investment in capital assets includes land, artwork, buildings and system improvements, machinery and equipment, park facilities, roads and other infrastructure. Construction in progress as of the end of the current fiscal year was \$84.3 million. Additional information on Shelby County Government's capital assets can be found in Note IV (D) of the Notes to Financial Statements of this report.

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

- Expenditures of \$29.5 million were made for the continued renovation projects of the Memphis Shelby County Schools;
- Expenditures of \$13.0 million were made towards the Youth Justice Education Center;
- Expenditure of \$6.0 million were made for Voting Machines;
- Expenditures of \$5.5 million were made towards land and mobile radios for the City and County;
- Expenditures of \$5 million were made towards Regional One Medical;
- Expenditures of \$2.3 million were made for the Jail Annex Roof Replacement; and
- Expenditures of \$2.0 million were made towards the Agricenter / Showplace Arena Upgrades.

Long-term debt. At June 30, 2023 Shelby County's general obligation long-term bonded debt (bonds payable) totaled \$909.6 million, which represented approximately 3.6% of assessed value of taxable property. The County's bonds, notes, and loans payable increased by approximately \$52.2 million or 6.0% during the year. Debt, generally, may be issued without regard to any limit on indebtedness. The ad valorem tax levy is also without legal limit.

Annually the County adopts a five-year capital improvement plan. Based on this plan for the current year and capital projects cash flow projections, a notes payable program may be established with a maximum amount of borrowing. Borrowing occurs as needed for up to two years. After completion of each program, the notes payable are converted to bonds payable to be repaid within 25 years.

During FY 2013, as part of a capital lease agreement, the State of Tennessee issued tax-exempt revenue bonds for the construction of a Regional Forensic Center. The County has agreed to provide the State the funds, as they become due, to make principal and interest payments over the next twenty (20) years on \$8.0 million of the bonds, which had a balance of \$3,297,100 at June 30, 2023. In September 2011,

the County and the City of Memphis agreed to provide the funds necessary to pay the principal and interest on \$20.0 million of bonds each that were issued by the Memphis and Shelby County Port Commission for a specific economic development project. In June, 2022, the remaining balance of \$14.2 million of the 2011 Port Commission bonds was refunded and the Economic Development Growth Engine (EDGE) 2022 Revenue Refunding Bonds were issued. The County and the City of Memphis agreed to provide the funds necessary to pay the principal and interest on 14.5 million of bonds that were issued by EDGE. At June 30, 2023, the County’s remaining principal obligation was \$13.5 million. The EDGE debt is reported with bonds and other long-term debt as detailed in Note IV (G) of the financial report.

The County maintains ratings from Moody’s Investors Service (“Moody’s”), Standard & Poor’s Corporation (“Standard & Poor’s”) and Fitch IBCA, Inc. (“Fitch”) on its previously issued general obligation bonds not secured by a letter of credit as follows:

<u>Moody’s</u>	<u>Standard & Poor’s</u>	<u>Fitch IBCA, Inc.</u>
Aa1	AA+	AA+

Moody’s issues ratings from Aaa to C to designate the relative investment qualities of bonds. The Aa rating is the second highest of the rating categories. Modifier 1 indicates that the bonds are in the top range of the Aa category. Moody’s describes its Aa ratings as: “Bonds which are rated Aa are judged to be a high quality by all standards. They are rated lower than the best bond because margins of protection may not be as large as in Aaa or fluctuation of protection elements may be of greater amplitude or there may be other elements present which make the long-term risk appear somewhat larger than Aaa securities.”

Standard & Poor’s and Fitch issue ratings from AAA to D to designate the relative investment qualities of bonds. The AA rating is the second highest of the ten such ratings. Standard & Poor’s and Fitch describe their rating as: “Debt rated AA+ has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree. Plus or minus signs are used to show relative standing within the major rating categories.”

Additional information on Shelby County Government’s long-term debt can be found in Note IV (G) of the Notes to Financial Statements of this report.

Economic Factors and Next Year's Budgets and Rates

Economic Factors. According to the Tennessee Department of Labor, the unemployment rate for Shelby County as of September 30, 2023, was 4.4%, as compared to the state’s rate of 3.4% and the national rate of 3.8%. All of these rates have remained steady during the recent year as the economy rebounded from the COVID-19 pandemic due to assistance from the Federal Government. For the County, the absolute decrease is 0.1% from an unemployment rate of 4.5% in September 2023.

Next Year's Budget and Rates

- For FY 2024 (Tax Year 2023), the Tax Rate has been approved by the Board of County Commission at \$3.39, which remains the same as FY2022.
- The value of a penny generates \$2,313,217 in net collection income in FY 2024 as compared to \$2,360,956 for FY 2023. The Education Fund allocation is \$1.60; the General Fund allocation is \$1.26; and the Debt Service Fund allocation is \$0.53.
- Total FY 2024 General Fund revenue is budgeted to increase \$9.9 million or 2.3% above FY 2023 budgeted revenue due to reallocation of the tax rate.
- Total General Fund expenditures in the FY 2024 adopted budget are \$35.4 million or 6.9% less than the FY 2023 amended budget. As of December, the FY23 budget amendment have added expenditures of \$5.9 million.
- Based on the FY 2024 amended budget, Unassigned General Fund balance is projected to be 19% of revenue, which is slightly outside of the 20-30% range specified by County policy. Debt Service Fund balance is budgeted to be 34.6% of revenue, which exceeds the policy level of 20-30%.
- Shelby County Schools continues to face significant budgetary challenges as the issues of OPEB liability, declining enrollment, and aging capital infrastructure are addressed.

Requests for Information

This financial report is designed to provide a general overview of Shelby County's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrator, Department of Finance, Shelby County Government, 160 North Main Street, Suite 800, Memphis, Tennessee 38103.



Shelby County, Tennessee

Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total	Component Units
Assets:				
Cash and cash equivalents	\$ 362,030,384	\$ 37,511,857	\$ 399,542,241	\$ 169,193,905
Investments	171,851,496	---	171,851,496	220,573,773
Accrued interest receivable	397,144	---	397,144	289,376
Property taxes receivable, net of allowance for uncollectibles	855,952,605	---	855,952,605	---
Accounts receivable and accrued revenues	12,501,581	2,458,364	14,959,945	98,562,442
Internal balances	3,420,685	(3,420,685)	---	---
Due from other governmental entities	36,801,986	9,296,143	46,098,129	226,874,091
Due from primary government	---	---	---	55,880,174
Due from external parties	---	---	---	150,068
Lease receivable - current	---	---	---	814,890
Lease receivable - noncurrent	---	---	---	6,195,023
Inventories	161,526	---	161,526	21,030,524
Prepays	482,149	50,290	532,439	8,211,948
Deposits held by others	239,605	---	239,605	---
Notes receivable	2,198,124	---	2,198,124	19,057,900
Other receivables	---	---	---	7,945,238
Other restricted assets	---	---	---	8,960,757
Net OPEB asset	59,953,898	12,637,102	72,591,000	---
Net pension asset	---	---	---	191,345,714
Lease asset	---	---	---	17,900,383
SBITA asset	---	---	---	15,065,118
Land	58,502,957	5,300	58,508,257	74,350,803
Artwork collection	43,621	---	43,621	---
Construction in progress	79,854,195	1,794,555	81,648,750	7,944,706
Depreciable capital assets, net	531,034,420	22,612,801	553,647,221	1,077,214,257
Intangible right-to-use assets, net	7,207,636	315,237	7,522,873	---
Total assets	<u>2,182,634,012</u>	<u>83,260,964</u>	<u>2,265,894,977</u>	<u>2,227,561,090</u>
Deferred outflows of resources:				
OPEB related deferred outflows	13,977,619	2,946,208	16,923,827	149,550,380
Pension related deferred outflows	156,466,603	32,980,078	189,446,681	200,121,649
Accumulated decrease in fair value of hedging derivative	6,957,397	---	6,957,397	---
Total deferred outflows of resources	<u>177,401,619</u>	<u>35,926,286</u>	<u>213,327,905</u>	<u>349,672,029</u>
Liabilities:				
Accounts payable and accrued liabilities	31,516,852	1,842,404	33,359,256	---
Accrued interest payable	9,031,159	---	9,031,159	---
Due to other governmental entities	6,633,971	3,257	6,637,228	---
Due to component units	23,769,786	---	23,769,786	---
Claim payable	8,406,084	---	8,406,084	193,197,304
Unearned revenue	99,963,628	27,011	99,990,639	7,509,985
Deposits held for others	5,027,669	11,100	5,038,769	1,804,756
Derivative instruments-rate swap	6,957,397	---	6,957,397	19,500
Noncurrent liabilities:				
Due within one year:	137,646,325	4,155,680	141,802,005	9,591,253
Due in more than one year:	---	---	---	18,702,311
Net OPEB liability	---	---	---	768,941,380
Net pension liability	560,119,782	118,062,218	678,182,000	58,210
Other liabilities	894,557,314	1,164,266	895,721,580	81,078,697
Total liabilities	<u>1,783,629,967</u>	<u>125,265,936</u>	<u>1,908,895,904</u>	<u>1,080,903,396</u>
Deferred inflows of resources:				
Next year property tax assessment	833,044,533	---	833,044,533	---
OPEB related deferred inflows	28,947,448	6,101,552	35,049,000	375,162,383
Pension related deferred inflows	7,695,038	1,621,962	9,317,000	39,146,240
Deferred charge on refunding	97,232	---	97,232	---
Leases	---	---	---	6,924,045
Total deferred inflows of resources	<u>869,784,251</u>	<u>7,723,514</u>	<u>877,507,765</u>	<u>421,232,668</u>
Net position:				
Net investment in capital assets	444,727,197	24,727,893	469,455,090	1,111,425,867
Restricted for:				
Debt service	2,606,632	---	2,606,632	---
Capital improvement projects	---	---	---	9,591,954
Roads and bridges	36,242,620	---	36,242,620	---
Law enforcement	7,808,783	---	7,808,783	---
OPEB net asset	59,953,898	12,637,102	72,591,000	---
Pension net asset	---	---	---	191,345,714
Economic and cultural projects	18,315,445	---	18,315,445	---
Computerization	4,308,277	---	4,308,277	---
Other special purposes	21,810,372	---	21,810,372	110,411,726
Unrestricted	(889,151,811)	(51,167,195)	(940,319,006)	(347,678,206)
Total net position	<u>\$ (293,378,587)</u>	<u>\$ (13,802,200)</u>	<u>\$ (307,180,787)</u>	<u>\$ 1,075,097,055</u>

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

Shelby County, Tennessee

**Statement of Activities
For the Year Ended June 30, 2023**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs:				
Primary Government:				
Governmental activities:				
General Government	\$ 100,256,305	\$ 22,448,697	\$ 38,784,723	\$ 178,395
Hospital	11,592,721	347,713	---	---
Planning and Development	15,930,136	319,399	12,448,196	778,160
Public Works	68,867,623	3,843,500	1,099,750	3,171,779
Corrections	1,548,205	---	523,419	---
Health Services	77,420,211	8,761,857	41,028,004	23,388
Community Services	100,876,117	823,893	90,984,656	---
Law Enforcement	178,443,427	6,683,574	782,124	553,902
Judicial	82,048,061	22,594,561	4,914,928	---
Other Elected Officials	42,234,424	47,521,683	5,769,792	---
Education	465,821,369	---	---	---
Interest on debt	44,044,766	---	---	---
Total governmental activities	<u>1,189,083,365</u>	<u>113,344,877</u>	<u>196,335,592</u>	<u>4,705,624</u>
Business-type activities:				
Codes Enforcement	13,431,918	14,314,205	1,751,732	---
Fire Services	34,143,931	34,128,806	---	---
Corrections Center	58,400,129	34,476,152	---	---
Total business-type activities	<u>105,975,978</u>	<u>82,919,163</u>	<u>1,751,732</u>	<u>---</u>
Total primary government	<u>\$ 1,295,059,343</u>	<u>\$ 196,264,040</u>	<u>\$ 198,087,324</u>	<u>\$ 4,705,624</u>
Component units:				
Board of Education	\$ 1,564,384,698	\$ 3,099,331	\$ 1,178,712,211	\$ 26,283,442
Shelby County Health Care Corporation	737,326,287	584,108,227	111,835,000	---
Agricenter International	6,546,972	6,578,973	---	---
Emergency Communications District	11,309,312	15,139,106	---	---
Total component units	<u>\$ 2,319,567,269</u>	<u>\$ 608,925,637</u>	<u>\$ 1,290,547,211</u>	<u>\$ 26,283,442</u>

General revenues:
 Property taxes - levied for education
 Property taxes - levied for debt service
 Property taxes - levied for general government
 Sales taxes
 Business taxes
 Hotel/Motel/Car Rental taxes
 Wheel taxes
 Litigation taxes
 Beverage taxes
 Severance and Privilege Taxes
 Gasoline taxes
 Grants and contributions not restricted for specific programs:
 Payments from Shelby County
 Other local sources
 Unrestricted investment earnings
 Special item
 Transfers, net
 Total revenues and transfers
 Change in net position

Net position - June 30, 2022

Net position - June 30, 2023

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

Net (Expenses) Revenues and
Changes in Net Position

Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (38,844,490)	\$ ---	\$ (38,844,490)	\$ ---
(11,245,008)	---	(11,245,008)	---
(2,384,381)	---	(2,384,381)	---
(60,752,595)	---	(60,752,595)	---
(1,024,786)	---	(1,024,786)	---
(27,606,962)	---	(27,606,962)	---
(9,067,568)	---	(9,067,568)	---
(170,423,826)	---	(170,423,826)	---
(54,538,573)	---	(54,538,573)	---
11,057,051	---	11,057,051	---
(465,821,369)	---	(465,821,369)	---
(44,044,766)	---	(44,044,766)	---
<u>(874,697,273)</u>	<u>---</u>	<u>(874,697,272)</u>	<u>---</u>
---	2,634,019	2,634,019	---
---	(15,125)	(15,125)	---
---	(23,923,977)	(23,923,977)	---
---	<u>(21,305,083)</u>	<u>(21,305,083)</u>	<u>---</u>
<u>(874,697,273)</u>	<u>(21,305,083)</u>	<u>(896,002,355)</u>	<u>---</u>
---	---	---	(356,289,714)
---	---	---	(41,383,060)
---	---	---	32,001
---	---	---	3,829,794
---	---	---	<u>(393,810,979)</u>
400,472,697	---	400,472,697	---
148,101,318	---	148,101,318	---
322,915,399	---	322,915,399	---
19,797,126	---	19,797,126	181,691,277
29,943,174	---	29,943,174	---
24,653,100	---	24,653,100	---
33,523,483	---	33,523,483	---
2,504,432	---	2,504,432	---
2,275,398	---	2,275,398	---
234,585	---	234,585	---
12,504,275	---	12,504,275	---
---	---	---	371,914,382
---	---	---	4,026,794
16,118,376	910,793	17,029,169	14,075,979
---	---	---	(2,562,484)
<u>(20,426,612)</u>	<u>20,426,612</u>	<u>---</u>	<u>---</u>
<u>992,616,751</u>	<u>21,337,405</u>	<u>1,013,954,156</u>	<u>569,145,948</u>
117,919,479	32,322	117,951,802	175,334,969
<u>(411,298,066)</u>	<u>(13,834,522)</u>	<u>(425,132,588)</u>	<u>899,762,086</u>
<u>\$ (293,378,587)</u>	<u>\$ (13,802,200)</u>	<u>\$ (307,180,786)</u>	<u>\$ 1,075,097,055</u>

Shelby County, Tennessee

**Governmental Funds
Balance Sheet
June 30, 2023**

	General Fund	Debt Service Fund	Capital Projects Fund
Assets:			
Cash and cash equivalents	\$ 64,167,104	\$ 19,125,623	\$ 53,605,288
Investments	69,682,207	28,187,730	73,981,559
Accrued interest receivable	396,980	165	---
Property taxes receivable, net of allowance for uncollectibles	328,826,288	131,285,952	---
Accounts receivable and accrued revenues	1,616,546	382,988	---
Due from other funds	---	10,101	---
Due from other governmental entities	6,876,324	---	---
Due from component units	---	---	---
Deposits held by others	39,265	---	---
Notes receivable	---	54,075	---
Total assets	<u>471,604,714</u>	<u>179,046,634</u>	<u>127,586,847</u>
Liabilities:			
Accounts payable and accrued liabilities	14,686,921	361,694	2,712,388
Due to other funds	6,679,471	---	---
Due to other governmental entities	523,639	---	457,007
Due to component units	---	---	8,761,668
Claims payable	1,054,239	---	---
Unearned revenue	50,000	---	---
Deposits held for others	207,748	---	3,003,232
Total liabilities	<u>23,202,018</u>	<u>361,694</u>	<u>14,934,295</u>
Deferred inflows of resources:			
Unavailable revenue	334,387,981	130,839,168	---
Total deferred inflows of resources	<u>334,387,981</u>	<u>130,839,168</u>	<u>---</u>
Fund balances:			
Restricted	237,935	2,606,632	204,300
Committed	21,488,215	45,239,140	112,448,252
Assigned	9,868,795	---	---
Unassigned	82,419,770	---	---
Total fund balances	<u>114,014,715</u>	<u>47,845,772</u>	<u>112,652,552</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 471,604,714</u>	<u>\$ 179,046,634</u>	<u>\$ 127,586,847</u>

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

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 17,248,736	\$ 93,381,069	\$ 70,067,420	\$ 317,595,240
---	---	---	171,851,496
---	---	---	397,145
395,809,112	---	31,253	855,952,605
1,852,776	8,017,642	474,708	12,344,660
2,940,485	---	3,728,885	6,679,471
---	27,018,274	2,147,599	36,042,197
---	---	---	---
---	340	---	39,605
---	2,144,049	---	2,198,124
<u>417,851,109</u>	<u>130,561,374</u>	<u>76,449,865</u>	<u>1,403,100,543</u>
6,550	7,629,986	5,478,588	30,876,127
---	---	---	6,679,471
2,659,342	788,987	31,253	4,460,228
8,189,067	---	---	16,950,735
---	---	---	1,054,239
---	96,539,746	40,470	96,630,216
---	1,816,689	---	5,027,669
<u>10,854,959</u>	<u>106,775,408</u>	<u>5,550,311</u>	<u>161,678,685</u>
394,306,608	2,150,648	3,704	861,688,109
<u>394,306,608</u>	<u>2,150,648</u>	<u>3,704</u>	<u>861,688,109</u>
---	21,635,318	66,407,944	91,092,129
12,689,542	---	4,487,906	196,353,055
---	---	---	9,868,795
---	---	---	82,419,770
<u>12,689,542</u>	<u>21,635,318</u>	<u>70,895,850</u>	<u>379,733,749</u>
\$ <u>417,851,109</u>	\$ <u>130,561,374</u>	\$ <u>76,449,865</u>	\$ <u>1,403,100,543</u>

Shelby County, Tennessee

**Reconciliation of Fund Balances of Governmental
Funds to the Statement of Net Position
June 30, 2023**

Fund balance - total governmental funds (page C-5)		\$ 379,733,749
Amounts reported for the governmental activities in the Statement of Net Position (page C-1) are different because:		
Capital and intangible right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		671,208,370
Receivables not available to pay for current expenditures are reported as deferred inflows of resources in the funds.		28,643,576
Other receivables not available to pay for current expenditures are not recorded in the funds		747,180
Certain types of services paid for in advance and reported as prepaid are reported as expenditures in the funds under the purchases method		308,988
Amounts payable to schools from receivables not available to pay current expenditures, reported as deferred inflows of resources in the funds.		(8,992,794)
Interest on long-term debt is not payable with current financial resources and therefore is not reported in the funds.		(9,031,159)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Bond and loans payable	(926,483,206)	
Lease obligation	(742,380)	
SBITA obligation	(3,523,733)	
Landfill post closure cost	(387,989)	
Claims and judgments	(147,172)	
Compensated absences and accrued sick leave payable	<u>(23,131,325)</u>	
		(954,415,805)
Governmental funds report the effect of premiums, discounts and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Deferred amount on refunding	(97,232)	
Net premium of bond issued	<u>(70,994,038)</u>	
		(71,091,270)
Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be amortized and recognized as components of OPEB expense in future years.		
Deferred outflows-OPEB related	13,933,175	
Deferred inflows- OPEB related	<u>(28,855,405)</u>	
		(14,922,230)
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Deferred outflows-pension related	155,969,093	
Deferred inflows- pension related	<u>(7,670,570)</u>	
		148,298,523
Net OPEB asset is not received with current financial resources and therefore is not reported in the funds.		59,763,264
Net pension liability is not payable with current financial resources and therefore is not reported in the funds.		(558,338,792)
Internal service funds are used by management to charge the costs of central services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. This includes \$2,773,242 related to "look-back" adjustments for internal service funds.		<u>34,709,813</u>
Net position of governmental activities (page C-1)		<u>\$ (293,378,587)</u>

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



Shelby County, Tennessee

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

	General Fund	Debt Service Fund	Capital Projects Fund
Revenues:			
Property taxes	\$ 306,995,858	\$ 135,594,433	\$ ---
Other local taxes	41,388,218	11,598,912	---
State revenue	27,723,256	---	5,866,778
Federal and local revenue	7,019,406	---	---
Charges for services	1,515,450	---	---
Fines, fees and permits	64,235,613	---	---
Other revenue	905,541	20,283	---
Investment income	8,244,341	2,504,250	2,903,977
Total revenues	458,027,683	149,717,878	8,770,755
Expenditures:			
Current			
General Government	54,606,970	---	---
Hospital	29,408,000	---	---
Planning and Development	338,278	---	---
Public Works	24,902,798	---	---
Corrections	77,000	---	5,203
Health Services	35,341,802	---	---
Community Services	14,073,754	---	---
Law Enforcement	182,337,816	---	---
Judicial	70,204,123	---	---
Other Elected Officials	39,848,728	---	213,954
Education	---	---	---
Debt Service			
Principal	877,722	101,060,203	---
Interest	38,023	43,246,998	---
Bond Issuance costs	---	1,296,681	97,797
Capital Outlay	---	---	73,170,696
Total expenditures	452,055,014	145,603,882	73,487,650
Excess (deficiency) of revenues over (under) expenditures	5,972,669	4,113,996	(64,716,895)
Other financing sources (uses):			
Transfers in	31,056,940	---	3,607,822
Transfers out	(32,024,877)	---	(3,578,344)
SBITAs issued	2,200,979	---	---
Long term debt issued	---	---	152,975,000
Premium on bonds issued	---	---	12,755,326
Sale of capital assets	26,000	---	---
Insurance recoveries	15,809	---	---
Total other financing sources (uses)	1,274,851	---	165,759,804
Net change in fund balances	7,247,520	4,113,996	101,042,909
Fund balances:			
June 30, 2022	106,767,195	43,731,776	11,609,643
June 30, 2023	\$ 114,014,715	\$ 47,845,772	\$ 112,652,552

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

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 389,790,069	\$ ---	\$ ---	\$ 832,380,360
49,661,368	---	35,033,106	137,681,604
---	64,777,047	16,083,424	114,450,505
---	121,835,454	809,873	129,664,733
---	103,655	1,184,385	2,803,490
---	149,251	7,704,286	72,089,150
---	384,647	1,592,110	2,902,581
---	150,066	1,595,871	15,398,505
<u>439,451,437</u>	<u>187,400,120</u>	<u>64,003,055</u>	<u>1,307,370,928</u>
---	673,548	24,876,541	80,157,059
---	---	---	29,408,000
---	16,554,098	---	16,892,376
---	5,212,281	15,488,077	45,603,156
---	1,246,676	---	1,328,879
---	42,253,563	4,218,120	81,813,485
---	85,195,410	---	99,269,164
---	1,548,491	2,038,457	185,924,764
---	5,442,817	933,506	76,580,446
---	8,323	207,141	40,278,146
436,299,000	---	---	436,299,000
---	281,117	---	102,219,042
---	3,211	---	43,288,232
---	---	---	1,394,478
---	---	---	73,170,696
<u>436,299,000</u>	<u>158,419,535</u>	<u>47,761,842</u>	<u>1,313,626,923</u>
<u>3,152,437</u>	<u>28,980,585</u>	<u>16,241,213</u>	<u>(6,255,995)</u>
382,187	6,953,895	3,702,065	45,702,909
(834,600)	(29,854,124)	(440,553)	(66,732,498)
---	---	---	2,200,979
---	---	---	152,975,000
---	---	---	12,755,326
---	---	4,131	30,131
---	---	1,146	16,955
<u>(452,413)</u>	<u>(22,900,229)</u>	<u>3,266,789</u>	<u>146,948,802</u>
2,700,024	6,080,356	19,508,002	140,692,807
9,989,518	15,554,962	51,387,848	239,040,942
<u>\$ 12,689,542</u>	<u>\$ 21,635,318</u>	<u>\$ 70,895,850</u>	<u>\$ 379,733,749</u>

Shelby County, Tennessee

**Reconciliation of Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended June 30, 2023**

Net change in fund balance - total governmental funds (page C-8) \$ 140,692,807

Amounts reported for the governmental activities in the Statement of Activities (page C-3) are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and net gains and losses on retirements were more than capital outlays in the current period. See Note II(B) 15,145,807

Revenues in the Statement of Activities that do not provide current financial resources are reported as deferred inflows of resources in the funds. 2,865,462

Revenues in the Statement of Activities from other long-term receivables that do not provide current resources are not reported in the funds until collected. This amount is the current year collections on prior year long-term receivables. 48,148

Expenditures recorded under the purchases method that apply to a future period are reported as prepaid expenses in the Statement of Net Position. The change in prepaid is an adjustment to expenses in the current period. 166,414

Changes in amounts payable to schools from receivables not available in the funds. 951,168

Decrease in interest payable on long-term debt. (797,768)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. See Note II(B)

Principal paid on bond and loan payable	101,060,203	
Net premium (discount) amortization	13,596,923	
GASB 87 leases and GASB 96 SBITA obligations	(1,329,591)	
GASB 87 leases and GASB 96 SBITA principal payments	436,806	
Issuance of long term debts	(152,975,000)	
Premium on bond issued	(12,755,326)	
		(51,965,985)

Change in other long-term liabilities other than internal service funds. See Note II(B) 2,503,421

Governmental funds report current OPEB contributions as expenditures of the current period. In the Statement of Activities OPEB expense includes amortized costs and gains related to actuarial assumptions. 57,201,480

Governmental funds report current pension contributions as expenditures of the current period. In the Statement of Activities pension expense includes amortized costs and gains related to actuarial assumptions. 169,845,565

Change in net OPEB liability or asset. (40,009,442)

Change in net pension liability or asset (175,949,520)

Internal service funds are used by management to charge the costs of central services to individual funds. The net income of certain activities of internal service funds is reported with governmental activities. (2,778,078)

Change in net position of governmental activities (page C-3) \$ 117,919,479

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

**Budgetary Comparison Statement
General Fund
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 300,767,782	\$ 300,767,782	\$ 306,995,858	\$ 6,228,076
Other local taxes	32,618,895	32,618,895	41,388,218	8,769,323
State revenue	24,306,564	25,264,407	27,723,256	2,458,849
Federal and local revenue	5,787,812	5,787,812	7,019,406	1,231,594
Charges for services	2,185,368	2,255,721	1,515,450	(740,271)
Fines, fees and permits	65,604,395	65,673,636	64,235,613	(1,438,023)
Other revenue	640,200	1,437,348	905,541	(531,807)
Investment income	381,650	381,650	8,244,341	7,862,691
Total revenues	432,292,666	434,187,250	458,027,683	23,840,433
Expenditures:				
General Government	36,386,873	51,608,928	54,793,967	(3,185,039)
Hospital	29,408,000	29,408,000	29,408,000	---
Planning and Development	334,409	335,892	338,330	(2,438)
Public Works	31,339,517	31,196,363	24,902,798	6,293,565
Corrections	181,505	181,505	77,000	104,505
Health Services	48,942,882	50,389,428	35,473,431	14,915,997
Community Services	25,352,103	29,022,250	14,073,754	14,948,496
Law Enforcement	194,259,122	192,629,829	182,909,184	9,720,645
Judicial	77,348,756	79,241,696	70,217,833	9,023,863
Other Elected Officials	46,945,539	48,705,555	39,860,717	8,844,838
Total expenditures	490,498,706	512,719,446	452,055,014	60,664,432
Excess (deficiency) of revenues over (under) expenditures	(58,206,040)	(78,532,196)	5,972,669	(84,504,865)
Other financing sources (uses):				
Transfers in	71,355,853	84,797,471	31,056,940	(53,740,531)
Transfers out	(22,284,827)	(22,802,353)	(32,024,877)	(9,222,524)
Sale of capital assets	5,000	5,000	26,000	21,000
Insurance recoveries	---	---	15,809	15,809
Issuance of subscription based information technology agreements	---	---	2,200,979	2,200,979
Planned change in fund balance	9,130,014	16,532,078	---	(16,532,078)
Total other financing sources (uses)	58,206,040	78,532,196	1,274,851	(77,257,345)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 7,247,520	\$ 7,247,520

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

Shelby County, Tennessee

**Budgetary Comparison Statement
Education Fund
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 381,871,237	\$ 381,871,237	\$ 389,790,069	\$ 7,918,832
Other local taxes	50,325,784	50,325,784	49,661,368	(664,416)
Total revenues	<u>432,197,021</u>	<u>432,197,021</u>	<u>439,451,437</u>	<u>7,254,416</u>
Expenditures:				
Arlington Public Schools	15,590,681	15,300,884	15,304,866	(3,982)
Bartlett Public Schools	26,485,785	27,139,837	27,122,482	17,355
Collierville Public Schools	27,511,207	28,635,733	28,655,311	(19,578)
Germantown Public Schools	18,239,687	18,420,897	18,430,380	(9,483)
Lakeland Public Schools	5,421,917	6,197,286	6,183,364	13,922
Millington Public Schools	7,259,130	7,607,702	7,614,698	(6,996)
Shelby County Board Of Education	326,750,593	324,096,662	324,087,899	8,763
Porter-Leath Pre-K	500,000	500,000	500,000	---
Shelby County Schools Education Foundation	8,400,000	8,400,000	8,400,000	---
Total expenditures	<u>436,159,000</u>	<u>436,299,000</u>	<u>436,299,000</u>	<u>---</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,961,979)</u>	<u>(4,101,979)</u>	<u>3,152,437</u>	<u>(7,254,416)</u>
Other financing sources (uses):				
Transfers in	400,000	400,000	382,187	(17,813)
Transfers out	---	(834,600)	(834,600)	---
Planned change in fund balance	3,561,979	4,536,579	---	(4,536,579)
Total other financing sources (uses)	<u>3,961,979</u>	<u>4,101,979</u>	<u>(452,413)</u>	<u>(4,554,392)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 2,700,024</u>	<u>\$ 2,700,024</u>

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

**Budgetary Comparison Statement
Grants Fund
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 95,070,762	\$ 113,479,510	\$ 64,777,047	\$ (48,702,463)
Federal and local revenue	282,225,770	327,188,035	121,835,454	(205,352,581)
Charges for services	1,479,664	1,479,664	103,655	(1,376,009)
Fines, fees and permits	275,639	275,639	149,251	(126,388)
Other revenue	1,193,729	1,797,696	384,647	(1,413,049)
Investment income	96,000	986,000	150,066	(835,934)
Total revenues	380,341,564	445,206,544	187,400,120	(257,806,424)
Expenditures:				
General Government	65,788,241	54,010,725	673,548	53,337,177
Planning and Development	58,410,879	53,270,764	16,554,098	36,716,666
Public Works	11,673,607	16,506,773	5,212,281	11,294,492
Corrections	1,912,851	1,912,851	1,246,676	666,175
Health Services	82,398,489	91,033,506	42,309,972	48,723,534
Community Services	86,874,933	137,791,271	85,423,329	52,367,942
Law Enforcement	2,679,466	4,707,447	1,548,491	3,158,956
Judicial	7,340,896	7,792,166	5,442,817	2,349,349
Other Elected Officials	25,000	25,000	8,323	16,677
Total expenditures	317,104,362	367,050,503	158,419,535	208,630,969
Excess (deficiency) of revenues over (under) expenditures	63,237,202	78,156,041	28,980,585	49,175,455
Other financing sources (uses):				
Transfers in	5,710,967	9,253,637	6,953,895	(2,299,742)
Transfers out	(70,948,782)	(86,281,876)	(29,854,124)	56,427,752
Sale of capital assets	75,000	75,000	---	(75,000)
Planned change in fund balance	1,925,613	(1,202,802)	---	1,202,802
Total other financing sources (uses)	(63,237,202)	(78,156,041)	(22,900,229)	55,255,812
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 6,080,356	\$ 6,080,357

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

**Proprietary Funds
Statement of Net Position
June 30, 2023**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Assets:				
Current assets				
Cash and cash equivalents	\$ 2,000	\$ 37,509,857	\$ 37,511,857	\$ 44,434,905
Accounts receivable and accrued revenues	14,801	2,443,563	2,458,364	156,921
Due from other governmental entities	9,250,360	45,783	9,296,143	12,609
Inventories	---	---	---	161,526
Prepays	49,414	876	50,290	173,161
Total current assets	9,316,575	40,000,079	49,316,654	44,939,122
Noncurrent assets				
Deposits held by others	---	---	---	200,000
Net OPEB assets	5,998,839	6,638,263	12,637,102	190,634
Land	---	5,300	5,300	---
Construction in progress	154,296	1,640,259	1,794,555	---
Depreciable capital assets, net	10,245,309	12,367,492	22,612,801	3,255,463
Intangible right-to-use assets, net	---	315,237	315,237	2,179,235
Total noncurrent assets	16,398,444	20,966,551	37,364,995	5,825,332
Total assets	25,715,019	60,966,630	86,681,649	50,764,454
Deferred outflows of resources:				
OPEB related deferred outflows	1,398,566	1,547,642	2,946,208	44,444
Pension related deferred outflows	15,655,659	17,324,419	32,980,078	497,510
Total deferred outflows of resources	17,054,225	18,872,061	35,926,286	541,954
Liabilities:				
Current liabilities				
Accounts payable and accrued liabilities	755,062	1,087,342	1,842,404	641,173
Due to other governmental entities	---	3,257	3,257	---
Claims payable	---	---	---	9,317,112
Compensated absences payable	2,288,267	1,867,413	4,155,680	43,208
Lease/Subscriptions obligations - current	---	---	---	1,292,125
Unearned revenue	---	27,011	27,011	3,333,412
Deposits held for others	---	11,100	11,100	---
Total current liabilities	3,043,329	2,996,123	6,039,452	14,627,030
Noncurrent liabilities				
Claims payable, long term	---	---	---	2,609,198
Lease/Subscriptions obligations, long term	---	---	---	877,114
Accrued sick leave payable	546,070	618,196	1,164,266	6,437
Net pension liability	56,044,192	62,018,026	118,062,218	1,780,990
Total noncurrent liabilities	56,590,262	62,636,222	119,226,484	5,273,739
Total liabilities	59,633,591	65,632,345	125,265,936	19,900,769
Deferred inflows of resources:				
OPEB related deferred inflows	2,896,410	3,205,142	6,101,552	92,043
Pension related deferred inflows	769,946	852,016	1,621,962	24,468
Total deferred inflows of resources	3,666,356	4,057,158	7,723,514	116,511
Net position:				
Net investment in capital assets	10,399,605	14,328,288	24,727,893	5,434,698
Restricted OPEB assets	5,998,839	6,638,263	12,637,102	190,634
Unrestricted	(36,929,147)	(10,817,363)	(47,746,510)	25,663,796
Total net position	\$ (20,530,703)	\$ 10,149,188	\$ (10,381,515)	\$ 31,289,128
Total net position	\$ (20,530,703)	\$ 10,149,188	\$ (10,381,515)	
Adjustment to reflect the consolidation of internal Service fund activities related to enterprise funds				
	(2,691,454)	(729,231)	(3,420,685)	
Net position of business-type activities on Statement of Net Position (page C-1)	\$ (23,222,157)	\$ 9,419,957	(13,802,200)	

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

Shelby County, Tennessee

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Operating revenues:				
State revenue	\$ 19,692,148	\$ 189,600	\$ 19,881,748	\$ ---
Federal and local revenue	14,192,022	1,471,436	15,663,458	---
Charges for services	557,041	4,843,222	5,400,263	8,740,673
Fines, fees and permits	23,733	41,936,403	41,960,136	---
Other revenue	11,208	2,350	13,558	1,472,442
Premium revenue	---	---	---	44,733,599
Total operating revenue	<u>34,476,152</u>	<u>48,443,011</u>	<u>82,919,163</u>	<u>54,946,714</u>
Operating expenses:				
Salaries	22,325,030	24,299,016	46,624,046	803,044
Other compensation	6,146,477	3,672,960	9,819,437	21,007
Fringe benefits	10,827,336	10,341,200	21,168,536	189,471
Supplies and materials	4,389,764	2,375,398	6,765,162	3,979,524
Services and other expenditures	508,742	438,704	947,446	578,799
Professional and contracted services	7,912,405	713,583	8,625,988	4,325,446
Rent, utilities and maintenance	1,986,404	1,054,174	3,040,578	3,123,749
Interfund services	2,616,584	2,750,433	5,367,017	22,764
Depreciation	1,272,754	1,067,964	2,340,718	420,320
Amortization	---	625,573	625,573	1,281,010
Claims incurred	---	---	---	44,949,948
Total operating expenses	<u>57,985,496</u>	<u>47,339,005</u>	<u>105,324,501</u>	<u>59,695,082</u>
Operating income (loss)	<u>(23,509,344)</u>	<u>1,104,006</u>	<u>(22,405,338)</u>	<u>(4,748,368)</u>
Nonoperating revenues (expenses):				
Intergovernmental	---	1,751,732	1,751,732	---
Investment income	(28,089)	938,882	910,793	772,318
Interest expense	---	(9,625)	(9,625)	(52,447)
Insurance recoveries	---	18,215	18,215	---
Gain (loss) on asset disposal	(12,624)	---	(12,624)	---
Net nonoperating revenues (expenses)	<u>(40,713)</u>	<u>2,699,204</u>	<u>2,658,491</u>	<u>719,871</u>
Transfers:				
Transfers in	20,098,199	1,500,000	21,598,199	971,192
Transfers out	(954,683)	(216,904)	(1,171,587)	(368,216)
Net transfers	<u>19,143,516</u>	<u>1,283,096</u>	<u>20,426,612</u>	<u>602,976</u>
Change in net position	(4,406,541)	5,086,306	679,765	(3,425,521)
Net position:				
June 30, 2022	(16,124,162)	5,062,882	(11,061,280)	34,714,649
June 30, 2023	<u>\$ (20,530,703)</u>	<u>\$ 10,149,188</u>	<u>(10,381,515)</u>	<u>\$ 31,289,128</u>
Change in net position	\$ (4,406,541)	\$ 5,086,306	\$ 679,765	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(402,009)</u>	<u>(245,434)</u>	<u>(647,443)</u>	
Change in net position of business-type activities on Statement of Activities (page C-3)	<u>\$ (4,808,550)</u>	<u>\$ 4,840,872</u>	<u>\$ 32,322</u>	

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

Shelby County, Tennessee

**Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2023**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:				
Receipts from customers	\$ 36,093,514	\$ 48,574,892	\$ 84,668,406	\$ 1,466,412
Receipts for special programs	---	189,600	189,600	---
Receipts from interfund services provided	---	29,656	29,656	8,675,639
Premiums received	---	---	---	44,840,162
Refunds received from suppliers	---	---	---	96,075
Refunds paid to customers	---	(12,771)	(12,771)	---
Cash payments to suppliers	(14,879,806)	(4,754,995)	(19,634,801)	(12,252,593)
Cash payments to employees	(37,259,614)	(37,415,068)	(74,674,682)	(1,122,810)
Claims paid	---	---	---	(45,462,716)
Payments for interfund services used	(2,616,584)	(2,750,433)	(5,367,017)	(22,764)
Net cash provided by (used in) operating activities	<u>(18,662,490)</u>	<u>3,860,881</u>	<u>(14,801,609)</u>	<u>(3,782,595)</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	20,098,199	1,500,000	21,598,199	971,192
Transfers to other funds	(954,683)	(216,904)	(1,171,587)	(368,216)
Payments from City of Memphis	---	1,757,278	1,757,278	---
Net cash provided by (used in) noncapital financing activities	<u>19,143,516</u>	<u>3,040,374</u>	<u>22,183,890</u>	<u>602,976</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(452,942)	(2,288,448)	(2,741,390)	(25,492)
SBITA obligations	---	(625,573)	(625,573)	(1,212,109)
Interest paid	(28,084)	(314,568)	(342,652)	(52,445)
Net cash provided by (used in) capital and related financing activities	<u>(481,026)</u>	<u>(3,228,589)</u>	<u>(3,709,615)</u>	<u>(1,290,046)</u>
Cash flows from investing activities:				
Interest and investment earnings	---	938,882	938,882	772,318
Net cash provided by (used in) investing activities	<u>---</u>	<u>938,882</u>	<u>938,882</u>	<u>772,318</u>
Net increase (decrease) in cash and cash equivalents	---	4,611,548	4,611,548	(3,697,347)
Cash and cash equivalents, June 30, 2022	<u>2,000</u>	<u>32,898,309</u>	<u>32,900,309</u>	<u>48,132,252</u>
Cash and cash equivalents, June 30, 2023	<u>\$ 2,000</u>	<u>\$ 37,509,857</u>	<u>\$ 37,511,857</u>	<u>\$ 44,434,905</u>

(continued)

Shelby County, Tennessee

**Proprietary Funds
Statement of Cash Flows (continued)
For the Year Ended June 30, 2023**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (23,509,344)	\$ 1,104,006	\$ (22,405,338)	\$ (4,748,368)
Adjustments:				
Depreciation/amortization	1,272,754	1,693,537	2,966,291	1,701,330
Changes in assets and liabilities				
Accounts receivable and accrued revenues	(431,325)	172,096	(259,229)	238,653
Due from other governmental entities	2,048,690	164,128	2,212,818	(12,311)
Inventories	---	---	---	8
Prepays	24,044	---	24,044	(46,091)
Deposits held by others	---	2,400	2,400	---
OPEB related deferred outflows	(1,047,539)	(1,144,999)	(2,192,538)	(31,454)
Pension related deferred outflows	(7,581,900)	(8,063,474)	(15,645,374)	(198,729)
Accounts payable and accrued liabilities	(106,536)	(171,284)	(277,820)	(157,712)
Due to other governmental entities	---	(390)	(390)	---
Claims payable	(25,000)	(300,000)	(325,000)	(475,153)
Compensated absences payable	(123,826)	169,198	45,372	1,391
Net OPEB assets	---	3,845,225	3,845,225	147,590
Unearned revenue	3,140,743	230	3,140,973	(94,767)
Net pension liability	21,015,797	21,838,970	42,854,767	484,713
LT - SBITA obligations	---	---	---	(78,897)
OPEB related deferred inflows	(9,277,609)	(4,775,806)	(14,053,415)	(165,442)
Pension related deferred inflows	(4,061,439)	(10,672,956)	(14,734,395)	(347,356)
Total adjustments	<u>4,846,854</u>	<u>2,756,875</u>	<u>7,603,729</u>	<u>965,773</u>
Net cash provided by (used in) operating activities	<u>\$ (18,662,490)</u>	<u>\$ 3,860,881</u>	<u>\$ (14,801,609)</u>	<u>\$ (3,782,595)</u>
Noncash investing capital and financing activities				
Non-cash residual on disposal of assets	\$ (12,624)	\$ ---	\$ ---	\$ ---

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

Shelby County, Tennessee

**Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2023**

	Postemployment Benefits Trust Fund	County Custodial Funds
Assets:		
Cash and cash equivalents	\$ 27,622,518	\$ 134,204,770
Investments		
Domestic Equity	563,876,483	---
International equity	213,273,203	---
Fixed Income	322,359,428	---
Global low-volatility equity	88,469,788	---
Hedge funds	116,254,463	---
Private real-estate and infrastructure	203,986,582	---
Credit opportunities	53,435,906	---
Private equities	117,485,794	---
Certificates of deposit	---	51,642,091
Total investments	1,679,141,647	51,642,091
Accounts receivable and accrued revenues	323,526	3,690,365
Accrued interest and dividends receivable	1,843,639	---
Due from brokers - investment sales	731,475	---
Collateral held in trust for securities on loan	70,814,456	---
Total assets	1,780,477,261	189,537,226
Liabilities:		
Accounts payable	659,554	---
Claims payable	784,096	---
Due to brokers and others	1,016,494	---
Collateral subject to return to borrowers	70,814,456	---
Due to other governmental entities	---	14,732,052
Due to component units	---	32,110,388
Total liabilities	73,274,600	46,842,440
Net position:		
Restricted for:		
Restricted for other postemployment benefits	311,323,959	---
Restricted for pension benefits	1,395,878,702	---
Fund held for individual and others	---	142,694,786
Total Net Position	\$ 1,707,202,661	\$ 142,694,786

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

Shelby County, Tennessee

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
June 30, 2023

	Postemployment Benefits Trust Fund	County Custodial Funds
Additions:		
Contributions		
Employer contributions	\$ 65,774,938	\$ ---
Member contributions	22,783,815	---
Total contributions	88,558,753	---
Investment income		
Net change in fair value of investments	150,021,427	---
Interest income	6,903,146	29,140,232
Dividend income	22,176,889	---
Other income	282,873	---
Total investment income	179,384,335	29,140,232
Less investment management expenses	(3,879,543)	---
Net investment income (loss)	175,504,792	29,140,232
Collections		
Sales tax collections from other governments	---	253,025,319
Fines, fees, and other collections	---	886,088,235
Seizures	---	979,981
Total collections	---	1,140,093,535
Security lending activities		
Securities lending income	150,926	---
Securities lending expenses	(41,423)	---
Net securities lending activities	109,503	---
Net additions	264,173,048	1,169,233,767
Deductions:		
Benefit payments	123,313,297	---
Administrative expenses	1,733,237	---
Refund of member contributions	11,542,004	---
Payments of sales tax collections to other government	---	255,431,655
Payments to individuals and others	---	902,501,515
Total deductions	136,588,538	1,157,933,170
Change in net position	127,584,510	11,300,597
Restricted net position:		
June 30, 2022	1,579,618,151	131,394,189
June 30, 2023	\$ 1,707,202,661	\$ 142,694,786

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

Shelby County, Tennessee

Component Units
Combining Statement of Net Position
June 30, 2023

	Shelby County Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total
Assets:					
Cash and cash equivalents	\$ 126,494,469	\$ 31,265,463	\$ 1,604,845	\$ 9,829,128	\$ 169,193,905
Investments	128,068,015	50,328,950	---	42,176,808	220,573,773
Accrued interest receivable	---	---	18,933	270,443	289,376
Accounts receivable, net and accrued revenues	---	97,579,331	983,111	---	98,562,442
Due from other governmental entities	226,874,091	---	---	---	226,874,091
Due from primary government	55,880,174	---	---	---	55,880,174
Due from external parties	150,068	---	---	---	150,068
Lease Receivable-Current	---	---	814,890	---	814,890
Lease Receivable-Noncurrent	---	---	6,195,023	---	6,195,023
Inventories	10,819,529	10,044,354	166,641	---	21,030,524
Prepaid	---	8,018,792	22,134	171,022	8,211,948
Notes receivable	---	19,057,900	---	---	19,057,900
Net pension asset	191,120,582	---	---	225,132	191,345,714
Other receivables	7,945,238	---	---	---	7,945,238
Other restricted assets	---	8,960,757	---	---	8,960,757
Lease Asset	---	17,900,383	---	---	17,900,383
SBITA Asset	---	15,065,118	---	---	15,065,118
Land	70,037,525	4,313,278	---	---	74,350,803
Construction in progress	---	7,417,081	64,073	463,552	7,944,706
Depreciable capital assets, net	990,668,760	81,520,218	2,660,017	2,365,262	1,077,214,257
Total assets	<u>1,808,058,451</u>	<u>351,471,625</u>	<u>12,529,667</u>	<u>55,501,347</u>	<u>2,227,561,090</u>
Deferred outflows of resources:					
Pension related deferred outflows	199,847,175	---	---	274,474	200,121,649
OPEB related deferred outflows	149,543,296	---	---	7,084	149,550,380
Total deferred outflows of resources	<u>349,390,471</u>	<u>---</u>	<u>---</u>	<u>281,558</u>	<u>349,672,029</u>
Liabilities:					
Accounts payable and accrued liabilities	102,088,812	89,613,963	653,771	840,758	193,197,304
Claims payable	7,509,985	---	---	---	7,509,985
Unearned revenue	1,642,393	---	162,363	---	1,804,756
Deposits held for others	---	---	19,500	---	19,500
Noncurrent liabilities:					
Due within one year:	8,218,253	1,373,000	---	---	9,591,253
Due in more than one year:	14,096,311	4,606,000	---	---	18,702,311
Net OPEB liability	763,638,281	5,249,790	---	53,309	768,941,380
Net pension liability	58,210	---	---	---	58,210
Other liabilities	---	80,681,785	---	396,912	81,078,697
Total liabilities	<u>897,252,245</u>	<u>181,524,538</u>	<u>835,634</u>	<u>1,290,979</u>	<u>1,080,903,396</u>
Deferred inflows of resources:					
Pension related deferred inflows	39,116,662	---	---	29,578	39,146,240
OPEB related deferred inflows	375,123,000	---	---	39,383	375,162,383
Leases	---	---	6,924,045	---	6,924,045
Total deferred inflows of resources	<u>414,239,662</u>	<u>---</u>	<u>6,924,045</u>	<u>68,961</u>	<u>421,232,668</u>
Net position:					
Net investment in capital assets	1,044,947,451	61,322,424	2,724,090	2,431,902	1,111,425,867
Restricted for:					
Capital improvement projects	7,385,475	2,206,479	---	---	9,591,954
Pension asset	191,120,582	---	---	225,132	191,345,714
Special revenue activities	106,575,992	3,835,734	---	---	110,411,726
Unrestricted	(504,072,485)	102,582,450	2,045,898	51,765,931	(347,678,206)
Total net position	<u>\$ 845,957,015</u>	<u>\$ 169,947,087</u>	<u>\$ 4,769,988</u>	<u>\$ 54,422,965</u>	<u>\$ 1,075,097,055</u>

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



	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Board of Education	\$ 1,564,384,698	\$ 3,099,331	\$ 1,178,712,211	\$ 26,283,442
Shelby County Health Care Corporation	737,326,287	584,108,227	111,835,000	---
Agricenter International	6,546,972	6,578,973	---	---
Emergency Communications District	11,309,312	15,139,106	---	---
Total component units	<u>\$ 755,182,571</u>	<u>\$ 608,925,637</u>	<u>\$ 111,835,000</u>	<u>---</u>

General revenues:

- Local option and state sales taxes
- Payments from Shelby County
- Other local sources
- Special Item
- Unrestricted investment earnings
- Total revenues and transfers
- Change in net position

Net position - June 30, 2022, as restated

Net position - June 30, 2023

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

Shelby County, Tennessee

**Combining Statement of Activities
For the Year Ended June 30, 2023**

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Shelby County Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total Component Units
\$ (356,289,714)	\$ ---	\$ ---	\$ ---	\$ (356,289,714)
---	(41,383,060)	---	---	(41,383,060)
---	---	32,001	---	32,001
---	---	---	3,829,794	3,829,794
<u>(356,289,714)</u>	<u>(41,383,060)</u>	<u>32,001</u>	<u>3,829,794</u>	<u>(393,810,979)</u>
181,691,277	---	---	---	181,691,277
334,924,701	36,989,681	---	---	371,914,382
3,776,978	218,234	31,582	---	4,026,794
(2,842,484)	---	280,000	---	(2,562,484)
9,283,793	3,693,737	47,230	1,051,219	14,075,979
<u>526,834,265</u>	<u>40,901,652</u>	<u>358,812</u>	<u>1,051,219</u>	<u>569,145,948</u>
170,544,551	(481,408)	390,813	4,881,013	175,334,969
<u>675,412,464</u>	<u>170,428,495</u>	<u>4,379,175</u>	<u>49,541,952</u>	<u>899,762,086</u>
<u>\$ 845,957,015</u>	<u>\$ 169,947,087</u>	<u>\$ 4,769,988</u>	<u>\$ 54,422,965</u>	<u>\$ 1,075,097,055</u>



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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(A) Reporting Entity**

Shelby County, Tennessee (the County) is governed by an elected mayor and a thirteen member Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units, entities for which the County is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations. The County has no blended component units. Each discretely presented component unit (see notes below for descriptions) is reported in a separate column in government-wide financial statements to emphasize that they are legally separate from the government. Each discretely presented component unit has a June 30 year-end and their separate financial statements are available as indicated below. The significant accounting policies followed by component units are generally the same as those followed by the primary government.

Discretely Presented Component Units:

Shelby County Board of Education (the Board of Education) – The Board of Education is a legally separate organization that includes all the public schools within the Memphis City limits and the unincorporated areas of Shelby County. The Board of Education has a separately elected governing board but is fiscally dependent on the County. The County levies taxes for the Board's operation, approves its operating budget and issues debt for its capital projects. The operations of the Shelby County Board of Education are reported as a governmental component unit. Financial statements for the Board can be obtained from Shelby County Board of Education, 160 South Hollywood, Memphis, Tennessee 38112, (901) 416-5461.

Shelby County Health Care Corporation, d/b/a Regional One Health – Regional One Health (previously The Med) provides both inpatient and outpatient hospital services to residents of Shelby County and the surrounding area. The Regional One Health Board of Directors is appointed by the County Mayor and confirmed by the County Board of Commissioners. The County provides substantial funding. Regional One Health is reported as a proprietary component unit. Financial statements for Regional One Health can be obtained from Shelby County Health Care Corporation, C/O Regional One, 877 Jefferson Avenue, Memphis, Tennessee 38103, (901) 545-7100.

Agricenter International, Inc. (the Agricenter) – Agricenter International is a component unit of the Agricenter Commission. The Agricenter Commission has no separate assets, liabilities, revenues or expenditures; therefore, the summary information provided only relates to Agricenter International. The purpose of the Agricenter is to promote educational and applied research endeavors intended for the improvement of agriculture by the establishment of one convenient location for exhibition, demonstration, research, education and meetings by agribusiness industry, related organizations, and government agencies. The five Agricenter Commission members are appointed by the County Mayor and confirmed by the County Board of Commissioners. There are also two ex-officio voting members. The County and the land provide some funding and buildings used by the Agricenter are property of the County. Agricenter International, Inc. is reported as a proprietary component unit. Financial statements for the Agricenter can be obtained from Agricenter International, Inc., Suite 9, 7777 Walnut Grove Road, Memphis, Tennessee 38120, (901) 757-7777.

Emergency Communications District of Shelby County, Tennessee, d/b/a Shelby County 9-1-1 District (The District) – The District was established in 1984, pursuant to provisions of T.C.A. Title 7, Chapter 86 of the State of Tennessee. The District is responsible for establishing local emergency telephone service and a primary emergency telephone number for the residents of Shelby County. The District is governed by a nine-member board of directors, appointed by the County Mayor and approved by the County Board of Commissioners. The District’s board has the authority to levy an emergency telephone service charge to be used to fund the operation of the District. The District must obtain County Commission approval before the issuance of most debt, and the County Commission has the ability to adjust the District’s service charges. The District is reported as a proprietary component unit. Financial statements for the District can be obtained from Shelby County 9-1-1 District, 3150 Lenox Park #108, Memphis, Tennessee 38115, (901) 380-3900.

Balances with *Component Units* - Balances between the primary government (County) and component units are not eliminated as the component units are discretely presented. The following is a summary of the balances with component units at June 30, 2023:

Shelby County Board of Education	
Due from primary government	<u>\$ 55,880,174</u>
Shelby County, Tennessee	
Due to Component Units:	
Governmental Activities Statement of Net Position	\$ 23,769,786
Statement of Fiduciary Net Position	<u>32,110,388</u>
Total due to Component Units	<u>\$ 55,880,174</u>

(B) Governmental Accounting Standards

The financial statements of the County have been prepared in accordance with *generally accepted accounting principles* (GAAP) followed in the United States of America. In the United States, the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The GASB periodically issues new or revised standards that are implemented by the County.

(C) Government-wide and Fund Financial Statements

The government-wide financial statements - the *Statement of Net Position* and the *Statement of Activities* - report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Similarly, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

(D) Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, long-term debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

In determining availability, the government considers property taxes and in lieu of property tax payments associated with the current fiscal year to be available if they are collected within one month of the end of the current fiscal year. The government considers sales taxes, hotel taxes, car rental taxes, and gasoline taxes to be available if collected within two months of the end of the current fiscal year. Revenues from other taxes; business taxes, wheel tax, litigation tax, beverage taxes, severance tax, income tax, and privilege taxes, are considered available if collected within one month. The government considers grant and reimbursement revenues from other governments associated with grant funds in the current fiscal year to be available if collected within one year of the end of the current fiscal year. Revenues from fines, fees, permits and other imposed non-exchange transactions are considered available if collected within one month. Other revenues are either not measurable until collected or they are not collected soon enough after the current period to pay liabilities of the current period.

As a general, rule the effect of interfund activity has been eliminated from the government-wide financial statements. In consolidating internal activities in the government-wide financial statements, direct expenses are not eliminated from the various functional categories; whereas, indirect expenses are eliminated. The net effect of the interfund services provided by internal service funds is reported as an adjustment to the expenses of the functional categories using those services.

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required or elected to be accounted for in another fund.

The *Debt Service Fund* accounts for the accumulation of resources for and the payment of principal, interest and related costs on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for the acquisition and construction of major capital facilities and equipment.

The *Education Fund* accounts for tax collections allocated for school operations. Taxes are collected and allocated to the Shelby County Board of Education as well as to the other six municipal school districts within the County. Taxes are allocated based on the average daily attendance. The Pre-K Fund was established as a dedicated source of

funding to support early childhood development and classroom environment for Shelby County youth 0-5 years of age. This fund is supported primarily by sales tax collections.

The *Grants Fund* accounts for the receipt and expenditure of federal, state, and local government grants and designated contributions to be used for approved programs.

The *Nonmajor Governmental Funds* are other funds with revenue raised for a specific purpose. The County reports the following funds as Special Revenue Funds:

- Roads and Bridges Fund accounts for the proceeds received from the County's share of State Gasoline taxes and State Gas Inspection taxes. These revenues are used for the maintenance of public roads and bridges in the unincorporated areas of the County.
- Hotel Motel Taxes Fund accounts for the proceeds received from the hotel/motel tax levied by the County on hotel/motel occupancy within the County. Hotel/Motel tax is used first to provide debt service requirements for the Sports Authority on the FedEx Forum and then funding for the Convention and Visitors Bureau as provided in State law.
- Car Rental Tax Fund accounts for the tax proceeds on car rentals levied by the County. The proceeds are used only to help retire debt on bonds issued by the Memphis and Shelby County Sports Authority, Inc. for construction of the FedEx Forum.
- Chickasaw Basin Authority (CBA) accounts for the operating activity of the CBA, which includes revenue from land rental and other activities and operating and program expenditures.
- Tax Increment Financing Fund accounts for the proceeds of statutorily determined portion of the property tax collections to be used for community improvements and economic impact plans for specific projects. The proceeds are paid out to the various agencies in charge of the redevelopment projects. There are currently ten active redevelopment projects in Shelby County: Uptown Memphis, Highland Row, Binghampton, Klondike, and Soulsville managed by the Community Redevelopment Agency (CRA), University District – Highland Strip, Poplar Corridor and Graceland managed by the Economic Development Growth Engine (EDGE), The Shops at Millington Farms managed by the Millington IDB and The Lakeland District managed by the Lakeland IDB.
- Sheriff Forfeitures Fund accounts for the proceeds from seizure and forfeiture of properties related to certain drug cases and property acquired and accumulated as a result of other criminal offenses. These funds are used to support law enforcement efforts, drug investigation enforcement, and certain non-recurring purposes.
- Data Processing Fund accounts for a separate computerization fee charged by the Courts and other elected officials and restricted by State statute. The funds are to be used for the purchase of computer equipment, upgrades, imaging systems, and other related supplies and maintenance to support their data processing needs. Motor Vehicle Registration Supplies Fund (MVR) is a fee enacted by the State of Tennessee for the County Clerk to receive from vehicle registrations as support for computers, printers, printer cart, data processing, supplies and other technical support for vehicle registration offices. County Clerk Title Fee is a fee paid to county clerks for receiving and forwarding each application for certificate of title to the Department of Revenue.
- Health Services Restricted Fees Fund accounts for proceeds received from pollution control permits and fees for specific industries. There are also fees received for vector control services as a component of the fees collected through the City of Memphis' utility services. These proceeds used, respectively, to control pollution and assist in the control of rodents, mosquitoes and other pests throughout the County.
- Storm Water and Sewer Fees Fund accounts for fees collected from unincorporated portions of the County for storm water expenses as specified in the Shelby County Code of Ordinances. There are also fees collected for reconstruction and damage claims related to the Cotton Creek sewer system. This fund also includes solid waste management operations including waste collection services. Solid Waste Management Fund accounts for solid waste collection services provided to the citizens of Northaven Service District and funded by a monthly fee collected from residents by MLGW.

- Economic Development Fund accounts for resources received only for economic development activities supported by the County.
- Restricted Court Fees Fund accounts for separate fees collected in DUI and drug related cases that are restricted by State statute for use in funding offender rehabilitation programs.
- Opioid Settlement Fund accounts for settlements from the State of Tennessee and pharmaceutical distributors to resolve legal claims for their role in the opioid crisis.
- Transit and Mobility Fund accounts for expired pilot (Payment-in-Lieu-of-Taxes) revenue to assist in funding the transit system.
- Retirement System Operations accounts for the administration of the retirement system for active and retired Shelby County Employees including the investment and benefit payments of retirement fund assets, which includes payroll expenditures and its related reimbursement by the Shelby County Trust Fund.

Additionally, the County reports the following fund types:

Proprietary Funds/Enterprise Funds are funds that report an activity for which a fee is charged to external users for goods or services. The County reports the following enterprise funds:

Major funds:

- Corrections Center Fund accounts for the operation of the Shelby County Corrections Center. The center incarcerates individuals serving sentences for both misdemeanors and felonies, with typical sentences between two and three years.

Nonmajor funds:

- Consolidated Codes Enforcement Fund accounts for activities of the Consolidated Codes Enforcement Office and Division of Planning and Development.
- Fire Services Fund accounts for the activities of the Shelby County Fire Department. Fire protection services are provided to the unincorporated areas of the County and to the City of Lakeland. Ambulance services are provided to unincorporated areas of the County, City of Lakeland, City of Millington, and the Town of Arlington.

Proprietary Funds/Internal Service Funds are a separate category of proprietary funds (all are nonmajor). These funds account for fleet services, telecommunications, group health insurance, other employer insurance, and tort liability insurance provided to other departments and agencies of the County, or to other governments on a cost reimbursement basis.

Proprietary funds distinguish *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 enterprise funds and of the government's internal service funds are charges to customers for sales, services, and insurance. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds include the Other Postemployment Benefits (OPEB) Trust and the Shelby County Retirement System. The OPEB Trust accounts for the fund used to accumulate and provide health and life insurance to retirees. The Shelby County Retirement System accounts for the activities of the County's retirement plan, which accumulates resources for pension payments to employees. The fiduciary fund category includes custodial funds. Custodial Funds account for assets held by the County's charter officers and other elected officials in an agent capacity for governments, litigants, heirs and others.

**(E) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources
and Net Position/Fund Balances***Deposits and Investments*

Cash and cash equivalents include cash on hand, demand deposits, savings accounts and short-term investments with maturities of three months or less at the time of purchase. The County pools substantially all of its cash and cash equivalents. Each fund participating owns a pro rata share in the pool. Investment earnings of the pool are allocated monthly to each fund based upon the average balance.

Deposits with the State Treasurer's Local Government Investment Pool (LGIP) that may be withdrawn with a maximum of one day's notice are classified as cash equivalents and are valued at cost. The LGIP is not registered with the SEC as an investment company. However, the LGIP has a policy that it will – and does – operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Rule 2a-7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the State Treasurer to administer the LGIP under the same terms and conditions, including collateral requirements, as required for other funds invested by the Treasurer. The reported value of the pool is the same as the fair value of the pool shares.

State statutes authorize the County to make direct investments in obligations of the U.S. Treasury, obligations issued or guaranteed by any U.S. Government agency, LGIP, bonds of any state or political subdivision, repurchase agreements, prime banker's acceptances and prime commercial paper. The maximum maturity is two years. By policy, investments in commercial paper must be rated A1/P1 by at least two rating services.

Investments of the government and its component units are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note IV (A) for disclosures and more information on the determination of fair values.

The OPEB Trust and the Shelby County Retirement System are authorized to invest in common and preferred stocks, corporate bonds rated B3 or better, commercial paper rated A2/P2 or better, real estate, venture capital investments, co-mingled investment funds, call option writing programs, certificates of deposit, bonds and treasury bills of the U.S. Government, limited partnerships, and international equities. Investment parameters require that no more than 70% of total investments be in stock, no more than 5% in real estate, and no more than 30% in international equities.

Receivables and Payables

Property taxes are recorded as revenues in the fiscal year for which levied. Property taxes based on property values during the current fiscal year but levied for the next fiscal year are recorded as receivables and deferred inflows of resources. Allowances for doubtful accounts are maintained for receivables, which historically experience uncollectible accounts.

Inventories and Prepaid Items

Inventories are valued at cost on a first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and proprietary fund financial statements. In governmental funds, prepaid items are accounted for using the purchases method.

Capital Assets

Capital assets, which include artwork, land, land improvements, buildings, building improvements, intangible right-to-use assets, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure includes roads, bridges, sidewalks, and similar items. Equipment includes software and communications systems. Intangible right-to-use assets include those associated with leases under GASB 87 and subscription based information technology agreements (SBITA) under

GASB 96. The government defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Land is included regardless of cost. Capital assets are recorded at historical cost if purchased or constructed. The County applies GASB Statement No. 83, Certain Asset Retirement Obligations (AROs), which provides accounting and financial reporting guidance for certain asset retirement obligations. As of June 30, 2023, the County does not have any obligations that conform to the definition of AROs. Donated capital assets, donated works of art and similar items are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land improvements, buildings, building improvements, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight-line method.

The following estimated useful lives are used:

<u>Assets</u>	<u>Years</u>
Land Improvement	10-30
Buildings	30-40
Building improvements	10-30
Equipment	3-20
Infrastructure	10-50

Deferred Outflows of Resources

In addition to assets, the *Statement of Net Position* includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so is not recognized as an outflow of resources (expense/expenditure) until then.

Claims and Judgments

Claims and judgments, which can be reasonably estimated and could result in probable material losses to the County, have been given proper recognition under U.S. generally accepted accounting principles. For governmental funds and similar fund types, the liability is recognized within the applicable fund if it is expected to be liquidated with expendable, available financial resources. All other material unpaid claims and judgments are recorded as a liability in the governmental activities of the primary government. In proprietary and similar fund types, probable and measurable loss contingencies are recorded as incurred within the applicable fund.

Landfill Postclosure Care Costs

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions for thirty years after closure of its landfill sites. The amount reported as postclosure care liability at year-end represents the estimated postclosure care costs that have not been paid for the Walnut Grove and Shake Rag Road landfills. The estimate is based on what it would cost to perform all postclosure care as of the year-end. Actual future costs may differ due to inflation, changes in technology, or changes in regulations. The landfills have been closed, and the County has no landfills currently in operation. No County assets are restricted for landfill postclosure costs. However, the County has entered into a surety contract in lieu of a performance bond as a commitment to comply with the terms set forth in its 30 year postclosure maintenance plan for the Shake Rag Road landfill. This surety contract is with the State of Tennessee under the State's cooperative agreement with the Environmental Protection Agency (EPA). There is no surety contract pertaining to the Walnut Grove landfill. This liability will be paid in full by June 30, 2024.

Compensated Absences

County employees are granted sick, annual, and compensatory overtime leave in varying amounts in accordance with administrative policies and union memorandums of understanding. Accumulated vacation days are required to be

used annually, with a maximum accumulation of one and one-half times the amount of leave an employee can earn in a year. In the event of termination or retirement, the employees are paid for accumulated vacation days. Generally, employees are paid for accumulated sick leave, not to exceed the lesser of 75 days or \$5,772, only upon retirement. Compensatory overtime is “banked” and paid out in accordance with the guidelines of the Fair Labor Standards Act. Certain exceptions to this policy occur in accordance with the terms of various union agreements.

All sick, annual, and compensatory pay is accrued when earned in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

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

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

Deferred Inflows of Resources

In addition to liabilities, the *Statement of Net Position* and the *Governmental Funds Balance Sheet* report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and is not recognized as an inflow of resources (revenue) until that time.

Net Position and Fund Balance

Government-wide and proprietary fund net position is classified into three components. “Net investment in capital assets” consists of capital assets net of accumulated depreciation and reduced by outstanding debt used to finance purchase or construction of those assets. “Restricted” net position is noncapital net assets that must be used for a particular purpose as specified by creditors, grantors, or contributors external to the County. “Unrestricted” net position is remaining net assets that do not meet the definition of the other two categories.

In the governmental fund financial statements, fund balance is reported as Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

- Nonspendable fund balance reflects amounts not in spendable form or amounts that legally or contractually must be maintained intact.
- Restricted fund balance reflects amounts subject to external enforceable legal restrictions that are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance reflects amounts whose use is constrained by limitations that the County imposes upon itself by the County Commission through resolution and shall remain binding unless removed in the same manner. The County Commission is the County’s highest level of decision-making authority.
- Assigned fund balance reflects the County’s intended use of resources. It allows decision-making authority to be delegated to some other body or official, such as division directors or department administrators. This authority is delegated by approved County Commission resolution. No formal action is required to remove this authority.

- Unassigned fund balance is the residual net resources. The General Fund is the only fund that can report positive unassigned fund balance. By their nature, the fund balance of other funds is at least assigned to the purpose of that fund. Only negative unassigned fund balances can be reported in other funds.

Use of Net Position and Use of Fund Balance

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

Minimum Fund Balance Policy

The County Board of Commissioners, the County's legislative body, has by resolution adopted a formal fund balance policy. The policy specifies a minimum unassigned fund balance of between 20-30% of revenues for the General Fund and minimum committed fund balance of between 20-30% of revenues for the Debt Service Fund. For all other funds, fund balances will be maintained at a level equal to 30 to 90 days of working capital, depending on the specific nature of the revenues and expenditures for that fund.

Interest Rate Swaps

Shelby County has entered into interest rate swap agreements to modify interest rates on outstanding debt. Amounts received to enter swap agreements are recorded as revenue in the Debt Service Fund. In the government-wide financial statements, such amounts are amortized over the life of the swap agreement. These agreements provide for net interest payments to or from the County, which are also recorded in the Debt Service Fund.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and net position or fund balances. Estimates also affect the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(F) New Accounting Standards Adopted

Effective July 1, 2022, the County implemented accounting and financial reporting requirements of GASB No. 96, Subscription-Based Information Technology Arrangements (SBITA). Under this statement, the County is required to recognize a SBITA liability and an intangible right-to-use SBITA asset. At July 1, 2022, the County recognized a right-to-use asset of \$5,778,720 and a SBITA obligation of \$5,616,225. The effect of the new standard on net position at July 1, 2022 was the difference in the aforementioned right-of-use asset and SBITA obligation of \$162,495.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(A) Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current

period and therefore are not reported in the funds.” Internal service funds include \$(2,615,635) of long-term liabilities and are not part of this reconciling amount.

The details of this \$(954,416,253) are as follows:

Bonds and loans payable	\$ (926,483,206)
Compensated absences	(23,131,325)
Landfill postclosure	(387,989)
Claims and judgments	(147,620)
Subscription based information technology arrangement	(3,523,733)
Lease obligation	<u>(742,380)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	\$ <u><u>(954,416,253)</u></u>

Governmental funds report the effect of premiums, discounts, refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Deferred amount of refunding	\$ (97,232)
Premium on general obligation bonds	<u>(70,994,038)</u>
<i>Total premiums, discounts and deferred items</i>	\$ <u><u>(71,091,270)</u></u>

Another element of that reconciliation states, “amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.” Internal service funds include \$497,510 of deferred outflows of resources and \$(24,468) of deferred inflows of resources and are not part of this reconciling amount.

The details of this \$(148,298,523) are as follows:

Retirement

Deferred outflows of resources:

Current year pension contributions	\$ 54,054,327
Changes in assumptions	3,841,460
Difference between expected and actual experience	17,116,149
Net difference between projected and actual earnings on Plan investments	80,957,157

Deferred inflows of resources:

Difference between expected and actual experience	<u>(7,670,570)</u>
Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	\$ <u><u>148,298,523</u></u>

Yet another element of that reconciliation states that amounts reported as “deferred outflows of resources and deferred inflows of resources related to OPEB” will be amortized and recognized as components of OPEB expense in future years. Internal service funds include \$44,444 of deferred outflows of resources and \$(92,043) of deferred inflows of resources and are not part of this reconciling amount.

The detail of this \$(14,922,230) are as follows:

OPEB

Deferred Outflows of resources OPEB:

Current year OPEB contributions	\$ 12,207
Difference between expected and actual experience	3,046,988
Changes in assumptions	1,240,696
Net Difference between projected and actual earnings on investments of the plan	9,633,284

Deferred inflows of resources:

Difference between expected and actual experience	(21,997,421)
Changes in assumptions	<u>(6,857,984)</u>

Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (14,922,230)</u>
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(B) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between *net change in fund balance – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$15,145,807 difference are as follows:

Capital outlay:	
Capital assets	\$ 51,507,011
Intangible right-to-use assets	2,318,475
Depreciation expense	(36,719,688)
Amortization expense	(1,144,052)
Loss on asset disposals	<u>(815,939)</u>
Net adjustment to increase <i>net change in fund balance – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	<u>\$ 15,145,807</u>

Another element of the reconciliation states, “The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.”

The details of this \$(51,965,985) difference are as follows:

Debt issued or incurred:	
Principal repayments on debt	\$ 101,060,203
Amortization of bond premium and refunding	13,596,923
Principal payment of lease and SBITAs	1,158,140
Issuance of leases and SBITAs	(2,200,979)
Issuance of bonds	(152,975,000)
Premium on bond issued	<u>(12,755,326)</u>
Early termination of lease obligation	<u>150,054</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (51,965,985)</u>

Another element of that reconciliation is “changes in other long-term liabilities other than in internal service funds.

The details of this \$2,503,421 difference are as follows:

Landfill post closure costs	\$ 358,148
Claims and judgements	21,323
Sick and annual leave	<u>2,123,950</u>
Net adjustment to increase net change in fund balance - total governmental funds to arrive at change in net position of governmental activities	<u>\$ 2,503,421</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**(A) Budgetary Information**

The revenues and expenditures accounted for in each of the General Fund, Special Revenue Funds, Debt Service Fund and Enterprise Funds have legally adopted budgets and are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern County operations. The County Board of Commissioners approves and appropriates the budgets for these funds annually.

Expenditures may not exceed appropriations by line item at the department level. The County Mayor is authorized to transfer budgeted amounts between line items of the same category (i.e. revenue, personnel related expenditures or other expenditures) of the same division (group of departments). The County Board of Commissioners must approve any adjustments that increase the total budget, or require transfers between divisions, categories or funds. The reported budgetary data has been revised for amendments authorized during the year.

All funds requiring legally adopted budgets have budgets, which are adopted on a basis consistent with U.S. generally accepted accounting principles. This is also the basis for the budgetary comparison statements. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all Capital Projects Funds.

Encumbrances represent significant commitments related to unperformed purchase orders, contracts, or other commitments for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for future expenditures of funds are recorded in order to reserve that portion of the applicable appropriation - is utilized during the year to facilitate effective budgetary control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

(B) Excess Expenditures over Appropriations

A negative variance appears in the General Fund Budgetary Comparison Statement for the General Government due to salary restrictions. Salary restrictions are planned reductions to budgeted salaries that allow for the savings from vacancies and normal attrition expected to occur throughout the year. These restrictions are partially allocated by department based on historical trends, with the remainder allocated to Central Operations within the division of General Government. As a management tool, the salary restriction adjusts the budget to a more realistic expenditure level to prevent "over budgeting" of salaries and the budget surplus that would otherwise occur. Actual salaries are monitored on a monthly basis to ensure that the restriction is met. Total General Fund salaries were within the total salaries budget net of the salary restriction. In addition to the vacancy savings, appropriations in excess of expenditures were anticipated to be funded through the American Rescue Plan Act (ARPA) funds.

At the end of Fiscal Year 2022, the Education Fund had a positive fund balance. This excess was intended, in part (planned use of fund balance), to be used to fund Fiscal Year 2023 appropriations.

(C) Deficit Net Position

The deficits in enterprise funds are the result of the implementation of GASB 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and GASB 75 *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions* – replacing GASB 45. Without the effect of GASB 68 and GASB 75, the fund balances of the enterprise funds would be as follows:

	Non-major Enterprise Funds		
	Codes Enforcement		Corrections Center
	Fund	Fire Services Fund	Fund
Total net position	\$ 13,436,573	\$ (3,287,385)	\$ (20,530,703)
Net pension liability	18,522,949	43,495,077	56,044,192
Pension related deferred inflows	254,472	597,544	769,946
Pension related deferred outflows	(5,174,291)	(12,150,128)	(15,655,659)
Net OPEB asset	(1,982,653)	(4,655,610)	(5,998,839)
OPEB related deferred inflows	957,281	2,247,861	2,896,410
OPEB related deferred outflows	(462,235)	(1,085,407)	(1,398,566)
	<u>\$ 25,552,096</u>	<u>\$ 25,161,952</u>	<u>\$ 16,126,781</u>

In order to ensure the obligations for Pension and OPEB plans are funded, the County makes contributions to the plans each year that meet or exceed the actuarially determined contribution (ADC). The ADC is the projected amount sufficient to fund the plans and meet future obligations as they come due.

(D) Tax Abatements

Shelby County, Tennessee, is committed to the improvement and growth of the local economy and community, especially in areas in need of blight remediation and quality of life improvements for the citizens. To further this objective, two jointly-governed organizations – Memphis Center City Revenue Finance Corporation (Finance Corporation) and Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (EDGE) – and a related organization – Health, Housing and Education Facilities Board – serve as the conduit organizations for the County to administer the Payment in Lieu of Taxes (PILOT). The County does not take on any commitments or obligations in connection with the PILOT agreements, but it forgoes property tax revenue.

Finance Corporation Tax Abatements

Finance Corporation uses downtown property PILOTs as a financial incentive to encourage commercial property owners to develop properties that would otherwise not be financially viable. Under the authority of Tenn. Code. Ann. § 7-53-102, Finance Corporation granted the property tax abatements according to Tenn. Code. Ann. § 48-101-312. County property tax revenue was reduced by \$10,034,249 under agreements entered into by Finance Corporation for the tax year 2022.

EDGE Tax Abatements

EDGE focuses on developing and fostering public or private partnerships to create jobs, grow the local economy, revitalize neighborhoods, attract investments, spark innovation, and encourage entrepreneurship. EDGE uses PILOT programs as an incentive for the applicant to contract with minority and locally owned firms and small businesses. EDGE also offers several PILOT programs designed for firms looking to expand or to relocate to Memphis and Shelby County. Under the authority of Tenn. Code. Ann. § 7-53-101, EDGE grants property tax abatements according to

Tenn. Code. Ann. § 48-101-312. The property tax revenue was reduced by \$18,365,678 under the agreements entered into by EDGE for the tax year 2022.

Health, Housing and Education Facilities Board Tax Abatements

Under the authority of Tenn., Code. Ann. § 48-101-301, Health, Housing and Education Facilities Board is to (A) assist hospital institutions in providing facilities and structures with respect to the development and maintenance of the public health and thereby to provide the people of the County with access to adequate medical care and hospital facilities whether for-profit or not-for-profit, for the improvement and maintenance of their welfare, prosperity, health and living conditions; (B) assist educational institutions in providing facilities and structures with respect to the development and maintenance of public and private education (including education for physically or mentally challenged individuals) and thereby providing the people of the County with access to adequate educational facilities for the improvement and maintenance of their welfare, prosperity, health and living conditions; and (C) finance safe and sanitary public or private multi-family housing projects to be used by low-income and/or moderate-income persons, and/or elderly or handicapped persons in order to increase the commerce, welfare and prosperity and the improvement and maintenance of the health and living conditions of the people of the County. Health, Housing and Education Facilities Board has no current PILOT program. Applicants for bond financing who wish to obtain a PILOT must first seek and obtain approval of any PILOT from the County Mayor and the Shelby County Board of Commissioners. Alternatively, Applicants seeking a PILOT for a tax-credit housing project which has received an allocation of low-income housing tax credits shall obtain a letter of approval from the County Mayor in accordance with Tenn. Code. Ann. § 48-101312(b). The property tax was reduced by \$7,626,448 for the tax year 2022.

Tax Abatement Agreements Entered into by Industrial Development Board of Various Municipal Governments

The Municipal Industrial Development Boards are authorized by Tenn. Code. Ann. §7-53-305 and ordinances of the metropolitan government.

Industrial Development Board of various municipality	Amount of Property Tax Abated for the Tax Year 2022
Industrial Development Board of Arlington	\$ 136,341
Industrial Development Board of Bartlett	179,212
Industrial Development Board of Collierville	1,917,808
Industrial Development Board of Germantown	633,104
Industrial Development Board of Millington	233,566
Total	<u>\$ 3,100,031</u>

IV. DETAILED NOTES ON ALL FUNDS

(A) Deposits and Investments

Shelby County Government, except for the Retirement System and OPEB Trust:

The County, including custodial funds but excluding the Retirement System and the OPEB Trust, had the following investments at June 30, 2023; of the total investments per financial reports, \$171,851,496 is reported on the Statement of Net Position, and \$51,642,091 is reported for Custodial Funds in the Fiduciary Statement of Net Position.

Not included in the investment amounts are the funds on deposit with the State Treasurer's Local Government Investment Pool (LGIP) and short-term commercial paper with an original maturity of less than ninety days. The County's pro rata share of LGIP and short-term commercial paper as of June 30, 2023, was \$181,015,039 and \$110,302,428, respectively, which is included in the cash and cash equivalents on the Statement of Net Position. All other investments are stated at fair value as disclosed in Note I (E) above.

Fair value:

Generally accepted accounting principles establish a framework for measuring fair value, which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described below:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 – Inputs to the valuation methodology include
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
 - If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

For the County, level 1 securities are valued using prices quoted in active markets for those securities. Level 2 securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 securities are valued using unobservable inputs (i.e., extrapolated data, proprietary models, indicative quotes, and estimated net asset value) as provided by the investment manager of the investee company.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the County believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

At June 30, 2023, the County had the following fair value measurements:

	Level 1	Level 2	Level 3	Total
CDARS	\$ 37,860,988	\$ ---	\$ ---	\$ 37,860,988
CDs	171,098,364	---	---	171,098,364
Treasury Securities	14,534,235	---	---	14,534,235
Total investments at fair value	\$ 223,493,587	\$ ---	\$ ---	\$ 223,493,587

Custodial credit risk. Bank deposits and certificates of deposit of the County, consistent with State statutes, are covered by federal depository insurance (FDIC) or are collateralized by a multiple financial institution collateral pool administered by the Treasurer of the State of Tennessee. On limited occasions the County may have deposits with financial institutions that do not participate in the State collateral pool; in these instances, separate collateral equal to at least 105% of the uninsured deposit is collateralized and held in the County’s name by a third party. These provisions covered all County deposits at year-end.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Both State statutes and the County’s investment policy limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments mature in two years or less.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Both State statutes and the County’s investment policy limit permissible investments or impose collateral and custody provisions as specified above or in Note I (E) to significantly limit credit risk. By policy, investments in commercial paper must be rated A1/P1 by at least two rating services. Although the LGIP itself is unrated, its types of investments and maturities provide a similar level of credit risk.

The County Trustee handles Shelby County Board of Education’s investments. Those investments are not included above but are reported in the component units’ figures within this report and are disclosed in the separately issued financial report of the Shelby County Board of Education.

Shelby County Retirement System (Fiduciary Fund):

At June 30, 2023, the Shelby County Retirement System (SCRS) had deposits of \$19,710,813 that were not insured and were uncollateralized. At June 30, 2023, the Retirement System reported the following investments with carrying amounts as shown:

Domestic equity	\$ 464,055,889
International equity	177,030,757
Global low - volatility equity	72,382,673
Fixed income	263,367,642
Hedge funds	98,738,748
Private equity	92,850,293
Real assets	160,291,092
Credit opportunities	44,542,789
Total investments	\$ 1,373,259,883

The fair values of fixed income investments grouped by maturity at June 30, 2023, and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Current to one year	\$ 2,583,181	\$ 1,866,248
One to two years	5,933,203	2,605,939
Two to three years	7,973,536	3,847,582
Three to four years	3,308,885	8,119,035
Four to five years	7,768,459	3,975,078
Five years or more	<u>235,800,378</u>	<u>213,735,519</u>
Total	<u>\$ 263,367,642</u>	<u>\$ 234,149,401</u>

At June 30, 2023, the investments of the Retirement System within the fair value hierarchy were as follows:

	Level 1	Level 2	Level 3	Total
Equity securities				
Consumer discretionary	\$ 33,543,825	\$ ---	\$ ---	\$ 33,543,825
Consumer staples	8,857,415	---	---	8,857,415
Energy	4,916,391	---	---	4,916,391
Financials	34,911,606	---	---	34,911,606
Health care	32,333,265	---	---	32,333,265
Industrial	63,434,224	---	---	63,434,224
Information technology	41,615,026	---	---	41,615,026
Materials	10,748,176	---	---	10,748,176
Real estate	5,463,010	---	---	5,463,010
Telecommunication services	12,312,571	---	---	12,312,571
Utilities	2,677,726	---	---	2,677,726
Miscellaneous	233,946,258	156,260,062	67,091	390,273,411
Total equity securities	<u>484,759,493</u>	<u>156,260,062</u>	<u>67,091</u>	<u>641,086,646</u>
Fixed Income				
Asset backed securities	---	7,735,108	---	7,735,108
Commercial mortgage-backed securities	---	6,116,867	---	6,116,867
Corporate bonds	4,131,686	99,755,806	---	103,887,492
Government agencies	---	7,175,183	---	7,175,183
Government bonds	---	20,351,985	---	20,351,985
Government mortgage-backed securities	---	24,034,977	---	24,034,977
Gov't issued commercial mortgage-backed	---	4,233,300	---	4,233,300
Municipal/provincial bonds	---	2,756,748	---	2,756,748
Non-government back C.M.O.s	---	407,009	---	407,009
Other fixed income	---	53,900,453	32,768,520	86,668,973
Total fixed income	<u>4,131,686</u>	<u>226,467,436</u>	<u>32,768,520</u>	<u>263,367,642</u>
Global low-volatility equity	---	72,382,673	---	72,382,673
Hedge fund	---	---	98,738,748	98,738,748
Private Equity	---	---	92,850,293	92,850,293
Real assets	98,149,774	25,123,931	37,017,387	160,291,092
Credit Opportunities	---	---	44,542,789	44,542,789
Total investments measured at fair value	<u>\$587,040,953</u>	<u>\$480,234,102</u>	<u>\$305,984,828</u>	<u>\$1,373,259,883</u>

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment. SCRS exposure to foreign currency risk in U.S. Dollars as of June 30, 2023 is as follows:

Currency	Equities	Other Fixed Income	Real Assets	Private Equity	Hedge Funds	Credit Opportunities	Total
Australian dollar	\$ ---	\$ ---	\$ ---	\$10,094,922	\$ ---	\$ ---	\$ 10,094,922
British sterling pound	8,195,188	---	---	---	---	---	8,195,188
Canadian dollar	2,218,300	---	3,393,756	---	---	---	5,612,056
Danish krone	1,450,061	---	---	---	---	---	1,450,061
Euro	22,230,306	---	---	1,202,153	---	---	23,432,459
Hong Kong dollar	1,478,212	---	---	---	---	---	1,478,212
Japanese yen	11,349,980	---	---	---	---	---	11,349,980
New Israeli shekel	941,374	---	---	---	---	---	941,374
Singapore dollar	852,622	---	---	---	---	---	852,622
Swedish Krona	1,858,903	---	---	---	---	---	1,858,903
Swiss franc	2,980,991	---	---	---	---	---	2,980,991
Total securities subject to foreign currency risk	53,555,937	---	3,393,756	11,297,075	---	---	68,246,768
International portfolio in U.S. dollars	123,474,820	5,014,507	39,507,344	8,664,242	26,947,150	8,057,891	211,665,954
Total international securities	<u>\$ 177,030,757</u>	<u>\$ 5,014,507</u>	<u>\$42,901,100</u>	<u>\$ 19,961,317</u>	<u>\$26,947,150</u>	<u>\$ 8,057,891</u>	<u>\$ 279,912,722</u>

At June 30, 2023, SCRS has capital commitments totaling approximately \$392.8 million to forty-two investment fund managers. As of June 30, 2023, approximately \$130.6 million is unfunded.

Securities Lending Transactions

SCRS has authorized its custodial agent to enter into, on behalf of SCRS, securities lending transactions comprised of loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Securities are loaned versus collateral that may include cash, U.S. government securities, and irrevocable letters of credit. The SCRS does not have the ability to pledge or sell non-cash collateral unless the borrower defaults. Borrowers were required to deliver collateral for each loan in amounts equal to not less than 102% of the market value of loaned domestic securities and 105% of the market value of loaned foreign securities.

The SCRS imposed a restriction of \$151,501,302, on the amount of securities lent by the custodial agent for 2023 and 2022 on SCRS's behalf. There was no violation of legal or contractual provisions, and there was no borrower or lending agent default losses during 2023 and 2022. The contract with the custodial agent requires indemnification only in cases of custodial negligence.

All securities loans can be terminated on demand by either the lender or the borrower. The average term of SCRS's loans was approximately 73 and 86 days as of June 30, 2023 and 2022, respectively. Cash collateral is invested in a short term invested pool.

At June 30, 2023 and 2022, SCRS had no credit risk exposure to borrowers as amounts owed to the borrowers equaled amounts the borrowers owed SCRS.

The fair value of investment securities loaned for collateral and held by broker-dealers at June 30, 2023 and 2022 are summarized as follows:

	<u>2023</u>	<u>2022</u>
Domestic equity	\$47,512,581	\$38,504,566
Fixed income	<u>20,888,482</u>	<u>19,472,008</u>
	<u>\$68,401,063</u>	<u>\$57,976,574</u>

The above information was taken from the publicly available financial report of the Retirement System for the year ended June 30, 2023. The report includes more information on the credit quality of investments in fixed income debt securities and the investments with foreign currency risk. The report may be obtained from the Shelby County Retirement System, Suite 701, 160 N. Main Street, Memphis, Tennessee 38103.

Shelby County OPEB Trust (Fiduciary Fund):

At June 30, 2023, the OPEB Trust had \$5,886,821 in deposits that were uninsured and uncollateralized. At June 30, 2023, the OPEB Trust reported the following investments with carrying amounts as shown:

Domestic equity	\$ 99,820,594
International equity	36,242,446
Fixed income	58,991,786
Global low-volatility equity	16,087,115
Real assets	43,695,490
Hedge funds	17,515,715
Credit opportunities	8,893,117
Private equity	<u>24,635,501</u>
Total investments	<u>\$ 305,881,764</u>

The following table set forth by level, within the fair value hierarchy, the Trust's assets at fair value as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Equities				
Communication services	\$ 2,375,391	\$ ---	\$ ---	\$ 2,375,391
Consumer discretionary	5,264,276	---	---	5,264,276
Consumer staples	1,379,981	---	---	1,379,981
Energy	560,372	---	---	560,372
Financials	6,153,911	---	---	6,153,911
Health care	4,337,142	---	---	4,337,142
Industrial	10,209,549	---	---	10,209,549
Information technology	5,364,570	---	---	5,364,570
Materials	1,672,823	---	---	1,672,823
Real estate	770,289	---	---	770,289
Utilities	575,794	---	---	575,794
Miscellaneous	65,823,773	47,662,284	---	113,486,057
Total equities	<u>104,487,871</u>	<u>47,662,284</u>	<u>---</u>	<u>152,150,155</u>
Fixed income				
Corporate bond	470,278	7,720,291	---	8,190,569
Funds - other fixed income	---	45,173,023	5,628,194	50,801,217
Total investment funds	<u>470,278</u>	<u>52,893,314</u>	<u>5,628,194</u>	<u>58,991,786</u>
Alternative investments				
Credit opportunities	---	---	8,893,117	8,893,117
Hedge fund	---	---	17,515,715	17,515,715
Private equity	---	---	24,635,501	24,635,501
Real assets	29,681,709	8,249,935	5,763,846	43,695,490
Total investments measured at fair value	<u>\$ 134,639,858</u>	<u>\$ 108,805,533</u>	<u>\$ 62,436,373</u>	<u>\$ 305,881,764</u>

OPEB Trust exposure to foreign currency risk in U.S. Dollars as of June 30, 2023 is as follows:

Currency	Equities	Cash	Private Equity	Fixed Income	Real Assets	Structured Credit Opportunities	Total
Australian dollar	\$ ---	\$ ---	\$ 2,292,630	\$ ---	\$ ---	\$ ---	\$ 2,292,630
British pound sterling	1,753,388	---	---	---	---	---	1,753,388
Canadian dollar	1,055,918	23,360	314,568	---	---	---	1,393,846
Danish krone	310,807	13,230	---	---	---	---	324,037
Euro	4,787,839	41,077	156,299	---	---	---	4,985,215
Hong Kong dollar	317,220	---	---	---	---	---	317,220
Japanese yen	2,427,189	---	---	---	---	---	2,427,189
New Israeli shekel	201,437	---	---	---	---	---	201,437
Singapore dollar	181,840	---	---	---	---	---	181,840
Swedish krona	397,769	---	---	---	---	---	397,769
Swiss franc	637,731	---	---	---	---	---	637,731
Total securities subject to foreign currency risk	12,071,138	77,667	2,763,497	---	---	---	14,912,302
International portfolio in U.S. dollars	27,244,290	---	2,273,136	470,278	10,816,495	1,475,178	42,279,377
Total international securities	<u>\$39,315,428</u>	<u>\$ 77,667</u>	<u>\$ 5,036,633</u>	<u>\$ 470,278</u>	<u>\$ 10,816,495</u>	<u>\$ 1,475,178</u>	<u>\$ 57,191,679</u>

At June 30, 2023, OPEB has capital commitments totaling approximately \$50 million to nineteen investment fund managers. As of June 30, 2023, approximately \$22 million is unfunded.

Securities Lending Transactions

The OPEB Trust has authorized its custodial agent to enter into, on behalf of the OPEB Trust, securities lending transactions comprised of loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Securities are loaned versus collateral that may include cash, U.S. government securities, and irrevocable letters of credit. The OPEB Trust does not have the ability to pledge or sell non-cash collateral unless the borrower defaults. Borrowers were required to deliver collateral for each loan in amounts equal to not less than 102% of the market value of loaned domestic securities and 105% of the market value of loaned foreign securities.

The OPEB Trust did not impose a limitation on the amount of securities lent by the custodial agent for 2023 on behalf of the OPEB Trust. There was no violation of legal or contractual provisions, and there was no borrower or lending agent default losses during 2023. The contract with the custodial agent requires indemnification only in cases of custodial negligence.

All securities loans can be terminated on demand by either the lender or the borrower, although the average term of Trustee of the Shelby County OPEB Trust loans was approximately 73 days as of June 30, 2023.

At June 30, 2023, the OPEB Trust had no credit risk exposure to borrowers as amounts owed to the borrowers equaled amounts the borrowers owed The OPEB Trust.

The fair value of investment securities loaned for collateral and held by broker-dealers at June 30, 2023 are summarized as follows:

	<u>2023</u>
Domestic equity	<u>\$ 1,272,842</u>

The above information was taken from the publicly available financial report of the OPEB Trust for the year ended June 30, 2023. The report includes information on the credit quality of investments in fixed income debt securities and the investments with foreign currency risk. The report may be obtained from the Shelby County Finance System, Suite 801, 160 N Main Street, Memphis, Tennessee 38103.

(B) Property Taxes Receivable

Property taxes attach an enforceable lien on property on January 1 of each year. The levy is made July 1. The various types of property are assessed at a percentage of market value as follows:

Farm and residential real property	25%
Commercial/industrial real property	40%
Commercial/industrial tangible personal property	30%
Commercial/industrial intangible personal property	40%
Public utilities real/personal property	55%

The assessed value on which the fiscal 2023 tax bills were based was \$25,419,634,427. The estimated market value was \$85,574,186,733, making the overall assessed value 29.70% of the estimated market value. Taxes are due October 1 and delinquent March 1 of the following year. Current tax collections for the year were 97.41% of the original tax levy and 97.49% of the adjusted tax levy. The property tax levy has no legal limit. The rate, as permitted by Tennessee state law and County charter, is set annually on or after July 1 by the County Board of Commissioners and collected by the County Trustee.

The County allocated the property tax per \$100 of the assessed value as follows:

General Fund	\$ 1.25
Debt Service Funds	.55
Education Fund	<u>1.59</u>
Countywide tax rate	<u>\$ 3.39</u>

Property taxes receivable as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Education Fund	Tax Increment Financing Fund	Total
Property taxes receivable	\$ 345,703,378	\$ 138,368,174	\$ 416,745,764	\$ 31,253	\$ 900,848,569
Less allowance for uncollectibles	<u>(16,877,090)</u>	<u>(7,082,222)</u>	<u>(20,936,652)</u>	---	<u>(44,895,964)</u>
	<u>\$ 328,826,288</u>	<u>\$ 131,285,952</u>	<u>\$ 395,809,112</u>	<u>\$ 31,253</u>	<u>\$ 855,952,605</u>

Note IV (F) includes detail of deferred inflows of resources relating to property taxes.

(C) Notes Receivable

Notes receivable consist of the following:

	<u>Amount</u>	<u>Collateral</u>
<i>Debt Service Fund</i>		
Mortgage loans receivable due in various monthly installments at interest rates ranging from 3.125% to 7.325% through 2046	<u>\$ 54,075</u>	Land & Building
<i>Grants Fund</i>		
Mortgage loans receivable due in various installments at 0% to 5% interest through 2037	<u>\$ 2,144,049</u>	Land & Building

Note IV (F) includes details of deferred inflows of resources relating to notes receivable.

(D) Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2023, is detailed below:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Governmental activities:</i>					
Capital assets not being depreciated/amortized:					
Land	\$ 58,502,957	\$ ---	\$ ---	\$ ---	\$ 58,502,957
Artwork collection	43,621	---	---	---	43,621
Construction in progress	52,970,805	30,361,323	---	(3,477,933)	79,854,195
Total not being depreciated	<u>111,517,383</u>	<u>30,361,323</u>	<u>---</u>	<u>(3,477,933)</u>	<u>138,400,773</u>
Capital assets being depreciated/amortized:					
Land improvements	27,435,584	806,034	---	---	28,241,618
Buildings	398,084,982	4,913,410	---	3,477,933	406,476,325
Equipment	154,023,809	13,937,390	(4,273,651)	43,013	163,730,561
Infrastructure	616,773,904	1,475,136	---	---	618,249,040
Intangible right-to-use assets - Buildings	1,756,053	---	(150,628)	---	1,605,425
Intangible right-to-use assets - Land	199,136	---	(199,136)	---	---
Intangible right-to-use assets - Software	2,688,787	5,778,720	---	---	8,467,507
Total being depreciated	<u>1,200,962,255</u>	<u>26,910,690</u>	<u>(4,623,415)</u>	<u>3,520,946</u>	<u>1,226,770,476</u>
Less accumulated depreciation/amortization:					
Land improvements	12,758,313	749,772	---	---	13,508,085
Buildings	210,914,688	13,355,964	---	---	224,270,652
Equipment	101,684,768	8,515,051	(3,607,063)	---	106,592,756
Infrastructure	326,768,368	14,523,263	---	---	341,291,631
Intangible right-to-use assets - Buildings	590,861	440,233	(150,628)	---	880,466
Intangible right-to-use assets - Land	49,785	---	(49,785)	---	---
Intangible right-to-use assets - Software	---	1,984,830	---	---	1,984,830
Total accumulated depreciation	<u>652,766,783</u>	<u>39,569,113</u>	<u>(3,807,476)</u>	<u>---</u>	<u>688,528,420</u>
Total capital assets being depreciated/amortized, net	<u>548,195,472</u>	<u>(12,658,423)</u>	<u>(815,939)</u>	<u>3,520,946</u>	<u>538,242,056</u>
Governmental activities capital assets, net	<u>\$ 659,712,855</u>	<u>\$ 17,702,900</u>	<u>\$ (815,939)</u>	<u>\$ 43,013</u>	<u>\$ 676,642,829</u>

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Business-type activities:</i>					
Capital assets not being depreciated:					
Land	\$ 5,300	\$ ---	\$ ---	\$ ---	\$ 5,300
Construction in progress	1,429,753	379,653	(14,851)	---	1,794,554
Total not being depreciated	<u>1,435,053</u>	<u>379,653</u>	<u>(14,851)</u>	<u>---</u>	<u>1,799,854</u>
Capital assets being depreciated:					
Land improvements	159,334	---	---	---	159,334
Buildings	51,098,064	70,776	---	---	51,168,840
Equipment	19,085,064	2,368,047	(284,295)	(43,013)	21,125,803
Intangible right-to-use assets - Buildings	200,352	---	---	---	200,352
Intangible right-to-use assets - Software	---	840,634	---	---	840,634
Total being depreciated	<u>70,542,814</u>	<u>3,279,457</u>	<u>(284,295)</u>	<u>(43,013)</u>	<u>73,494,963</u>
Less accumulated depreciation:					
Land improvements	115,651	15,574	---	---	131,225
Buildings	39,041,221	1,231,332	(2,228)	---	40,270,325
Equipment	8,596,276	1,108,426	(265,076)	---	9,439,626
Intangible right-to-use assets - Buildings	100,176	100,176	---	---	200,352
Intangible right-to-use assets - Software	---	525,397	---	---	525,397
Total accumulated depreciation	<u>47,853,324</u>	<u>2,980,905</u>	<u>(267,304)</u>	<u>---</u>	<u>50,566,925</u>
Total capital assets being depreciated, net	<u>22,689,490</u>	<u>298,552</u>	<u>(16,991)</u>	<u>(43,013)</u>	<u>22,928,038</u>
Business-type activities capital assets, net	<u>\$ 24,124,543</u>	<u>\$ 678,205</u>	<u>\$ (31,844)</u>	<u>\$ (43,013)</u>	<u>\$ 24,727,893</u>

Depreciable land improvements consist of renovations to public parklands and parking lots.

A summary of governmental capital assets, net and depreciation expense by function follows:

	Capital Assets Net	Depreciation Expense
	<u> </u>	<u> </u>
Depreciable assets:		
General Government	\$ 50,736,298	\$ 4,917,040
Planning and Development	712,161	12,890
Public Works	352,015,347	18,242,244
Corrections	148,709	161,475
Health Services	51,585,294	3,016,079
Community Services	132,322	630,246
Law Enforcement	58,903,643	8,399,923
Judicial	9,210,898	3,969,008
Other Elected Officials	14,797,384	1,497,174
Depreciable assets total	<u>538,242,056</u>	<u>40,846,079</u>
Non-depreciable assets:		
Land	58,502,957	---
Artwork collection	43,621	---
Construction in progress	79,854,195	---
Non-depreciable assets total	<u>138,400,773</u>	<u>---</u>
Governmental activities total	<u>\$ 676,642,829</u>	<u>\$ 40,846,079</u>

(E) Lease Obligations and Subscription Based Information Technology Arrangements

The County entered into qualified subscription-based information technology arrangements (SBITAs) related to processing on-line payments, property tax collection and reporting, office software, and law enforcement assisting software. These agreements extend through the fiscal year 2027. The County, as lessee, entered into agreements related to office buildings and parking spaces. These agreements extend through the fiscal year 2026. The following is a schedule by years of future minimum subscription and rental payments that have initial or remaining non-cancellable subscription/lease terms in excess of one year as of June 30, 2023:

Fiscal Year	Principal	Interest	Total
SBITAs			
2024	\$ 2,600,952	\$ 92,008	\$ 2,692,960
2025	2,119,627	74,571	2,194,198
2026	498,104	78,863	576,967
2027	474,289	102,678	576,967
Total future SBITA payments	\$ 5,692,972	\$ 348,120	\$ 6,041,092

Fiscal Year	Principal	Interest	Total
Leases			
2024	409,272	\$ 2,468	\$ 411,740
2025	261,110	1,005	262,115
2026	71,998	83	72,081
Total future lease payments	\$ 742,380	\$ 3,556	\$ 745,936
Total SBITA and Lease Obligations	\$ 6,435,352	\$ 351,676	\$ 6,787,028

(F) Deferred Inflows of Resources

Deferred inflows of resources shown on the Balance Sheet as unavailable revenue consist of the following:

Refer to Note I (E) regarding revenue recognition policy on deferred inflows of resources.

	General Fund	Debt Service Fund	Education Fund	Grants Fund	Non Major Governmental Fund	Totals
Fiscal Year 2023 property tax assessment	\$ 320,095,520	\$ 127,635,199	\$ 385,313,814	\$ ---	\$ ---	\$ 833,044,533
Current and prior years property taxes receivable	7,544,534	3,149,894	8,992,794	---	---	19,687,222
Due from Federal Government	173,512	---	---	---	---	173,512
Due from State	923,846	---	---	---	---	923,846
Due from City of Memphis	269,019	---	---	---	---	269,019
Due form other local governments	5,196,903	---	---	---	---	5,196,903
Notes receivable	---	54,075	---	2,144,049	---	2,198,124
Other receivables	184,647	---	---	6,599	3,704	194,950
	\$ 334,387,981	\$ 130,839,168	\$ 394,306,608	\$ 2,150,648	\$ 3,704	\$ 861,688,109

(G) Debt and Long-term Liabilities

Debt issued during current year:

On December 12, 2022, the County issued \$152,975,000 in aggregate principal amount of General Obligation Public Improvement and School Bonds, Series 2022A which carries a stated interest rate of 5.0%. The proceeds are being used to: (a) finance various public works projects in the County, including schools within the County’s school system and schools within the various municipal school districts in the County; and (b) pay the costs of issuance with respect to the Series 2022A Bonds. Premium on this issuance was \$12,755,326 reflecting a true interest cost of 4.1%.

Changes in long-term liabilities:

Changes in long-term liabilities for the year were:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
Direct debt & forensic obligations	\$ 851,688,409	\$ 152,975,000	\$ (89,320,203)	\$ 915,343,206	\$ 92,548,425
Direct placements	22,880,000	---	(11,740,000)	11,140,000	5,355,000
Lease obligations	1,329,591	---	(587,211)	742,380	409,272
Subscription based information technology arrangements (SBITAs)	2,044,088	5,616,225	(1,967,341)	5,692,972	2,600,952
Net premium on issuance of debt	71,691,445	12,755,326	(13,452,733)	70,994,038	13,596,923
Claims and judgments	5,416,969	2,024,368	(2,719,253)	4,722,084	2,905,274
Landfill postclosure care costs	746,137	---	(358,148)	387,989	387,989
Sick and annual leave	25,303,531	9,925,771	(12,048,332)	23,180,970	19,842,490
Total bonds, notes, leases, claims, SBITAs, compensated absences	981,100,170	183,296,690	(132,193,221)	1,032,203,639	137,646,325
Net other postemployment benefit liability*	(100,110,930)	40,157,032	---	(59,953,898)	---
Net pension liability	383,685,549	176,434,233	---	560,119,782	---
Total governmental activities long-term liabilities	\$ 1,264,674,789	\$ 399,887,955	\$ (132,193,221)	\$ 1,532,369,523	\$ 137,646,325
Business-type activities:					
Claims and judgments	\$ 333,700	\$ ---	\$ (333,700)	\$ ---	\$ ---
Lease obligations	100,176	---	(100,176)	---	---
Subscription based information technology arrangements (SBITAs)	---	840,634	(840,634)	---	---
Sick and annual leave	5,274,571	5,847,309	(5,801,934)	5,319,946	4,155,680
Net other postemployment benefit liability*	(19,623,070)	6,985,968	---	(12,637,102)	---
Net pension liability	75,207,451	42,854,767	---	118,062,218	---
Total business-type activities long-term liabilities	\$ 61,292,828	\$ 56,528,678	\$ (7,076,444)	\$ 110,745,062	\$ 4,155,680

* Shown as net OPEB asset in the statement of net position. The plan net position exceeded the actuarial determined total other postemployment liability.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$49,645 of sick and annual leave payable, and \$4,574,464 of claims and judgments payable, which includes the claims in the Tort Liability Fund and Employer Insurance Fund, from the internal service funds are included in the above amounts. All other long-term liabilities of governmental activities other than debt are liquidated by the general fund.

Bonds and other long-term debt:

These are all obligations of the County, and those noted below as direct general obligations are backed by its full faith and credit and the unlimited taxing power of the County. The County’s outstanding bonds from direct placements contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment. QSCB debt were bonds issued by the State of Tennessee whereas the Memphis and Economic Development & Growth Engine (EDGE) bonds at the request of the County.

In each of these cases, the County has agreed to provide funds for the payment of principal and interest. As of June 30, 2023, the following bonds issued, and loans payable were outstanding:

Description	Date Issued	Interest Rates	Principal Balance	Last Maturity Date
2006B Public Imp/Schools (a), (b)	02/22/2006	Variable	\$ 122,230,000	03/1/2031
2009 Qualified School Construction Loans	12/1/2009	1.515	10,694,391	9/1/2026
2010 Qualified School Construction Loans	10/1/2010	1.515	17,246,715	9/15/2027
2012A Refunding Bonds (b)	3/1/2012	3.50-5.00	52,765,000	3/1/2028
2015A Refunding Bonds (b)	1/28/2015	3.00-5.00	25,815,000	4/1/2027
2016A Refunding Bonds (b)	2/26/2016	1.50-5.00	48,510,000	4/1/2027
2017A Public Imp/Schools (b)	6/21/2017	5.00	65,550,000	4/1/2037
2019A Public Imp/Schools (b)	2/14/2019	3.125-5.00	157,760,000	4/1/2039
2019B Refunding Bonds (b)	2/14/2019	2.25-5.00	58,090,000	4/1/2034
2020B Public Imp/Schools (b)	10/1/2020	4.00-5.00	186,870,000	4/1/2040
2022 Revenue Refunding Bond- EDGE	6/15/2022	2.96	13,540,000	4/1/2036
2022A Public Imp/Schools (b)	12/12/2022	5.00	152,975,000	4/1/2043
2012 Forensic Center Note Payable	4/1/2013	2.01	3,297,100	10/1/2032
Total bonds and loans payable			<u>\$ 915,343,206</u>	
Direct placement				
2020A Refunding Public Imp/Schools (b)	2/18/2020	1.60	\$ 11,140,000	3/1/2025

- (a) Interest rate swap agreements are in place related to this bond issue, as explained below in this note.
- (b) Direct general obligation bonds of the County

This debt represents borrowings for the following:

General government	\$ 241,327,828
Education	<u>685,155,378</u>
	<u>\$ 926,483,206</u>

Interest expense on bonds and loans payable in the governmental funds during the fiscal year ended June 30, 2023 was \$43,246,998 (current financial resources measurement focus and modified accrual basis of accounting). Entity wide interest was \$44,044,766 (economic resources measurement focus and accrual basis of accounting), which includes interest paid for the Debt Service Fund, loans, lease obligations, and SBITA obligations.

The County is indebted for serial bonds, capital appreciation bonds, notes, and variable bonds with interest rates varying from 1.50% to 5.00%. In the Debt Service Fund, the County accrued interest on the variable rate bonds only. All fixed-rate unmatured interest is recognized as an expenditure when due.

All unmatured interest, which is due in future years, is disclosed in the table below. The County has no legal debt limit. Debt service requirements for principal and interest in future years, using the actual rate on fixed-rate bonds and a rate of 4.43% for variable rate bonds, as explained in the swap agreement terms below, are as follows:

Years Ended June 30	Governmental Activities				
	Bonds		Bonds from Direct Placements		Total
	Principal	Interest	Principal	Interest	
2024	92,548,425	44,382,178	5,355,000	178,240	142,463,843
2025	92,041,643	40,240,724	5,785,000	92,560	138,159,927
2026	89,719,862	36,097,132	-	-	125,816,994
2027	69,059,419	31,672,495	-	-	100,731,914
2028	48,250,185	25,442,945	-	-	73,693,130
2029-2033	230,096,172	93,203,863	-	-	323,300,035
2034-2038	197,922,500	46,510,258	-	-	244,432,758
2039-2043	95,705,000	10,467,950	-	-	106,172,950
Total long-term debt	<u>\$ 915,343,206</u>	<u>\$ 328,017,545</u>	<u>\$ 11,140,000</u>	<u>\$ 270,800</u>	<u>\$ 1,254,771,551</u>

Interest rate swap agreements:

As of June 30, 2023, Shelby County has two (2) interest rate swap agreements shown below. Interest rate swap agreements are accounted for at fair value in accordance with GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments*.

	Changes in Fair Value		Fair Value at June 30, 2023		Notional Amount
	Classification	Amount	Classification	Amount	
Governmental activities					
Cash flow hedges:					
Pay-fixed interest rate swap	Deferred outflow	\$ 1,471,447	Derivative instruments	\$ (1,743,818)	\$ 30,636,000
Pay-fixed interest rate swap	Deferred outflow	4,399,256	Derivative instruments	(5,213,580)	91,594,000
		<u>\$ 5,870,703</u>		<u>\$ (6,957,398)</u>	<u>\$ 122,230,000</u>

Swap One and Two: Executed with Goldman Sachs Mitsui Marines Derivative Products (Goldman) and Deutsche Bank AG (DB) on 2/14/06 in connection with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds.

Swap Objective: The County entered into this fixed payer swap in order to hedge variable rate exposure on the underlying bonds.

Swap Terms:

Executed Date	Swap Effective Date	Swap Maturity Date	Notional Amount	Fixed Payer Rate	Floating Rate Index
2/14/2006	2/22/2006	3/1/2031	\$122,230,000	3.503% until 3/1/2016 4.43% thereafter	SIFMA

On February 14, 2006, the County entered into a fixed payer swap with an effective date of 2/22/2006. Under the terms of the swap, the County paid a fixed rate of 3.503% until March 1, 2016 and 4.43% thereafter to the counterparties, Goldman and DB. In return, the County receives the SIFMA index. Goldman's portion of the original swap was \$119,590,000, and DB's portion was \$40,000,000. As of June 30, 2023, the notional amounts of the 2006B Goldman swap and the 2006B DB swap are \$91,594,000 and \$30,636,000 respectively.

Fair Value of Swap: As of June 30, 2023, the swaps have a net value of (\$8,457,818). The fair value was (\$6,957,398) of which approximately (\$1,500,420) is accrued interest from June 1, 2023 to the valuation date of June 30, 2023. This fair value was measured using an option pricing model technique under the income approach in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates. The observability of inputs used to perform the measurement results in the swap fair values being categorized as level 2.

Associated Debt and Swap Payments: This swap is in conjunction with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds. This analysis assumes both swaps stay in place until maturity in 2031. The cash flows below assume that for both swaps SIFMA equals its current level of 3.46% as of June 30, 2023. Interest and net swap payments will fluctuate as SIFMA changes.

Fiscal Year Ended June 30	Variable Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
2024	7,450,000	36,391	5,378,020	12,864,411
2025	23,900,000	34,162	5,050,320	28,984,482
2026	26,130,000	27,051	3,998,720	30,155,771
2027	20,110,000	19,276	2,849,000	22,978,276
2028	6,625,000	13,293	1,964,123	8,602,416
2029	12,680,000	11,311	1,672,660	14,363,971
2030	6,055,000	7,538	1,114,740	7,177,278
2031	19,280,000	5,736	848,320	20,134,056
Total	<u>\$ 122,230,000</u>	<u>\$ 154,758</u>	<u>\$ 22,875,903</u>	<u>\$ 145,260,661</u>

Credit Risk: Because the swap has a negative value on June 30, 2023, the County does not have credit risk. However, if swap rates increase and the fair value of the swap moves in favor of the County, credit risk would be present.

Termination Risk: Goldman and MKFP did not exercise the optional termination rights on March 1, 2016, and the terms and condition of the trade confirmation remain in effect with the termination date of March 1, 2031.

Interest Rate Risk: Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason, the swap is terminated prior to maturity; the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2031.

Basis Risk: As long as there is not a direct relationship between the floating rate received from the counterparties, Goldman or MKFP, and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. Basis risk exists if the County's bonds remarket higher than SIFMA, which is the rate received from the counterparties. Thus, the expected cost savings may not be achieved.

Claims and Judgments

The County has recognized long-term liabilities for claims and judgments in Governmental activities of \$4,722,084 in accordance with its accounting policy explained in Note I (E). The liabilities are based on property damage and personal injury lawsuits arising in the course of operations. The County believes this is a reasonable measure of the ultimate settlement of these matters.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

(H) Fund Balances by Purpose

Following is more detailed information on the governmental fund balances:

	General Fund	Debt Service Fund	Capital Projects Fund	Educational Fund	Grants Fund	Nonmajor Governmental Funds	Total
Fund balances:							
Restricted for:							
Road and construction projects	\$ 237,935	\$ ---	\$ ---	\$ ---	\$ 4,695,651	\$ 31,309,034	\$ 36,242,620
Economic and cultural projects	---	---	---	---	2,477,143	15,838,302	18,315,445
Law enforcement activities	---	---	---	---	99,440	7,709,343	7,808,783
Computer equipment, supplies and maintenance	---	---	---	---	---	4,308,277	4,308,277
Environmental and health activities	---	---	---	---	3,067,644	602,234	3,669,878
Rehabilitation and community service programs	---	---	---	---	10,928,343	4,261,335	15,189,678
Debt on school construction	---	2,606,632	---	---	---	---	2,606,632
Other grants and sponsored projects	---	---	---	---	367,097	---	367,097
Conservation projects	---	---	204,300	---	---	2,379,419	2,583,719
Total restricted	237,935	2,606,632	204,300	---	21,635,318	66,407,944	91,092,129
Committed to:							
Approved carryforward appropriations	7,251,688	---	112,448,252	---	---	---	119,699,940
Subsequent year operations	13,648,278	---	---	---	---	---	13,648,278
Economic and cultural projects	---	---	---	---	---	842,630	842,630
Environmental activities	---	---	---	---	---	2,326,026	2,326,026
Public improvement and educational projects	588,249	---	---	12,689,542	---	---	13,277,791
Debt on public improvement and educational projects	---	45,239,140	---	---	---	---	45,239,140
Conservation projects	---	---	---	---	---	1,319,250	1,319,250
Total committed	21,488,215	45,239,140	112,448,252	12,689,542	---	4,487,906	196,353,055
Assigned to:							
Purchase order encumbrances:							
Environmental and health activities	8,534,680	---	---	---	---	---	8,534,680
Other general government activities	1,334,115	---	---	---	---	---	1,334,115
Total assigned	9,868,795	---	---	---	---	---	9,868,795
Unassigned	82,419,770	---	---	---	---	---	82,419,770
Total fund balances	\$ 114,014,715	\$ 47,845,772	\$ 112,652,552	\$ 12,689,542	\$ 21,635,318	\$ 70,895,850	\$ 379,733,749

For flow assumption, policy regarding use of fund balance types refer to Note I (E).

(I) Interfund Receivables, Payables and Transfers

Interfund receivables and payables consist of the following:

Due to/from other funds consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Debt Service Fund	General Fund	\$ 10,101
Education Fund	General Fund	2,940,485
Nonmajor Governmental Funds	General Fund	3,728,885
Total		<u>\$ 6,679,471</u>

Due to/From Component Units consists of the following:

<u>Receivable Entity</u>	<u>Payable Fund</u>	<u>Amount</u>
Board of Education (component unit)	Education Fund	\$ 8,189,067
Board of Education (component unit)	Capital Projects Fund	8,761,668
Total		<u>\$ 16,950,735</u>

The interfund amounts payable by the General Fund result from collection of fees and taxes by a designated elected official that are revenue of the receivable funds; however the custody of the funds at year-end was with the collecting official and funds were not yet available to the receiving funds.

The amount payable to the Shelby County Board of Education (component unit) from the Education Fund represents property and wheel taxes accrued at year-end but not yet paid.

The total due to component units disclosed here \$16,950,735 is less than the amount disclosed on the Statement of Net Position due to \$6,819,051 of deferred inflows of resources in the funds that are earned but unavailable and are payable to the component unit when they become available.

Transfers during the year were as follows:

Transfers Out:	Transfers In:	Amounts
General Fund	Grants Fund	\$ 5,371,234
	Education Fund	382,187
	Nonmajor Governmental Funds	123,721
	Capital Projects Fund	3,578,344
	Enterprise Funds	21,598,199
	Internal Service Funds	971,192
Capital Projects Fund	Nonmajor Governmental Funds	3,578,344
Education Fund	General Fund	834,600
Grants Fund	General Fund	29,854,124
Nonmajor Governmental Funds	Grants Fund	411,075
	Capital Projects Funds	<u>29,478</u>
	Total transfers out of governmental fund types	<u>66,732,498</u>
Internal Service Funds	General Fund	368,216
Enterprise Funds	Grants Fund	<u>1,171,587</u>
	Total transfers out of proprietary fund types	<u>1,539,803</u>
	Total all fund types	<u><u>\$ 68,272,301</u></u>

Major routine transfers out of the governmental fund types are: General Fund transfers to support operations at the County’s Corrections Center and Shelby County / City of Memphis Consolidated Codes Enforcement. General Fund transfers to Grants Funds are for grants that require County matching funds. American Rescue Plan Act (ARPA) and state / local federal program transfers from Grants Fund to the General Fund to support governmental services. General Fund transfers to Internal Service Funds are to fund tort liability claims.

Routine transfers out of proprietary fund types are in support of the Employee Wellness Center and local matching funds for grants.

(J) Other Revenue

The other revenue classification is used in the combined, combining, and individual fund financial statements and in the supplemental schedules and statistical section of the annual comprehensive financial report. This category is one of the revenue line items included in the legally adopted budget approved annually by the Board of Commissioners. Certain revenue accounts which are not accurately described by any of the other revenue classifications included in the budget (property taxes, other local taxes, state revenue, federal and local revenue, charges for services, fines, fees and permits, investment income) are classified as other revenue.

Other revenue for the year ended June 30, 2023, is detailed below:

	General Fund	Debt Service Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
Private donor grants	\$ 25,000	\$ ---	\$ 43,530	\$ ---	\$ 68,530
Miscellaneous income	249,098	---	676	472	250,246
Reimbursement Non-Gov entity	631,443	---	3,763	682,186	1,317,392
In-Kind Services	---	---	57,090	---	57,090
Forfeitures and seizures	---	---	---	909,452	909,452
Housing principal & interest	---	20,283	279,588	---	299,871
Total other revenue	<u>\$ 905,541</u>	<u>\$ 20,283</u>	<u>\$ 384,647</u>	<u>\$ 1,592,110</u>	<u>\$ 2,902,581</u>

Miscellaneous income includes refunds and recoveries of prior year expenditures, unclaimed property, and various other small payments received for which there is no other suitable category.

(K) Risk Financing and Related Insurance Issues

Shelby County maintains a self-insured Group Health Insurance Fund for its active employees and their dependents, funded by participation of both the County and its employees. Claims liabilities for the Group Health Insurance Fund were estimated based on prior years' claims expense and the current year's actual claims incurred. The schedule below presents the changes in claims liabilities for the past two years for the Group Health Insurance Fund:

	2023	2022
Insurance claims liabilities at the beginning of the fiscal year	\$ 5,380,007	\$ 4,927,096
Incurred claims and claim adjustment expenses	41,850,062	44,583,625
Payment of claims and claim adjustment expenses	<u>(42,574,842)</u>	<u>(44,130,714)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 4,655,227</u>	<u>\$ 5,380,007</u>

The County maintains a self-insured Tort Liability Fund funded by premiums paid by departments using County vehicles and by transfers from the General Fund. Claims liabilities of the Tort Liability Fund were estimated based on prior years' claims expense, current year's actual claims, and a review of pending litigation through the County Attorney. The schedule below presents the changes in claims liabilities for the past two years for the Tort Liability Fund:

	2023	2022
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 3,910,750	\$ 6,129,969
Incurred claims and claim adjustment expenses	2,152,600	2,421,700
Payment of claims and claim adjustment expenses	<u>(1,488,886)</u>	<u>(4,640,919)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 4,574,464</u>	<u>\$ 3,910,750</u>

The County maintains a self-insured Employer Insurance Fund for on-the-job injuries and unemployment compensation, funded by premiums paid by County departments based on a percentage of salary costs. Claims liabilities of the Employer Insurance Fund were estimated based on prior year's claims expense and current year's actual claims incurred.

The schedule below presents the changes in claims liabilities for the past two years for the Employer Insurance Fund:

	2023	2022
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 3,407,891	\$ 3,537,939
Incurred claims and claim adjustment expenses	947,286	2,541,449
Payment of claims and claim adjustment expenses	(1,658,558)	(2,671,497)
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 2,696,619</u>	<u>\$ 3,407,891</u>

The total of claims liability disclosed here, \$11,926,310 differs from the sum of claims reported on the Statement of Net Position and the long-term claims disclosed in Note IV (G) due to \$1,054,239 of claims in General Funds that are solely short term in nature and a \$147,619, in additional long-term claims included in the governmental activities column of the Statement of Net Position, which are to be paid by the General Fund.

(L) Contingencies and Commitments

The County’s governmental funds have obligations at fiscal year-end, contingent upon contractors and vendors’ performance, for outstanding purchase orders and outstanding contracts. These obligations are included in the restricted, committed, or assigned fund balances in the governmental funds.

The amounts of these encumbrances are as follows:

General Fund	Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total
\$ 14,171,302	\$ 10,851,798	\$ 33,409,996	\$ 20,075,435	\$ 78,508,531

The Capital Projects Fund had additional commitments specific to capital projects of \$116,262,642, as of June 30, 2023. Additional commitments of the Capital Project Fund relate to approved capital funding plans and the amount exceeds fund balance at June 30, 2023, as future revenue sources will help cover the total commitment amount.

Encumbrance amounts for the Grants Fund exceed fund balance at June 30, 2023, as cost reimbursement grants cover a portion of the encumbrances and revenue is recognized in the period the expenditures occur.

The Memphis and Shelby County Sports Authority, Inc. is a joint venture organization that has issued revenue bonds for construction of a sports and entertainment facility. Although the City of Memphis and Shelby County are not legally liable for the debt, they have agreed to share equally in the payment of the debt if the Authority is unable to pay. See further explanations in Note IV (M).

(M) Joint Ventures, Jointly Governed Organizations and Related Organizations

Joint Ventures:

Joint ventures are defined in generally accepted accounting principles as organizations owned, operated or governed by two or more participants where no single participant has the ability to unilaterally control the financial or operating policies of the joint venture. Participants must maintain an ongoing financial responsibility for, or financial interest in, the joint venture. The following organizations qualify as joint ventures of Shelby County. References to the appointment of members of boards or commissions include both those appointed and those serving ex officio. Appointment usually includes confirmation by the appropriate legislative body.

Memphis and Shelby County Sports Authority, Inc. (the Authority)

The Authority was chartered in 1997 under a state statute that permits sports authorities to receive certain sales taxes generated by major league sports franchises. In 2001, the City of Memphis and Shelby County entered the “Memphis Arena Project Agreement” to bring an NBA professional team to Memphis.

A major part of that agreement required the construction of a new multipurpose sports and entertainment facility. Financing for construction of this facility (now known as FedEx Forum) has been done through the Authority.

The Authority has issued long-term debt with principal balance of \$87,345,000 owed as of December 31, 2022. The title to the facility is held by the New Memphis Arena Public Building Authority of Memphis and Shelby County, a joint venture; see below for more information on that entity. The Authority’s revenue bonds are payable from seat rental fees, certain state sales taxes generated by the professional basketball team, car rental taxes, City and County-wide hotel/motel taxes, and in lieu of tax payments by the Memphis Light Gas and Water Division.

The Authority is a joint venture between the City of Memphis and the County and has a board whose members the City and the County jointly appoint. Although the bond indentures state that the City and County are not legally liable for the indebtedness of the Authority, under the agreement, the City and County have agreed to pay, in equal amounts, the debt if the Authority is unable to pay. During the year ended June 30, 2023, the County transferred to the Sports Authority for debt service purposes the amount of \$2,948,683 from car rental taxes and \$524,678 from hotel/motel taxes. Financial statements for the Memphis and Shelby County Sports Authority, Inc. may be obtained from the Administrator of Finance, Shelby County Government, 160 N. Main Street, Suite 800, Memphis, Tennessee 38103.

The following is a summary of the financial information of the Authority as of the most recent financial statements available:

	Memphis and Shelby County Sports Authority, Inc. (December 31, 2022)
Assets	\$ 43,345,858
Deferred outflows	5,861,608
Liabilities	87,696,604
Deferred inflows	1,250,000
Net position	(39,739,138)
Operating expenses and Non-Operating expenses	4,401,282
Operating revenues and Non-Operating income	24,055,310
Change in net position	19,654,028

New Memphis Arena Public Building Authority of Memphis and Shelby County (New PBA)

The New PBA was created in August 2001 by Shelby County and the City of Memphis. It is a nonprofit corporation established under the statutes of the State of Tennessee. In June 2001, the City of Memphis, Shelby County, and HOOPS, L.P. (the previous NBA franchise ownership entity) entered the “Memphis Arena Project Agreement.” Under this agreement, a new arena would be constructed and leased to HOOPS, L.P. as part of the agreement to bring a professional basketball (NBA) team to Memphis. The primary purpose of the New PBA was to construct and hold title to this new multi-purpose sports and entertainment facility (now known as FedEx Forum). Upon completion of the facility, it was leased to and operated by HOOPS, LP. In 2012, Memphis Basketball, LLC purchased the NBA franchise from HOOPS, L.P. and now leases and operates FedEx Forum.

Funding for construction of the facility was provided primarily through the Memphis and Shelby County Sports Authority, Inc., a separate joint venture as explained above. However, the New PBA holds title to the building.

The New PBA is a joint venture between the City of Memphis and the County. A Board of Directors whose members are jointly appointed by the City of Memphis and Shelby County governs it.

The City and County maintain an ongoing financial responsibility for subsidies to finance the New PBA's capital expenditures and operations. The County also paid \$287,876 for insurance on the facility.

Since the PBA's only assets are the ownership rights to the FedEx Forum Arena, and since there has been no financial activity for the fiscal year, the Tennessee Comptroller of the Treasury has granted approval for an exemption from the annual audit requirement. As of December 31, 2007 - the most recent financial statements available - the PBA reported assets of \$209,123,653 and net assets of \$209,123,653.

Jointly Governed Organizations:

The County in conjunction with the City of Memphis has joint control of the following organizations through the appointment of their boards. They are not considered joint ventures because the County and the City retain no ongoing financial responsibility or financial interest.

Memphis and Shelby County Community Redevelopment Agency (CRA) are jointly governed by the City of Memphis and the County. The CRA is empowered to do all things necessary to plan, finance and implement development and redevelopment activities in blighted areas of Memphis and Shelby County. The CRA monitors trusts established to fund debt issued, with repayment to be provided by tax increment financing for the Uptown Redevelopment and Binghampton projects. Three board members are appointed by the Mayor of the City of Memphis with approval of the Memphis City Council; three members are appointed by the County Mayor with approval of the County Commission; and one member is jointly appointed by the mayors of the City of Memphis and County with joint approval by the Memphis City Council and County Commission. All board member terms are for four years. Financial Statements for the CRA may be obtained from the City of Memphis Division of Planning and Development, 125 N. Main, Suite 468, Memphis, Tennessee 38103.

Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (EDGE) was created in 2011 by joint resolutions of the City of Memphis and Shelby County Government to have a single entity perform economic development activities on behalf of the governments. EDGE has its own eleven-member Board of Directors and Certificate of Incorporation; the City and the County jointly appoint board members. EDGE replaced the Industrial Development Board of Memphis and Shelby County, the Depot Redevelopment Corporation of Memphis and Shelby County, Foreign Trade Zone 77, the Memphis and Shelby County Port Commission and the Office of Economic Development of Memphis and Shelby County. Inasmuch as all these entities could not immediately be terminated for various reasons, all the entities now have a common governing board, so they all essentially operate as one entity. Memphis and Shelby County have no ongoing financial responsibility for EDGE, or the related entities now operated under the EDGE umbrella, but they may voluntarily agree to such. During FY 2012, at the request of Shelby County, EDGE agreed to issue through the Port Commission their bonds in the amount of \$20,397,500; these funds were loaned to the County to partially finance a new manufacturing facility for a newly recruited business. On June 15, 2022, at the request of the County, the Economic Development Growth Ending (EDGE) issued \$14,467,500 bonds with an interest rate of 2.96% to refund the 2011 EDGE/Port Commission Bonds and to pay costs associated with closing. The County agreed to provide EDGE the funds necessary to repay the debt. This obligation is reported as long-term debt in the County's Statement of Net Position (see also Note IV (G)).

The *Downtown Memphis Commission* is responsible for promotion and redevelopment of the Memphis Center City area. The mayors of the City of Memphis and County appoint the 16 board members for three-year terms, with approval by the Memphis City Council and the County Commission.

The *Memphis and Shelby County Center City Downtown Parking Authority* manages several downtown parking garages, establishes, and coordinates uniform parking policies and parking management in the downtown Memphis area. The mayors of the City of Memphis and County appoint the seven-member board.

The *Memphis Center City Revenue Finance Corporation (Finance Corporation)* is a nonprofit corporation established jointly by the City of Memphis and the County under the laws of the State of Tennessee. The Finance Corporation provides various forms of financial assistance to development projects.

The City of Memphis appoints four board members; the County appoints four members; and the City of Memphis and County jointly appoint one member, all for six-year terms, with approval by the Memphis City Council and the County Commission.

The *Memphis and Shelby County Film and Television Commission* was jointly established by the City of Memphis and Shelby County Government to initiate, recommend and/or support policies, programs, projects and events that support the film and television production industry. The City and the County each appoint eleven (11) members of the Commission board.

Related Organizations:

The *Shelby County Health, Housing and Education Facilities Board* was established to assist in the financing of health facilities, educational facilities, and housing facilities for low- and moderate-income families, disabled individuals and the elderly. The financing is accomplished through the issuance of revenue bonds payable solely from the revenues of the project. The taxpayers and the County are never liable for the repayment of the bonds. The County Mayor appoints all nine members of the Board, but the County is not financially accountable for the organization.

The *Memphis and Shelby County Airport Authority* own and operates Memphis International Airport and two general aviation airports. The Mayor of the City of Memphis appoints five of the seven board members, and the County Mayor, appoints two, all for seven-year terms, subject to confirmation by the Memphis City Council. The Airport Authority is a component unit of the City of Memphis.

(N) Other Postemployment Benefits

Retired employees of the County and former employees receiving long-term disability benefits through the County's program may participate in postemployment benefits (health and life insurance) through the Shelby County OPEB Trust (Trust). The Trust is a single-employer defined benefit plan. The benefits provided are health insurance and life insurance. Audited GAAP financial statements for the Trust can be obtained from Administrator of Finance, Shelby County Government, 160 N. Main Street, Suite 800, Memphis, Tennessee 38103.

Employees covered by benefit terms

The following table summarizes the membership of the Trust as of June 30, 2022:

	<u>Total</u>
Inactive employees and beneficiaries currently receiving benefits	3,234
Inactive members entitled to but not receiving benefits	---
Active participants	<u>4,770</u>
Total Membership	<u><u>8,004</u></u>

Based on prior year standard investment policy, plan members receiving health insurance under the County’s plan pay a monthly premium based on the benefits experience of the retiree group. Plan members receiving life insurance under the Trust contribute an amount that is 30% of the composite (average) premium for both active and retired employees. The Trust pays an age-adjusted premium for the retiree life insurance.

The County provides employer contributions to the Trust. The County contributes the actuarially determined contribution (ADC), or more, as a percent of payroll from the active employees based on the latest available actuarial valuation at the time the budget is approved for a fiscal year. There were no employer contributions for FY2023. The actuarially determined contribution for FY2023 was zero, which is the result of the plan being in an asset position and other assumptions taken into account. Active employees are not required to contribute to the OPEB Trust.

The net OPEB liability was measured as of June 30, 2022, and the total net OPEB liability used to calculate the net OPEB liability was determined by actuarial valuations as of that date.

Actuarial assumptions

System:		
Inflation	2.50	percent
Real wage growth	0.25	percent
Wage inflation	2.75	percent
Salary Increases	2.75-5.25	percent, including inflation
Long-term Investment rate of return, net of OPEB investment expense	5.25	percent, including inflation
Municipal Bond Index rate at prior measurement date	2.13	percent
Municipal Bond Index rate at measurement date	3.37	percent
Single Equivalent Interest rate at measurement date	5.25	percent
Single Equivalent Interest rate at prior measurement date	5.25	percent

Health Care Cost Trend Rate

Healthcare cost trend rate	
	2022*
Pre-medicare	6.75%
	2022**
Medicare	5.00%

*decreasing to an ultimate rate of 4.50% by 2031

**decreasing to an ultimate rate of 4.50% by 2024

The mortality rates for healthy participants are the RP-2014 Mortality Table with Blue Collar Adjustment projected to 2020 with projection scale MP-2017, with adjustments for experience for retired participants. The mortality rates for disabled participants are the RP-2014 Disabled Mortality Table projected to 2020 with projection scale MP-2017. There is a margin for future mortality improvement in the tables used by the System.

The actuarial demographic assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2017. The Retirement Board of Trustees based the actuarial economic assumptions used in the June 30, 2022 valuation on the results of an Economic Experience Investigation as of June 30, 2015 with the assumed investment Rate of Return further reduced to 5.25 percent on September 13, 2016.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

Several factors should be considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges should be 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 then adding expected inflation. The capital market assumptions developed by the investment consultant may cover a shorter investment horizon and may not be useful in setting the long-term rate of return for funding OPEB plans, which are likely to cover a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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

Asset Class	Target Allocation	Expected Return
Cash & Cash Equivalents	1.5 %	3.7 %
Core Fixed Income	13.0	4.9
Emerging Markets Fixed Income	3.0	6.7
High Yield Fixed Income	4.5	6.8
U.S. Equities	32.0	6.8
International Equities	7.0	7.5
Emerging Market Equities	4.0	7.8
Low Volatility Equities	5.0	7.3
Structured Credit	4.0	9.9
Hedged Strategies-Absolute Return	6.0	7.0
MLP Infrastructure	4.0	8.0
Private Real Estate	4.0	6.4
Public REITs	2.0	5.8
Private Real Assets	2.0	7.7
Private Equity	8.0	10.3
Total	100.0 %	

The following exhibit presents the Net OPEB Liability (NOL) of the Plan, calculated using current health care cost trend rates, as well as what the Plan's NOL would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate:

Health Care Cost Trend Rates

	(\$ in thousands)		
	1%	Current	1%
	Decrease	Rate	Increase
Net OPEB liability/(asset)	\$ (83,782)	\$ (72,591)	\$ (59,213)

The following exhibit presents the NOL of the Plan, calculated using the discount rate of 5.25%, as well as what the Plan's NOL would be if it were calculated using a Discount Rate that is one percentage point lower or one percentage point higher than the current rate:

Interest Rates

	(\$ in thousands)		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	4.25%	5.25%	6.25%
Net OPEB liability/(asset)	\$ (45,633)	\$ (72,591)	\$ (95,039)

Changes in the Net OPEB Liability

	(\$ in thousands)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability/Asset (a) - (b)
Balances at June 30, 2021	\$ 211,241	\$ 330,975	\$ (119,734)
Changes for the year:			
Service cost	2,654	---	2,654
Interest	10,797	---	10,797
Difference between expected and actual experience	3,557	---	3,557
Contributions - employer	---	530	(530)
Contributions - employee	---	3,247	(3,247)
Net investment income	---	(33,172)	33,172
Benefits payments	(11,305)	(11,305)	---
Administrative expense	---	(740)	740
Net change	5,703	(41,440)	47,143
Balances at June 30, 2022	<u>\$ 216,944</u>	<u>\$ 289,535</u>	<u>\$ (72,591)</u>

For the year ended June 30, 2023, Shelby County Government recognized negative OPEB expense of \$21,270,000 from the Trust.

OPEB Related Deferred Outflows and Inflows

The table below provides a summary of the OPEB related deferred outflows and inflows as of June 30, 2022:

	(\$ in thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,701	\$ 26,719
Changes in assumptions	1,507	8,330
Net difference between projected and actual earnings on Plan investments	11,701	---
Total	<u>\$ 16,909</u>	<u>\$ 35,049</u>

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

Year ended June 30,	<u>(\$ in thousands)</u>
2023	\$ (11,630)
2024	(8,647)
2025	(7,712)
2026	9,642
2027	207
Thereafter	---

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

(O) Pensions

Shelby County Retirement System

Plan Description

The Shelby County Retirement System (the System) is a single employer defined benefit public employee retirement system (PERS) established by Shelby County, Tennessee. The system is administered by a board, the majority of whose members are nominated by the Shelby County Mayor, subject to approval by the Shelby County Board of Commissioners. The system issues a publicly available financial report that includes financial statements and required supplemental information. Audited GAAP financial statements may be obtained by writing to the Shelby County Retirement System, 160 N. Main, Suite 701, Memphis, TN 38103 or calling (901) 222-1950.

Substantially all full-time and permanent part-time employees of the county are required, as a condition of employment, to participate in the System. Once becoming a participant, a person will continue to participate as long as he or she is an employee of the County.

Benefits Provided

The System consists of four plans (Plans A, B, C and D), which are legally one reporting entity. All System plans are contributory. All plans provide retirement as well as survivor and disability defined benefits.

Plan A is for employees hired between December 1, 1978 and February 28, 2005, and those employees that elected to transfer to Plan A from Plan B before January 1, 1981. Retirement benefits are calculated based upon number of years of credited service, age at the time pension payments begin, and final average earnings as defined in the plan as an average of the earnings in the 36-consecutive-month period of employment in which the earnings were highest. Survivor benefits generally are payable to the employee’s spouse in an amount equal to 75% of the calculated pension due the employee once the spouse attains age 65. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are generally provided through a separate insurance contract maintained by the County. Plan A does not provide any disability benefits for participants who were active employees on January 1, 2002 except in certain circumstances as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee’s retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally calculated Consumer Price Index – All Urban Consumers (CPI-U) for the 12-month period ending on the previous September 30 or 4%.

Plan B is for employees hired prior to December 1, 1978. Retirement benefits are calculated based upon 2.7% of final average earnings multiplied by the lesser of years of credited service or 25 years, plus 1% of final average earnings multiplied by years of credited service in excess of 25 but no more than 35. Survivor benefits are generally payable to the employee's spouse, or, in the absence of a spouse, the employee's eligible children as defined in the plan in an amount equal to 100% of the benefits payable to the employee. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are only available to those employees who incur line-of-duty disability.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally calculated CPI-U for the 12-month period ending on the previous September 30 or 1%.

Plan C became effective September 1, 2005 for all employees hired after February 28, 2005 but before July 1, 2011 and includes all full-time, part-time, and elected employees, employees of all joint City/County agencies administrated by Shelby County, and members of Plan A electing to transfer to Plan C. CETA employees, Board of Education employees, employees electing Social Security coverage, and Joint City/County agencies not administered by Shelby County cannot participate. Retirement benefits are calculated in one of two ways, whichever produces the highest benefit to the employee: (1) based upon number of years of credited service, final average earnings as defined in the plan as an average of the earnings in the 36-consecutive-month period of employment in which the earnings were highest, and a percentage determined by options detailed in the plan – maximum of 2.35%, or (2) the "Life Annuity Equivalent" based upon the employee's age when payments begin, using actuarial factors contained in the plan document, applied to the employee's benefit accrual account under the plan. Survivor benefits are generally payable as follows: (1) any dependent children as defined in the plan receive 50% of final average earnings to be divided equally for as long as they remain dependent, or (2) a spouse, as defined in the plan, will receive the greater of 75% of the amount calculated based on credited years of service, average final earnings, and 2.35% or the "Life Annuity Equivalent" based upon the spouse's age and actuarial factors contained in the plan. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are generally provided through a separate insurance contract maintained by the County. Plan C does not provide any disability benefits for participants except under a single exception applicable only to former employees who transferred to City of Memphis employment as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally calculated CPI-U for the 12-month period ending on the previous September 30 or 4%.

Plan D includes all employees hired on or after July 1, 2011. Retirement benefits are calculated using the average over the five highest consecutive years of earnings and are eligible for early retirement at age 62 (at age 50 with the last 20 years of credited service in a public safety classification) and normal retirement at age 67 (at age 55 with the last 7.5 years of credited service in a public safety classification). Survivor benefits for the eligible beneficiary will be based on years of credited service and determination of in line-of-duty or not in line-of-duty death. A surviving spouse, as defined in the plan, will receive 75% of the participant's pension at age 67 if the participant dies after completion of 15 years of credited service. Disability pension benefits are generally provided through a separate insurance contract maintained by the County, except for transfers as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 67. The adjustment is the lesser of the percentage increase in the federally calculated CPI-U for the 12-month period ending on the previous September 30 with a maximum of 2%.

Employees Covered by Benefit Terms

The following table summarizes the membership of the System as of June 30, 2022, the valuation and measurement date:

	<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>	<u>Total</u>
Inactive employees and beneficiaries currently receiving benefits	2,098	722	1,447	28	4,295
Inactive employees and beneficiaries entitled to but not yet receiving benefits	122	---	81	16	219
Inactive participants entitled to a refund of contributions	59	---	85	555	699
County to City transfers	92	---	4	---	96
Active participants	<u>863</u>	<u>1</u>	<u>1,314</u>	<u>2,592</u>	<u>4,770</u>
Total	<u>3,234</u>	<u>723</u>	<u>2,931</u>	<u>3,191</u>	<u>10,079</u>

Contributions

Contributions for participants in the System are established by the Shelby County Retirement System Board of Administration and Trust (the Board) based on actuarial valuations. Contribution requirements for the employer are based on the same actuarial valuations used by the Board and are established by the Shelby County Board of Commissioners in the fiscal year budget appropriations, which can be amended by resolution. The County does not receive the actuarial report until several months into the fiscal year to which the report relates. Due to budgetary procedures, the County makes contributions based on the latest actuarial report received at the date a new fiscal year's budget is being prepared. Contributions for fiscal year 2023 were based on the actuarial report as of June 30, 2021.

Based on the actuarial valuation, the recommended employer contribution rate for fiscal year 2023 is 23.97% of covered payroll. The employer actual contribution rate is 24.34% of cover payroll; Plan B, Plan C, and Plan D participants contribute 8% of their earnings, with some exceptions of employees of Plan B with more than 35 years of service. Plan A participants contribute 2.0%. This resulted in total contributions of \$81,074,000 (\$63,010,000 of employer contributions and \$18,064,000 of employee contributions).

The net pension liability for all plans was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date.

Actuarial assumptions

System:

Inflation	2.40	percent
Salary Increases	2.65 - 5.15	percent, including inflation
Investment rate of return	6.70	percent, net of pension plan investment expense, including inflation
Cost-of-Living Adjustment	1.00	percent per year, compounded for Plan B
	2.65	percent per year, compounded for Plan A and Plan C
	2.00	percent per year, compounded for Plan D

For the period after retirement and for dependent beneficiaries, mortality rates for the System were based on the RP-2014 Mortality Table with Blue Collar Adjustment projected to 2020 with projection scale MP-2017, set forward two years for males and set forward three years for females, with rates at ages 70 and below adjusted by 125% for both males and females and rates at ages above 70 adjusted by 85% for females only. The RP-2014 Disabled Mortality Table projected to 2020 with projection scale MP-2017 is used for the period after disability retirement. The RP-2014 Mortality Table with Blue Collar Adjustment projected to 2020 with projection scale MP-2017 is used for both males and females while in active service.

The System's actuarial demographic assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2017. Additional assumption changes were adopted by the Board on November 9, 2021.

The discount rate used to measure the total pension liability for the System at June 30, 2022 was the long-term rate of return, 6.70 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the actuarially determined contribution and member contributions. Projected future benefit payments for all current plan members were projected through 2122.

Based on those assumptions, the fiduciary net position for all plans was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability, and a municipal bond rate was not used in determining the discount rate.

The System's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
Domestic Equity	32.0	%	6.8	%
International Equity	7.0		7.5	
Low Volatility Equity	5.0		7.3	
Private Equity	8.0		10.3	
Core Fixed Income	13.0		4.9	
High Yield Fixed Income	4.5		6.8	
EM Fixed Income	3.0		6.7	
Public Real Estate	2.0		5.8	
EM Equities	4.0		7.8	
Credit Opportunities	4.0		9.9	
Absolute Return	6.0		7.0	
Private Real Estate	4.0		6.4	
Private Real Asset	2.0		7.7	
MLPs	4.0		8.0	
Cash	1.5		3.7	
Total	100.0	%		

The following presents net pension liability, calculated using the stated discount rate of 6.70 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Rate	1% Increase
	5.70%	6.70%	7.70%
Net pension liability (\$ thousands)	\$ 909,072	\$ 678,182	\$ 484,068

Changes in the Net Pension Liability

	(\$ in thousands)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2021	\$ 1,932,047	\$ 1,473,154	\$ 458,893
Changes for the year:			
Service cost	30,046	---	30,046
Interest	125,669	---	125,669
Difference between expected and actual experience	(4,845)	---	(4,845)
Contributions - employer	---	63,010	(63,010)
Contributions - employee	---	18,064	(18,064)
Net investment income	---	(148,337)	148,337
Benefits payments, including refunds of employee contributions	(114,648)	(114,648)	---
Administrative expense	---	(1,156)	1,156
Net change	36,222	(183,067)	219,289
Balances at June 30, 2022	<u>\$ 1,968,269</u>	<u>\$ 1,290,087</u>	<u>\$ 678,182</u>

For the year ended June 30, 2023, Shelby County Government recognized pension expense of \$79,052,000 from the System.

Pension Related Deferred Outflows and Inflows

The table below provides a summary of the pension related deferred outflows and inflows as of June 30, 2022:

	(\$ in thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,666	\$ 9,317
Changes of assumptions	20,790	---
Net difference between projected and actual earnings on Plan investments	98,334	---
Employer contributions subsequent to measurement date	65,657	---
Total	<u>\$ 189,447</u>	<u>\$ 9,317</u>

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

Year ended June 30,	<u>(\$ in thousands)</u>
2023	\$ 39,224
2024	26,739
2025	(82)
2026	48,592
Thereafter	---

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

Pension plans of the component units:

The primary government does not act in a trustee capacity for the assets of the pension plans of the component units.

Shelby County Board of Education (the Board of Education)

On behalf of its teachers, the Board of Education contributes to the State Employees, Teachers, and Higher Education Employees’ Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHPEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0203 or can be accessed at www.treasury.state.tn.us.

All non-teachers employed by the Board of Education are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by TCRS. The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at www.treasury.state.tn.us.

Shelby County Health Care Corporation (Regional One Health)

Effective July 1, 1985, Regional One Health established the Regional Medical Center at Memphis Retirement Investment Plan, a defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Financial statements of the Regional Medical Center at Memphis Retirement Investment Plan are available from Shelby County Health Care Corporation, 877 Jefferson Avenue, Memphis, Tennessee 38103.

More details about all plans of component units are available in the separately issued financial reports of the component units and in the separately issued financial reports of the retirement plans as noted above.

(P) Deferred Compensation

The County established for its eligible employees *The Shelby County Government 457 Deferred Compensation Plan* in accordance with Internal Revenue Code Section 457. The County serves as the Plan administrator and is the named fiduciary. The plan, available to all employees, permits deferral of a portion of salary until future years. All costs of administering and funding the plan are the responsibility of the plan participants. The plan assets remain the property of the contributing employees and are excluded from the accompanying financial presentation.

(Q) Subsequent Events

The County performed a review of events subsequent to the balance sheet date through the issuance of the financial statements and determined there were no such events requiring recognition or disclosure in the financial statements.

Shelby County, Tennessee

**Required Supplementary Information
Other Postemployment (OPEB) Trust Fund
For the Year Ended June 30, 2023**

	<u>Schedule of Employer Contributions</u>								
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
(\$ in thousands)									
Actuarially determined employer contributions*	\$ 15,811	\$ 12,984	\$ 13,717	\$ 9,129	\$ 5,948	\$ 3,054	\$ 3,054	\$ 532	\$ ---
Actual employer contributions	31,445	21,266	15,873	14,371	9,812	3,920	3,142	530	---
Annual contribution deficiency/(excess)	<u>\$ (15,634)</u>	<u>\$ (8,282)</u>	<u>\$ (2,156)</u>	<u>\$ (5,242)</u>	<u>\$ (3,864)</u>	<u>\$ (866)</u>	<u>\$ (88)</u>	<u>\$ 2</u>	<u>\$ ---</u>
Covered payroll	<u>\$ 253,536</u>	<u>\$ 254,988</u>	<u>\$ 255,925</u>	<u>\$ 264,317</u>	<u>\$ 263,235</u>	<u>\$ 265,883</u>	<u>\$ 265,935</u>	<u>\$ 260,404</u>	<u>\$ 270,260</u>
Actual contributions as a percent of covered payroll	12.40%	8.34%	6.20%	5.44%	3.73%	1.47%	1.18%	0.20%	0.00%

* Actuarially determined employer contributions calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Shelby County, Tennessee

**Required Supplementary Information
Other Postemployment (OPEB) Trust Fund
For the Year Ended June 30, 2023**

	Changes in Net OPEB Liability					
	(\$ in thousands) 2017	(\$ in thousands) 2018	(\$ in thousands) 2019	(\$ in thousands) 2020	(\$ in thousands) 2021	(\$ in thousands) 2022
Fiscal year-end (measurement date)						
<u>Total OPEB Liability</u>						
Service cost	\$ 5,409	\$ 4,887	\$ 4,571	\$ 3,935	\$ 3,087	\$ 2,654
Interest	15,541	14,285	13,777	13,075	11,393	10,797
Differences between expected and actual experience	(10,467)	7,364	(2,655)	(34,771)	(15,903)	3,557
Changes in assumptions	(20,278)	(23,136)	(17,014)	(2,060)	2,383	---
Benefit payments, including refunds of employee contributions	(14,865)	(13,388)	(12,948)	(11,139)	(13,298)	(11,305)
Net change in total OPEB liability	(24,660)	(9,988)	(14,269)	(30,960)	(12,338)	5,703
Total OPEB Liability - beginning	303,456	278,796	268,808	254,539	223,579	211,241
Total OPEB Liability - ending	\$ 278,796	\$ 268,808	\$ 254,539	\$ 223,579	\$ 211,241	\$ 216,944
<u>Plan Fiduciary Net Position</u>						
Contributions - employer	\$ 15,873	\$ 14,371	\$ 9,824	\$ 3,925	\$ 3,146	\$ 530
Contributions - employee	6,311	4,393	4,561	3,981	3,393	3,247
Net investment income	26,640	20,555	12,677	(7,132)	75,782	(33,172)
Benefit payments, including refunds of employee contributions	(14,865)	(13,388)	(12,948)	(11,139)	(13,298)	(11,305)
Administrative expenses	(537)	(622)	(630)	(608)	(547)	(740)
Other	22	2,541	17	---	---	---
Net change in Plan Fiduciary Net Position	33,444	27,850	13,501	(10,973)	68,476	(41,440)
Plan Fiduciary Net Position - beginning	198,677	232,121	259,971	273,472	262,499	330,975
Plan Fiduciary Net Position - ending	\$ 232,121	\$ 259,971	\$ 273,472	\$ 262,499	\$ 330,975	\$ 289,535
Net OPEB Liability (Asset) - ending	\$ 46,675	\$ 8,837	\$ (18,933)	\$ (38,920)	\$ (119,734)	\$ (72,591)

Shelby County, Tennessee

Required Supplementary Information
Other Postemployment (OPEB) Trust Fund Liability
For the Year Ended June 30, 2023

	Net OPEB Liability						
	2016	2017	2018	2019	2020	2021	2022
Total OPEB Liability	\$ 303,456	\$ 278,796	\$ 268,808	\$ 254,539	\$ 223,579	\$ 211,241	\$ 216,944
Plan Fiduciary Net Position	198,677	232,121	259,971	273,472	262,499	330,975	289,535
Net OPEB Liability (Asset)	104,779	46,675	8,837	(18,933)	(38,920)	(119,734)	(72,591)
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	65.47%	83.26%	96.71%	107.44%	117.41%	156.68%	133.46%
Covered Payroll	\$ 254,988	\$ 255,925	\$ 264,317	\$ 263,235	\$ 265,883	\$ 265,935	\$ 260,404
Net OPEB Liability as a percentage of covered payroll	41.09%	18.24%	3.34%	-7.19%	-14.64%	-45.02%	-27.88%

Shelby County, Tennessee

Required Supplementary Information
 Other Postemployment (OPEB) Trust Fund
 Annual Money Weighted Return
 For the Year Ended June 30, 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money rate of return, net of investment expenses	15.44%	0.89%	-4.11%	13.42%	9.00%	4.93%	-2.67%	29.35%	-10.20%	10.40%

Required Supplementary Information
Shelby County Retirement System
For the Year Ended June 30, 2023

Schedule of Changes in Net Pension Liability

(\$ in thousands)

Fiscal year-end (measurement date)	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service cost	\$ 23,641	\$ 25,533	\$ 24,763	\$ 27,640	\$ 27,509	\$ 27,937	\$ 28,593	\$ 29,741	\$ 30,046
Interest	104,504	108,830	110,121	112,438	115,865	117,135	122,246	124,258	125,669
Changes of benefit terms	---	---	---	---	---	---	---	---	---
Differences between expected and actual experience	---	(6,934)	(4,524)	(3,124)	14,741	26,366	(4,036)	(7,019)	(4,845)
Changes in assumptions	---	59,700	90,986	---	(47,235)	---	37,760	11,716	---
Benefit payments, including refunds of employee contributions	(71,577)	(76,562)	(81,902)	(86,285)	(89,756)	(95,839)	(101,084)	(106,189)	(114,648)
Net change in total pension liability	56,568	110,567	139,444	50,669	21,124	75,599	83,479	52,507	36,222
Total Pension Liability - beginning	1,342,090	1,398,658	1,509,225	1,648,669	1,699,338	1,720,462	1,796,061	1,879,540	1,932,047
Total Pension Liability - ending	\$ 1,398,658	\$ 1,509,225	\$ 1,648,669	\$ 1,699,338	\$ 1,720,462	\$ 1,796,061	\$ 1,879,540	\$ 1,932,047	\$ 1,968,269
Plan Fiduciary Net Position									
Contributions - employer	\$ 31,976	\$ 34,213	\$ 35,864	\$ 41,888	\$ 53,251	\$ 60,715	\$ 58,778	\$ 59,951	\$ 63,010
Contributions - employee	13,917	15,235	15,599	15,688	16,314	17,289	17,887	18,253	18,064
Net investment income	156,598	6,327	(30,836)	118,103	72,605	51,453	(20,262)	323,633	(148,337)
Benefit payments, including refunds of employee contributions	(71,577)	(76,562)	(81,902)	(86,285)	(89,756)	(95,839)	(101,084)	(106,189)	(114,648)
Administrative expenses	(1,337)	(1,705)	(1,722)	(1,242)	(1,129)	(952)	(990)	(1,063)	(1,156)
Net change in Plan Fiduciary Net Position	129,577	(22,492)	(62,997)	88,152	51,285	32,666	(45,671)	294,585	(183,067)
Plan Fiduciary Net Position - beginning	1,008,049	1,137,626	1,115,134	1,052,137	1,140,289	1,191,574	1,224,240	1,178,569	1,473,154
Plan Fiduciary Net Position - ending	\$ 1,137,626	\$ 1,115,134	\$ 1,052,137	\$ 1,140,289	\$ 1,191,574	\$ 1,224,240	\$ 1,178,569	\$ 1,473,154	\$ 1,290,087
Net Pension Liability - ending	\$ 261,032	\$ 394,091	\$ 596,532	\$ 559,049	\$ 528,888	\$ 571,821	\$ 700,971	\$ 458,893	\$ 678,182
Plan Fiduciary Net Position as a percent of Total Pension Liability	81.34%	73.89%	63.82%	67.10%	69.26%	68.16%	62.71%	76.25%	65.54%
Covered Payroll	\$ 240,466	\$ 243,655	\$ 244,818	\$ 245,415	\$ 254,182	\$ 263,235	\$ 266,076	\$ 265,935	\$ 260,404
Net Pension Liability as a percent of Covered Payroll	108.55%	161.74%	243.66%	227.80%	208.07%	217.23%	263.45%	172.56%	260.43%

*GASB 68 requires a 10-year schedule to be presented starting with the implementation of GASB 68 in 2014. The information in this schedule is not required to be presented retroactively prior to the implementation date. Additional years' information will be displayed as it becomes available.

Schedule of Employer Contributions
(\$ in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined employer contributions*	\$ 32,983	\$ 33,220	\$ 32,113	\$ 38,668	\$ 51,289	\$ 55,832	\$ 55,488	\$ 58,175	\$ 65,758	\$ 66,283
Actual employer contributions	31,976	34,213	35,864	41,888	53,251	60,715	58,778	59,951	63,010	65,775
Annual contribution deficiency/(excess)	\$ 1,007	\$ (993)	\$ (3,751)	\$ (3,220)	\$ (1,962)	\$ (4,883)	\$ (3,290)	\$ (1,776)	\$ 2,748	\$ 508
Covered payroll	\$ 240,466	\$ 243,655	\$ 244,818	\$ 245,415	\$ 254,182	\$ 263,235	\$ 266,076	\$ 265,935	\$ 260,404	\$ 270,260
Actual contributions as a percent of covered payroll	13.30%	14.04%	14.65%	17.07%	20.95%	23.06%	22.09%	22.54%	24.20%	24.34%

* Actuarially determined employer contributions calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

I. OPEB Trust Fund

(A) The Trust was established July 1, 2007 and has been active for sixteen fiscal years.

(B) Actuarial valuations are performed as of the close of a fiscal year to determine the employer’s “actuarially determined contribution” (ADC) for the following fiscal year. Since budgets and appropriations by the County’s legislative body must be completed before the beginning of each fiscal year, the County’s annual OPEB contribution is budgeted at the ADC as a percent of payroll from the latest actuarial valuation available at the time the budget is prepared. From fiscal year 2012 to date the county has contributed at least 100% of the ADC being used for the year; continuing this funding level is the most significant factor affecting the trends shown above.

(C) The schedules presented are reported as historical trend information. The Schedule of Funding Progress is presented to measure the progress being made to accumulate sufficient assets to pay benefits when due. The Schedule of Employer Contributions is presented to show the responsibility of the County in meeting the actuarial requirements to maintain the Plan on a sound financial basis. The comparability of trend information may be affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the net postemployment benefit obligation as a factor. The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Actuarial cost method	Entry Age Normal	
Amortization method	Level dollar	
Amorization period	16 years, closed	
Asset valuation method	Market value of assets	
Price inflation	2.50%	
Real wage growth	0.25%	
Wage Inflation	2.75%	
Salary increases, including wage inflations	2.75% to 5.25%	
Long-term investment rate of return, net of OPEB plan investment including price inflation	5.25%	
	<u>Cigna Plans</u>	<u>Medicare</u>
Health care cost trend rate	7.00%	5.125%
Ultimate Trend rate	4.50%	4.50%
Year of ultimate trend rate	2031	2024

II. Shelby County Retirement System

Changes of benefit terms: None

Changes of assumptions: The actuarial demographic assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2017. Additional assumption changes were adopted by the Board on November 9, 2021. The actuarial economic assumptions used in the June 30, 2023, valuation were based on the results of an Economic Experience Investigation as of June 30, 2015.

The investment rate of return was lowered from 6.80% to 6.70%. In addition, the asset smoothing period was reduced from 10 years to 5 years for funding purposes only. These assumptions were approved by the Retirement Board of Trustees on November 9, 2021.

Method and assumptions used in calculations of actuarially determined contributions: The Actuarially determined contributions rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the schedule of employer contributions (Schedule A) are calculated as of the valuation date two years prior to the current measurement date.

The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed
Single equivalent amortization period	17.5 years
Asset valuation method	5 - year smoothed market
Inflation	2.40 percent
Salary increases	2.65 - 5.15 percent, including inflation
Investment rate of return	6.70 percent, net of investment related expenses
Cost of living adjustments	1.00% per year, compounded for Plan B
	2.65% per year, compounded for Plan A and Plan C
	2.00% per year, compounded for Plan D



Combining and Other Statements and Schedules

Nonmajor Special Revenue Funds: Roads and Bridges, Hotel Motel Taxes, Car Rental Tax, Tax Increment Financing, Sheriff Forfeitures, Data Processing, Health Services Restricted Fees, Storm Water Fees, Economic Development, Restricted Court Fees, Chickasaw Basin Authority, Transit and Mobility, Retirement System Operations and Opioid Settlement

Nonmajor Enterprise Funds: Consolidated Codes Enforcement, and Fire Services

Internal Services Funds: Central Services, Group Health Insurance, Tort Liability, and Employer Insurance

Fiduciary Funds account for postemployment benefits and custodial activities.

County Charter Officers' Statements are used to account for the revenues and expenditures the Elected Officials, Sheriff's Department, and Corrections Center collect and incur in the performance of their charter assigned duties.

General Obligation Bonds Schedules report for each bond issue outstanding, the issuance date, original principal amount, interest rate and outstanding principal payments by fiscal year.

	Special Revenue Funds			
	Roads and Bridges Fund	Hotel Motel Taxes Fund	Car Rental Tax Fund	Tax Increment Financing Fund
Assets:				
Cash and cash equivalents	\$ 31,191,175	\$ 14,559,454	\$ 344,433	\$ ---
Property taxes receivable, net of allowance for uncollectibles	---	---	---	31,253
Accounts receivable and accrued revenues	400	---	---	---
Due from other funds	---	3,234,468	494,406	---
Due from other governmental entities	2,140,844	---	---	---
Total assets	\$ 33,332,419	\$ 17,793,922	\$ 838,839	\$ 31,253
Liabilities:				
Accounts payable and accrued liabilities	2,022,689	1,955,620	838,839	---
Due to other governmental entities	---	---	---	31,253
Unearned revenue	---	---	---	---
Total liabilities	2,022,689	1,955,620	838,839	31,253
Deferred inflows of resources:				
Unavailable revenue	696	---	---	---
Total deferred inflows of resources	696	---	---	---
Fund balances:				
Restricted	31,309,034	15,838,302	---	---
Committed	---	---	---	---
Total fund balances	31,309,034	15,838,302	---	---
Total liabilities, deferred inflows, and fund balances	\$ 33,332,419	\$ 17,793,922	\$ 838,839	\$ 31,253

(continued)

**Nonmajor Governmental Funds
Combining Balance Sheet (continued)
June 30, 2023**

	Special Revenue Funds				
	Sheriff Forfeitures Fund	Data Processing Fund	Health Services Restricted Fees Fund	Storm Water and Sewer Fees Fund	Economic Development Fund
Assets:					
Cash and cash equivalents	\$ 7,113,510	\$ 4,274,133	\$ 2,689,458	2,709,312	\$ 859,411
Property taxes receivable, net of allowance for uncollectibles	---	---	---	---	---
Accounts receivable and accrued revenues	---	---	308,010	99,841	---
Due from other funds	11	---	---	---	---
Due from other governmental entities	---	5,870	---	885	---
Total assets	\$ 7,113,521	\$ 4,280,003	\$ 2,997,468	\$ 2,810,038	\$ 859,411
Liabilities:					
Accounts payable and accrued liabilities	281,754	22,576	69,208	112,531	16,781
Due to other governmental entities	---	---	---	---	---
Unearned revenue	---	---	---	---	---
Total liabilities	281,754	22,576	69,208	112,531	16,781
Deferred inflows of resources:					
Unavailable revenue	---	3,008	---	---	---
Total deferred inflows of resources	---	3,008	---	---	---
Fund balances:					
Restricted	6,831,767	4,254,419	602,234	1,378,257	---
Committed	---	---	2,326,026	1,319,250	842,630
Total fund balances	6,831,767	4,254,419	2,928,260	2,697,507	842,630
Total liabilities, deferred inflows, and fund balances	\$ 7,113,521	\$ 4,280,003	\$ 2,997,468	\$ 2,810,038	\$ 859,411

**Nonmajor Governmental Funds
Combining Balance Sheet (continued)
June 30, 2023**

Special Revenue Funds					
Restricted Court Fees Fund	Chickasaw Basin Authority Fund	Transit and Mobility Fund	Retirement System Operations Fund	Opioid Settlement Fund	Total
\$ 899,145	\$ 1,042,333	\$ 123,721	\$ ---	\$ 4,261,335	\$ 70,067,420
---	---	---	---	---	31,253
10,559	---	---	55,898	---	474,708
---	---	---	---	---	3,728,885
---	---	---	---	---	2,147,599
\$ 909,704	\$ 1,042,333	\$ 123,721	\$ 55,898	\$ 4,261,335	\$ 76,449,865
32,128	701	123,721	2,040	---	5,478,588
---	---	---	---	---	31,253
---	40,470	---	---	---	40,470
32,128	41,171	123,721	2,040	---	5,550,311
---	---	---	---	---	3,704
---	---	---	---	---	3,704
877,576	1,001,162	---	53,858	4,261,335	66,407,944
---	---	---	---	---	4,487,906
877,576	1,001,162	---	53,858	4,261,335	70,895,850
\$ 909,704	\$ 1,042,333	\$ 123,721	\$ 55,898	\$ 4,261,335	\$ 76,449,865



Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in fund Balance
For the Year Ended June 30, 2023

	Special Revenue Funds				
	Roads and Bridges Fund	Hotel Motel Taxes Fund	Car Rental Tax Fund	Tax Increment Financing Fund	Sheriff Forfeitures Fund
Revenues:					
Other local taxes	\$ 1,944,058	\$ 21,704,417	\$ 2,948,683	\$ 8,435,948	\$ ---
State revenue	12,504,275	---	---	---	---
Federal and local revenue	---	---	---	---	---
Charges for services	592,692	---	---	---	490,660
Fines, fees and permits	41,158	---	---	---	23,189
Other revenues	472	---	---	---	909,452
Investment income	680,401	286,479	---	---	217,678
Total revenue	<u>15,763,056</u>	<u>21,990,896</u>	<u>2,948,683</u>	<u>8,435,948</u>	<u>1,640,979</u>
Expenditures:					
General Government	---	12,258,397	2,948,683	8,435,948	---
Public Works	13,314,499	---	---	---	---
Health Services	---	---	---	---	---
Law Enforcement	---	---	---	---	2,038,457
Judicial	---	---	---	---	---
Other Elected Officials	---	---	---	---	---
Total expenditures	<u>13,314,499</u>	<u>12,258,397</u>	<u>2,948,683</u>	<u>8,435,948</u>	<u>2,038,457</u>
Excess (deficiency) of revenues over(under) expenditures	<u>2,448,557</u>	<u>9,732,499</u>	<u>---</u>	<u>---</u>	<u>(397,478)</u>
Other financing sources (uses):					
Transfers in	3,578,344	---	---	---	---
Transfers out	(425,805)	---	---	---	---
Sale of capital assets	4,131	---	---	---	---
Insurance recoveries	---	---	---	---	1,146
Total other financing sources (uses)	<u>3,156,670</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>1,146</u>
Net change in fund balance	5,605,227	9,732,499	---	---	(396,332)
Fund balances:					
June 30, 2022	<u>25,703,807</u>	<u>6,105,803</u>	<u>---</u>	<u>---</u>	<u>7,228,099</u>
June 30, 2023	<u>\$ 31,309,034</u>	<u>\$ 15,838,302</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 6,831,767</u>

(continued)

Shelby County, Tennessee

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in fund Balance (continued)
For the Year Ended June 30, 2023

Special Revenue Funds					
Data Processing Fund	Health Services Restricted Fees Fund	Storm Water and Sewer Fees Fund	Economic Development Fund	Restricted Court Fees Fund	Chickasaw Basin Authority Fund
\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
---	---	---	---	---	---
---	---	---	---	---	80,657
---	93	---	---	---	100,940
1,698,604	4,465,190	1,182,259	---	293,886	---
---	---	---	---	---	---
152,012	72,375	100,918	26,957	27,339	31,712
<u>1,850,616</u>	<u>4,537,658</u>	<u>1,283,177</u>	<u>26,957</u>	<u>321,225</u>	<u>213,309</u>
---	---	---	434,434	---	---
215	---	2,139,007	---	---	34,356
---	4,218,120	---	---	---	---
---	---	---	---	---	---
359,157	---	---	---	574,349	---
207,141	---	---	---	---	---
<u>566,513</u>	<u>4,218,120</u>	<u>2,139,007</u>	<u>434,434</u>	<u>574,349</u>	<u>34,356</u>
1,284,103	319,538	(855,830)	(407,477)	(253,124)	178,953
---	---	---	---	---	---
---	(14,748)	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
---	(14,748)	---	---	---	---
1,284,103	304,790	(855,830)	(407,477)	(253,124)	178,953
2,970,316	2,623,470	3,553,337	1,250,107	1,130,700	822,209
<u>\$ 4,254,419</u>	<u>\$ 2,928,260</u>	<u>\$ 2,697,507</u>	<u>\$ 842,630</u>	<u>\$ 877,576</u>	<u>\$ 1,001,162</u>

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in fund Balance (continued)
For the Year Ended June 30, 2023

Special Revenue Funds				
	Transit and Mobility Fund	Retirement System Operations Fund	Opioid Settlement Fund	Total
Revenues:				
Other local taxes	\$ ---	\$ ---	\$ ---	\$ 35,033,106
State revenue	---	---	3,579,149	16,083,424
Federal and local revenue	---	729,216	---	809,873
Charges for services	---	---	---	1,184,385
Fines, fees and permits	---	---	---	7,704,286
Other revenues	---	---	682,186	1,592,110
Investment income	---	---	---	1,595,871
Total revenue	---	729,216	4,261,335	64,003,055
Expenditures:				
General Government	123,721	675,358	---	24,876,541
Public Works	---	---	---	15,488,077
Health Services	---	---	---	4,218,120
Law Enforcement	---	---	---	2,038,457
Judicial	---	---	---	933,506
Other Elected Officials	---	---	---	207,141
Total expenditures	123,721	675,358	---	47,761,842
Excess (deficiency) of revenues over(under) expenditures	(123,721)	53,858	4,261,335	16,241,213
Other financing sources (uses):				
Transfers in	123,721	---	---	3,702,065
Transfers out	---	---	---	(440,553)
Sale of capital assets	---	---	---	4,131
Insurance recoveries	---	---	---	1,146
Total other financing sources (uses)	123,721	---	---	3,266,789
Net change in fund balance	---	53,858	4,261,335	19,508,002
Fund balances:				
June 30, 2022	---	---	---	51,387,848
June 30, 2023	\$ ---	\$ 53,858	\$ 4,261,335	\$ 70,895,850

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2023**

Roads and Bridges Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 135,000	\$ 135,000	\$ 1,944,058	\$ 1,809,058
State revenue	13,169,337	13,169,337	12,504,275	(665,062)
Charges for services	852,842	1,144,956	592,692	(552,264)
Fines, fees and permits	41,000	41,000	41,158	158
Other revenues	---	---	472	472
Investment income	97,000	97,000	680,401	583,401
Total revenues	<u>14,295,179</u>	<u>14,587,293</u>	<u>15,763,056</u>	<u>1,175,763</u>
Expenditures:				
Salaries	5,662,416	5,656,865	4,916,362	740,503
Other compensation	351,603	351,603	112,983	238,620
Fringe benefits	1,915,658	1,914,152	1,740,542	173,610
Salary restrictions	(630,221)	(630,221)	---	(630,221)
Supplies and materials	1,525,718	2,330,331	955,133	1,375,198
Services and other expenditures	168,944	218,944	196,190	22,754
Professional and contracted services	442,985	1,187,485	237,525	949,960
Rent, utilities and maintenance	711,904	759,904	429,063	330,841
Interfund services	1,377,086	3,231,837	1,386,376	1,845,461
Asset acquisitions	18,245,438	20,846,741	3,340,325	17,506,416
Total expenditures	<u>29,771,531</u>	<u>35,867,641</u>	<u>13,314,499</u>	<u>22,553,142</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,476,352)</u>	<u>(21,280,348)</u>	<u>2,448,557</u>	<u>23,728,905</u>
Other financing sources (uses):				
Transfers in	---	(7,057)	3,578,344	3,585,401
Transfers out	(872,184)	(885,173)	(425,805)	459,368
Sale of capital assets	20,000	20,000	4,131	(15,869)
Planned change in fund balance	16,328,536	22,152,578	---	(22,152,578)
Total other financing sources (uses)	<u>15,476,352</u>	<u>21,280,348</u>	<u>3,156,670</u>	<u>(18,123,678)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 5,605,227</u>	<u>\$ 5,605,227</u>

Hotel Motel Taxes Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 18,000,000	\$ 18,000,000	\$ 21,704,417	\$ 3,704,417
Investment income	207,786	207,786	286,479	78,693
Total revenues	18,207,786	18,207,786	21,990,896	3,783,110
Expenditures:				
Affiliated organizations	18,207,786	18,207,786	12,258,397	5,949,389
Total expenditures	18,207,786	18,207,786	12,258,397	5,949,389
Excess (deficiency) of revenues over (under) expenditures	---	---	9,732,499	9,732,499
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 9,732,499	\$ 9,732,499

Car Rental Tax Special Revenue Fund

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,948,683	\$ 448,683
Total revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,948,683</u>	<u>448,683</u>
Expenditures:				
Affiliated organizations	2,500,000	2,500,000	2,948,683	(448,683)
Total expenditures	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,948,683</u>	<u>(448,683)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

Tax Increment Financing Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 10,001,000	\$ 10,001,000	\$ 8,435,948	\$ (1,565,052)
Total revenues	10,001,000	10,001,000	8,435,948	(1,565,052)
Expenditures:				
Affiliated organizations	10,001,000	10,001,000	8,435,948	1,565,052
Total expenditures	10,001,000	10,001,000	8,435,948	1,565,052
Excess (deficiency) of revenues over (under) expenditures	---	---	---	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

Sheriff Forfeitures Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 565,000	\$ 565,000	\$ 490,660	\$ (74,340)
Fines, fees and permits	---	---	23,189	23,189
Other revenues	2,221,000	2,221,000	909,452	(1,311,548)
Investment income	28,000	28,000	217,678	189,678
Total revenues	2,814,000	2,814,000	1,640,979	(1,173,021)
Expenditures:				
Other compensation	375,000	375,000	---	375,000
Supplies and materials	366,000	402,624	315,201	87,423
Services and other expenditures	420,653	395,653	379,152	16,501
Professional and contracted services	354,000	352,000	206,301	145,699
Rent, utilities and maintenance	476,531	461,907	377,055	84,852
Interfund services	115,700	66,700	48,102	18,598
Asset acquisitions	790,000	1,013,455	712,646	300,809
Total expenditures	2,897,884	3,067,339	2,038,457	1,028,882
Excess (deficiency) of revenues over (under) expenditures	(83,884)	(253,339)	(397,478)	(144,139)
Other financing sources (uses):				
Insurance recoveries	---	---	1,146	1,146
Planned change in fund balance	83,884	253,339	---	(253,339)
Total other financing sources (uses)	83,884	253,339	1,146	(252,193)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (396,332)	\$ (396,332)

Data Processing Special Revenue Fund

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 8,845	\$ 8,845	\$ ---	\$ (8,845)
Fines, fees and permits	867,800	867,800	1,698,604	830,804
Investment income	12,300	12,300	152,012	139,712
Total revenues	<u>888,945</u>	<u>888,945</u>	<u>1,850,616</u>	<u>961,671</u>
Expenditures:				
Supplies and materials	243,760	249,760	103,453	146,307
Services and other expenditures	752,659	716,659	350,879	365,780
Professional and contracted services	192,206	184,206	13,175	171,031
Rent, utilities and maintenance	79,164	93,664	45,216	48,448
Interfund services	56,271	71,271	53,790	17,481
Asset acquisitions	39,095	47,595	---	47,595
Total expenditures	<u>1,363,155</u>	<u>1,363,155</u>	<u>566,513</u>	<u>796,642</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(474,210)</u>	<u>(474,210)</u>	<u>1,284,103</u>	<u>1,758,313</u>
Other financing sources (uses):				
Planned change in fund balance	<u>474,210</u>	<u>474,210</u>	<u>---</u>	<u>(474,210)</u>
Total other financing sources (uses)	<u>474,210</u>	<u>474,210</u>	<u>---</u>	<u>(474,210)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 1,284,103</u>	<u>\$ 1,284,103</u>

Health Services Restricted Fees Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 100	\$ 100	\$ 93	\$ (7)
Fines, fees and permits	4,209,000	4,209,000	4,465,190	256,190
Investment income	9,000	9,000	72,375	63,375
Total revenues	<u>4,218,100</u>	<u>4,218,100</u>	<u>4,537,658</u>	<u>319,558</u>
Expenditures:				
Salaries	3,435,783	3,429,141	2,621,627	807,514
Other compensation	139,786	139,786	161,347	(21,561)
Fringe benefits	1,178,092	1,186,046	911,545	274,501
Salary restrictions	(463,148)	(463,148)	---	(463,148)
Supplies and materials	362,721	353,409	125,554	227,855
Services and other expenditures	46,204	62,203	55,891	6,312
Professional and contracted services	81,000	81,000	61	80,939
Rent, utilities and maintenance	73,300	73,300	36,519	36,781
Interfund services	401,200	388,200	263,312	124,888
Asset acquisitions	50,000	55,000	42,264	12,736
Total expenditures	<u>5,304,937</u>	<u>5,304,937</u>	<u>4,218,120</u>	<u>1,086,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,086,837)</u>	<u>(1,086,837)</u>	<u>319,538</u>	<u>1,406,375</u>
Other financing sources (uses):				
Transfers in	39,007	39,007	---	(39,007)
Transfers out	(32,400)	(32,400)	(14,748)	17,652
Planned change in fund balance	1,080,230	1,080,230	---	(1,080,230)
Total other financing sources (uses)	<u>1,086,837</u>	<u>1,086,837</u>	<u>(14,748)</u>	<u>(1,101,585)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 304,790</u>	<u>\$ 304,790</u>

Storm Water and Sewer Fees Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 1,200,104	1,200,104	\$ 1,182,259	\$ (17,845)
Investment income	18,000	18,000	100,918	82,918
Total revenues	<u>1,218,104</u>	<u>1,218,104</u>	<u>1,283,177</u>	<u>65,073</u>
Expenditures:				
Salaries	273,809	279,359	254,205	25,154
Other compensation	530	530	1,824	(1,294)
Fringe benefits	102,684	104,191	96,700	7,491
Salary restrictions	1,055	1,055	-	1,055
Supplies and materials	123,206	123,206	30,880	92,326
Services and other expenditures	85,735	85,735	28,898	56,837
Professional and contracted services	477,793	1,909,373	1,290,885	618,488
Rent, utilities and maintenance	242,850	262,850	227,338	35,512
Interfund services	306,210	306,210	208,277	97,933
Asset acquisitions	398,000	30,000	---	30,000
Total expenditures	<u>2,011,872</u>	<u>3,102,509</u>	<u>2,139,007</u>	<u>963,502</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(793,768)</u>	<u>(1,884,405)</u>	<u>(855,830)</u>	<u>1,028,575</u>
Other financing sources (uses):				
Transfers in	---	7,057	---	(7,057)
Planned change in fund balance	793,768	1,877,348	---	(1,877,348)
Total other financing sources (uses)	<u>793,768</u>	<u>1,884,405</u>	<u>---</u>	<u>(1,884,405)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (855,830)</u>	<u>\$ (855,830)</u>

Economic Development Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Investment income	\$ 7,000	\$ 7,000	\$ 26,957	\$ 19,957
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>26,957</u>	<u>19,957</u>
Expenditures:				
Salaries	94,464	94,464	88,605	5,859
Other compensation	---	---	5,984	(5,984)
Fringe benefits	41,718	41,718	28,994	12,724
Salary restrictions	(258,368)	(258,368)	---	(258,368)
Supplies and materials	24,000	21,000	2,789	18,211
Services and other expenditures	1,239,386	1,214,561	222,241	992,320
Professional and contracted services	23,000	23,000	---	23,000
Rent, utilities and maintenance	---	3,000	1,825	1,175
Interfund services	5,800	5,800	3,666	2,134
Asset acquisitions	30,000	90,625	80,330	10,295
Total expenditures	<u>1,200,000</u>	<u>1,235,800</u>	<u>434,434</u>	<u>801,366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,193,000)</u>	<u>(1,228,800)</u>	<u>(407,477)</u>	<u>821,323</u>
Other financing sources (uses):				
Planned change in fund balance	1,193,000	1,228,800	---	(1,228,800)
Total other financing sources (uses)	<u>1,193,000</u>	<u>1,228,800</u>	<u>---</u>	<u>(1,228,800)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (407,477)</u>	<u>\$ (407,477)</u>

Restricted Court Fees Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 368,250	\$ 368,250	\$ 293,886	\$ (74,364)
Investment income	6,300	6,300	27,339	21,039
Total revenues	<u>374,550</u>	<u>374,550</u>	<u>321,225</u>	<u>(53,325)</u>
Expenditures:				
Salaries	379,808	392,154	357,318	34,836
Other compensation	7,394	7,394	2,008	5,386
Fringe benefits	113,672	117,022	124,157	(7,135)
Supplies and materials	9,150	9,150	452	8,698
Services and other expenditures	33,550	41,250	23,620	17,630
Professional and contracted services	305,410	293,911	52,269	241,642
Rent, utilities and maintenance	11,700	15,500	14,525	975
Total expenditures	<u>860,684</u>	<u>860,684</u>	<u>574,349</u>	<u>286,335</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(486,134)</u>	<u>(486,134)</u>	<u>(253,124)</u>	<u>233,010</u>
Other financing sources (uses):				
Transfers in	127,571	127,571	---	(127,571)
Planned change in fund balance	358,563	358,563	---	(358,563)
Total other financing sources (uses)	<u>486,134</u>	<u>486,134</u>	<u>---</u>	<u>(486,134)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (253,124)</u>	<u>\$ (253,124)</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2023**

Chickasaw Basin Authority Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ ---	\$ ---	\$ 80,657	\$ 80,657
Charges for services	104,940	104,940	100,940	(4,000)
Investment income	5,000	5,000	31,712	26,712
Total revenues	109,940	109,940	213,309	103,369
Expenditures:				
Salaries	16,564	16,564	---	16,564
Fringe benefits	4,497	4,497	---	4,497
Supplies and materials	2,300	2,300	13	2,287
Services and other expenditures	5,460	5,460	1,556	3,904
Professional and contracted services	40,250	40,250	13,033	27,217
Rent, utilities and maintenance	20,000	20,000	13,527	6,473
Interfund services	20,869	20,869	6,227	14,642
Total expenditures	109,940	109,940	34,356	75,584
Excess (deficiency) of revenues over (under) expenditures	---	---	178,953	178,953
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 178,953	\$ 178,953

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2023**

Transit and Mobility Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Grants	\$ ---	\$ ---	\$ 123,721	(123,721)
Total expenditures	\$ ---	\$ ---	123,721	(123,721)
Excess (deficiency) of revenues over (under) expenditures	---	---	(123,721)	(123,721)
Other financing sources (uses):				
Transfers in	---	---	123,721	123,721
Total other financing sources (uses)	---	---	123,721	123,721
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2023**

Retirement System Operations Fund

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal and local revenue	1,437,049	1,437,049	729,216	(707,833)
Total revenues	<u>1,437,049</u>	<u>1,437,049</u>	<u>729,216</u>	<u>(707,833)</u>
Expenditures:				
Salaries	673,637	854,009	514,135	339,874
Other compensation	136,416	4,007	2,544	1,463
Fringe benefits	219,996	274,722	158,679	116,043
Salary restrictions	---	(102,689)	---	(102,689)
Supplies and materials	20,000	20,000	---	20,000
Services and other expenditures	57,000	57,000	---	57,000
Professional and contracted services	260,000	260,000	---	260,000
Rent, utilities and maintenance	70,000	70,000	---	70,000
Total expenditures	<u>1,437,049</u>	<u>1,437,049</u>	<u>675,358</u>	<u>761,691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>---</u>	<u>53,858</u>	<u>53,858</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 53,858</u>	<u>\$ 53,858</u>

Opioid Settlement Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ ---	\$ ---	3,579,149	3,579,149
Other revenues	---	---	682,186	682,186
Total revenues	---	---	4,261,335	4,261,335
Excess (deficiency) of revenues over (under) expenditures	---	---	4,261,335	4,261,335
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 4,261,335	\$ 4,261,335

Shelby County, Tennessee

Nonmajor Enterprise Funds
Combining Statement of Net Position
June 30, 2023

	Consolidated		Total
	Enforcement Fund	Fire Services Fund	
Assets:			
Current assets			
Cash and cash equivalents	\$ 23,109,193	\$ 14,400,664	\$ 37,509,857
Accounts receivable and accrued revenue	30,527	2,413,036	2,443,563
Due from other governmental entities	45,783	---	45,783
Prepays	---	876	876
Total current assets	<u>23,185,503</u>	<u>16,814,576</u>	<u>40,000,079</u>
Noncurrent assets			
Net OPEB assets	1,982,653	4,655,610	6,638,263
Land	---	5,300	5,300
Construction in progress	1,462,504	177,755	1,640,259
Depreciable capital assets, net	1,565,377	10,802,115	12,367,492
Intangible right-to-use assets, net	315,237	---	315,237
Total noncurrent assets	<u>5,325,771</u>	<u>15,640,780</u>	<u>20,966,551</u>
Total assets	<u>28,511,274</u>	<u>32,455,356</u>	<u>60,966,630</u>
Deferred outflows of resources:			
OPEB related deferred outflows	462,235	1,085,407	1,547,642
Pension related deferred outflows	5,174,291	12,150,128	17,324,419
Total deferred outflows of resources	<u>5,636,526</u>	<u>13,235,535</u>	<u>18,872,061</u>
Liabilities:			
Current liabilities			
Accounts payable and accrued liabilities	508,980	578,362	1,087,342
Due to other governmental entities	3,257	---	3,257
Compensated absences payable	365,822	1,501,591	1,867,413
Unearned revenue	27,011	---	27,011
Deposits held for others	11,100	---	11,100
Total current liabilities	<u>916,170</u>	<u>2,079,953</u>	<u>2,996,123</u>
Noncurrent liabilities			
Accrued sick leave payable	60,355	557,841	618,196
Net pension liability	18,522,949	43,495,077	62,018,026
Total noncurrent liabilities	<u>18,583,304</u>	<u>44,052,918</u>	<u>62,636,222</u>
Total liabilities	<u>19,499,474</u>	<u>46,132,871</u>	<u>65,632,345</u>
Deferred inflows of resources:			
OPEB related deferred inflows	957,281	2,247,861	3,205,142
Pension related deferred inflows	254,472	597,544	852,016
Total deferred inflows of resources	<u>1,211,753</u>	<u>2,845,405</u>	<u>4,057,158</u>
Net position:			
Net investment in capital assets	3,343,118	10,985,170	14,328,288
Restricted OPEB assets	1,982,653	4,655,610	6,638,263
Unrestricted	8,110,802	(18,928,165)	(10,817,363)
Total net position	<u>\$ 13,436,573</u>	<u>\$ (3,287,385)</u>	<u>\$ 10,149,188</u>

Shelby County, Tennessee

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

	Consolidated Codes		Total
	Enforcement Fund	Fire Services Fund	
Operating revenues:			
State revenue	\$ ---	\$ 189,600	\$ 189,600
Federal and local revenue	2,153	1,469,283	1,471,436
Charges for services	277,687	4,565,535	4,843,222
Fines, fees and permits	14,034,365	27,902,038	41,936,403
Other revenue	---	2,350	2,350
Total operating revenue	<u>14,314,205</u>	<u>34,128,806</u>	<u>48,443,011</u>
Operating expenses:			
Salaries	7,523,402	16,775,614	24,299,016
Other compensation	65,819	3,607,141	3,672,960
Fringe benefits	2,992,814	7,348,386	10,341,200
Supplies and materials	143,821	2,231,577	2,375,398
Services and other expenditures	243,118	195,586	438,704
Professional and contracted services	176,470	537,113	713,583
Rent, utilities and maintenance	99,906	954,268	1,054,174
Interfund services	1,271,910	1,478,523	2,750,433
Depreciation	328,632	739,332	1,067,964
Amortization	525,397	100,176	625,573
Total operating expenses	<u>13,371,289</u>	<u>33,967,716</u>	<u>47,339,005</u>
Operating income (loss)	<u>942,916</u>	<u>161,090</u>	<u>1,104,006</u>
Nonoperating revenues (expenses):			
Intergovernmental	1,751,732	---	1,751,732
Investment income	565,366	373,516	938,882
Interest expense	(9,506)	(119)	(9,625)
Insurance recoveries	18,215	---	18,215
Net nonoperating revenues (expenses)	<u>2,325,807</u>	<u>373,397</u>	<u>2,699,204</u>
Transfers:			
Transfers in	1,500,000	---	1,500,000
Transfers out	(196,556)	(20,348)	(216,904)
Net transfers	<u>1,303,444</u>	<u>(20,348)</u>	<u>1,283,096</u>
Change in net position	4,572,167	514,139	5,086,306
Net position:			
June 30, 2022	<u>8,864,406</u>	<u>(3,801,524)</u>	<u>5,062,882</u>
June 30, 2023	<u>\$ 13,436,573</u>	<u>\$ (3,287,385)</u>	<u>\$ 10,149,188</u>

Shelby County, Tennessee

**Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2023**

	Consolidated Codes		Total
	Enforcement Fund	Fire Services Fund	
Cash flows from operating activities:			
Receipts from customers	\$ 14,282,252	\$ 34,292,640	\$ 48,574,892
Receipts for special programs	---	189,600	189,600
Receipts from interfund services provided	---	29,656	29,656
Refunds paid to customers	(12,771)	---	(12,771)
Cash payments to suppliers	(754,831)	(4,000,164)	(4,754,995)
Cash payments to employees	(10,337,903)	(27,077,165)	(37,415,068)
Payments for interfund services used	(1,271,910)	(1,478,523)	(2,750,433)
Net cash provided by (used in) operating activities	<u>1,904,837</u>	<u>1,956,044</u>	<u>3,860,881</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	1,500,000	---	1,500,000
Transfers to other funds	(196,556)	(20,348)	(216,904)
Payments from City of Memphis	1,751,732	5,546	1,757,278
Net cash provided by (used in) noncapital financing activities	<u>3,055,176</u>	<u>(14,802)</u>	<u>3,040,374</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(322,293)	(1,966,155)	(2,288,448)
SBITA obligations	(525,397)	(100,176)	(625,573)
Interest paid	(314,449)	(119)	(314,568)
Net cash provided by (used in) capital and related financing activities	<u>(1,162,139)</u>	<u>(2,066,450)</u>	<u>(3,228,589)</u>
Cash flows from investing activities:			
Interest and investment earnings	565,366	373,516	938,882
Net cash provided by (used in) investing activities	<u>565,366</u>	<u>373,516</u>	<u>938,882</u>
Net increase (decrease) in cash and cash equivalents	4,363,240	248,308	4,611,548
Cash and cash equivalents, June 30, 2022	<u>18,745,953</u>	<u>14,152,356</u>	<u>32,898,309</u>
Cash and cash equivalents, June 30, 2023	<u>\$ 23,109,193</u>	<u>\$ 14,400,664</u>	<u>\$ 37,509,857</u>

(continued)

Shelby County, Tennessee

**Nonmajor Enterprise Funds
Combining Statement of Cash Flows (continued)
For the Year Ended June 30, 2023**

	Consolidated Codes		Total
	Enforcement Fund	Fire Services Fund	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 942,916	\$ 161,090	\$ 1,104,006
Adjustments:			
Depreciation/amortization	854,029	839,508	1,693,537
Changes in assets and liabilities			
Accounts receivable and accrued revenues	(7,700)	179,796	172,096
Due from other governmental entities	(44,711)	208,839	164,128
Deposits held by others	2,400	---	2,400
Pension related deferred outflows	(2,394,317)	(5,669,157)	(8,063,474)
OPEB related deferred outflows	(341,369)	(803,630)	(1,144,999)
Accounts payable and accrued liabilities	(84,269)	(87,015)	(171,284)
Due to other governmental entities	(390)	---	(390)
Claims payable	---	(300,000)	(300,000)
Compensated absences payable	(4,604)	173,802	169,198
Unearned revenue	230	---	230
Net OPEB assets	1,164,307	2,680,918	3,845,225
Net Pension liability	6,461,898	15,377,072	21,838,970
Pension related deferred inflows	(3,205,123)	(7,467,833)	(10,672,956)
OPEB related deferred inflows	(1,438,460)	(3,337,346)	(4,775,806)
Total adjustments	961,921	1,794,954	2,756,875
Net cash provided by (used in) operating activities	\$ 1,904,837	\$ 1,956,044	\$ 3,860,881

**Internal Service Funds
Combining Statement of Net Position
June 30, 2023**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Assets:					
Current assets					
Cash and cash equivalents	\$ 3,913,983	\$ 29,016,837	\$ 4,702,222	\$ 6,801,863	\$ 44,434,905
Accounts receivable and accrued revenues	29,718	123,526	3,677	---	156,921
Due from other governmental entities	12,609	---	---	---	12,609
Inventories	161,526	---	---	---	161,526
Prepays	173,161	---	---	---	173,161
Total current assets	4,290,997	29,140,363	4,705,899	6,801,863	44,939,122
Noncurrent assets					
Deposits held by others	---	---	---	200,000	200,000
Net OPEB assets	190,634	---	---	---	190,634
Depreciable capital assets, net	3,255,463	---	---	---	3,255,463
Intangible right-to-use assets, net	2,179,235	---	---	---	2,179,235
Total noncurrent assets	5,625,332	---	---	200,000	5,825,332
Amortization	---	---	---	---	---
Total assets	9,916,329	29,140,363	4,705,899	7,001,863	50,764,454
Deferred outflows of resources:					
OPEB related deferred outflows	44,444	---	---	---	44,444
Pension related deferred outflows	497,510	---	---	---	497,510
Total deferred outflows of resources	541,954	---	---	---	541,954
Liabilities:					
Current liabilities					
Accounts payable and accrued liabilities	621,415	---	19,758	---	641,173
Due to other funds	---	---	---	---	---
Due to other governmental entities	---	---	---	---	---
Claims payable	---	4,655,227	2,882,851	1,779,034	9,317,112
Compensated absences payable	43,208	---	---	---	43,208
Lease/Subscriptions obligations - current	1,292,125	---	---	---	1,292,125
Unearned revenue	---	3,333,412	---	---	3,333,412
Total current liabilities	1,956,748	7,988,639	2,902,609	1,779,034	14,627,030
Noncurrent liabilities					
Claims payable, long term	---	---	1,691,613	917,585	2,609,198
Lease/Subscriptions obligations, long term	877,114	---	---	---	877,114
Accrued sick leave payable	6,437	---	---	---	6,437
Net pension liability	1,780,990	---	---	---	1,780,990
Total noncurrent liabilities	2,664,541	---	1,691,613	917,585	5,273,739
Total liabilities	4,621,289	7,988,639	4,594,222	2,696,619	19,900,769
Deferred inflows of resources:					
OPEB related deferred inflows	92,043	---	---	---	92,043
Pension related deferred inflows	24,468	---	---	---	24,468
Total deferred inflows of resources	116,511	---	---	---	116,511
Net position:					
Net investment in capital assets	3,255,463	---	---	---	3,255,463
Restricted for net OPEB assets	190,634	---	---	---	190,634
Unrestricted	2,274,386	21,151,724	111,677	4,305,244	27,843,031
Total net position	\$ 5,720,483	\$ 21,151,724	\$ 111,677	\$ 4,305,244	\$ 31,289,128

Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2023

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Operating revenues:					
Charges for services	\$ 8,740,673	\$ ---	\$ ---	\$ ---	\$ 8,740,673
Other revenue	---	96,075	1,376,367	---	1,472,442
Premium revenue	---	42,654,268	637,910	1,441,421	44,733,599
Total operating revenue	<u>8,740,673</u>	<u>42,750,343</u>	<u>2,014,277</u>	<u>1,441,421</u>	<u>54,946,714</u>
Operating expenses:					
Salaries	803,044	---	---	---	803,044
Other compensation	21,007	---	---	---	21,007
Fringe benefits	189,471	---	---	---	189,471
Supplies and materials	3,979,524	---	---	---	3,979,524
Services and other expenditures	541,185	37,614	---	---	578,799
Professional and contracted services	292,622	3,833,421	---	199,403	4,325,446
Rent, utilities and maintenance	3,123,749	---	---	---	3,123,749
Interfund services	22,764	---	---	---	22,764
Depreciation	420,320	---	---	---	420,320
Amortization	1,281,010	---	---	---	1,281,010
Claims incurred	---	41,850,062	2,152,600	947,286	44,949,948
Total operating expenses	<u>10,674,696</u>	<u>45,721,097</u>	<u>2,152,600</u>	<u>1,146,689</u>	<u>59,695,082</u>
Operating income (loss)	<u>(1,934,023)</u>	<u>(2,970,754)</u>	<u>(138,323)</u>	<u>294,732</u>	<u>(4,748,368)</u>
Nonoperating revenues (expenses):					
Investment income	---	772,318	---	---	772,318
Interest expense	(52,447)	---	---	---	(52,447)
Net nonoperating revenues (expenses)	<u>(52,447)</u>	<u>772,318</u>	<u>---</u>	<u>---</u>	<u>719,871</u>
Transfers:					
Transfers in	721,192	---	250,000	---	971,192
Transfers out	---	(368,216)	---	---	(368,216)
Net transfers	<u>721,192</u>	<u>(368,216)</u>	<u>250,000</u>	<u>---</u>	<u>602,976</u>
Change in net position	(1,265,278)	(2,566,652)	111,677	294,732	(3,425,521)
Net position:					
June 30, 2022	<u>6,985,761</u>	<u>23,718,376</u>	<u>---</u>	<u>4,010,512</u>	<u>34,714,649</u>
June 30, 2023	<u>\$ 5,720,483</u>	<u>\$ 21,151,724</u>	<u>\$ 111,677</u>	<u>\$ 4,305,244</u>	<u>\$ 31,289,128</u>

Shelby County, Tennessee

Internal Service Funds
Combining Statement of Cash Flows
For the year ended June 30, 2023

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Cash flows from operating activities:					
Receipts from customers	\$ 48,722	\$ ---	\$ 1,417,690	\$ ---	\$ 1,466,412
Receipts from interfund services provided	8,675,639	---	---	---	8,675,639
Premiums received	---	42,760,831	637,910	1,441,421	44,840,162
Refunds received from suppliers	---	96,075	---	---	96,075
Cash payments to suppliers	(7,942,343)	(4,148,200)	19,758	(181,808)	(12,252,593)
Cash payments to employees	(1,122,810)	---	---	---	(1,122,810)
Claims paid	---	(42,297,677)	(1,488,886)	(1,676,153)	(45,462,716)
Payments for interfund services used	(22,764)	---	---	---	(22,764)
Net cash provided by (used in) operating activities	<u>(363,556)</u>	<u>(3,588,971)</u>	<u>586,472</u>	<u>(416,540)</u>	<u>(3,782,595)</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	721,192	---	250,000	---	971,192
Transfers to other funds	---	(368,216)	---	---	(368,216)
Net cash provided by (used in) noncapital financing activities	<u>721,192</u>	<u>(368,216)</u>	<u>250,000</u>	<u>---</u>	<u>602,976</u>
Amortization					
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(25,492)	---	---	---	(25,492)
Leases/Subscriptions	(1,212,109)	---	---	---	(1,212,109)
Interest paid	(52,445)	---	---	---	(52,445)
Net cash provided by (used in) capital and related financing activities	<u>(1,290,046)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(1,290,046)</u>
Cash flows from investing activities:					
Interest and investment earnings	---	772,318	---	---	772,318
Net cash provided by (used in) investing activities	<u>---</u>	<u>772,318</u>	<u>---</u>	<u>---</u>	<u>772,318</u>
Net increase (decrease) in cash and cash equivalents	(932,410)	(3,184,869)	836,472	(416,540)	(3,697,347)
Cash and cash equivalents, June 30, 2022	4,846,393	32,201,706	3,865,750	7,218,403	48,132,252
Cash and cash equivalents, June 30, 2023	<u>\$ 3,913,983</u>	<u>\$ 29,016,837</u>	<u>\$ 4,702,222</u>	<u>\$ 6,801,863</u>	<u>\$ 44,434,905</u>

(continued)

Shelby County, Tennessee

Internal Service Funds
Combining Statement of Cash Flows (continued)
For the Year Ended June 30, 2023

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (1,934,023)	\$ (2,970,754)	\$ (138,323)	\$ 294,732	\$ (4,748,368)
Adjustments:					
Depreciation	420,320	---	---	---	420,320
Amortization	1,281,010	---	---	---	1,281,010
Changes in assets and liabilities					
Accounts receivable and accrued revenues	(4,000)	201,330	41,323	---	238,653
Due from other governmental entities	(12,311)	---	---	---	(12,311)
Inventories	8	---	---	---	8
Prepays	(46,091)	---	---	---	(46,091)
Pension related deferred outflows	(198,729)	---	---	---	(198,729)
OPEB related deferred outflows	(31,454)	---	---	---	(31,454)
Accounts payable and accrued liabilities	119,715	(314,780)	19,758	17,595	(157,712)
Due to other funds	---	---	---	---	---
Due to other governmental entities	---	---	---	---	---
LT - SBITA obligations	(78,897)	---	---	---	(78,897)
Claims payable	---	(410,000)	663,714	(728,867)	(475,153)
Compensated absences payable	1,391	---	---	---	1,391
Net OPEB assets	147,590	---	---	---	147,590
Net Pension liability	484,713	---	---	---	484,713
Unearned revenue	---	(94,767)	---	---	(94,767)
Pension related deferred inflows	(347,356)	---	---	---	(347,356)
OPEB related deferred inflows	(165,442)	---	---	---	(165,442)
Total adjustments	<u>1,570,467</u>	<u>(618,217)</u>	<u>724,795</u>	<u>(711,272)</u>	<u>965,773</u>
Net cash provided by (used in) operating activities	<u>\$ (363,556)</u>	<u>\$ (3,588,971)</u>	<u>\$ 586,472</u>	<u>\$ (416,540)</u>	<u>\$ (3,782,595)</u>

Shelby County, Tennessee

**Fiduciary Funds
Postemployment Benefit Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2023**

	Other Postemployment Benefits Trust Fund	Shelby County Retirement System	Total
Assets:			
Cash and cash equivalents	\$ 5,980,707	\$ 21,641,811	\$ 27,622,518
Investments at fair value			
Domestic equity	99,820,594	464,055,889	563,876,483
International equity	36,242,446	177,030,757	213,273,203
Fixed income	58,991,785	263,367,642	322,359,427
Global low-volatility equity	16,087,116	72,382,673	88,469,789
Hedge funds	17,515,715	98,738,748	116,254,463
Private real estate and infrastructure	43,695,490	160,291,092	203,986,582
Credit opportunities	8,893,117	44,542,789	53,435,906
Private equities	24,635,501	92,850,293	117,485,794
Total investments	<u>305,881,764</u>	<u>1,373,259,883</u>	<u>1,679,141,647</u>
Accounts receivable and accrued revenues	323,526	---	323,526
Accrued interest and dividends receivable	---	1,843,639	1,843,639
Due from brokers - investment sales	---	731,475	731,475
Securities lending collateral	1,272,842	69,541,614	70,814,456
Total assets	<u>313,458,839</u>	<u>1,467,018,422</u>	<u>1,780,477,261</u>
Liabilities:			
Accounts payable	77,942	581,612	659,554
Claims payable	784,096	---	784,096
Due to brokers and others	---	1,016,494	1,016,494
Obligations under securities lending	1,272,842	69,541,614	70,814,456
Total liabilities	<u>2,134,880</u>	<u>71,139,720</u>	<u>73,274,600</u>
Net position restricted for:			
Other Postemployment Benefits	311,323,959	---	311,323,959
Pension	---	1,395,878,702	1,395,878,702
Total Net Position	<u>\$ 311,323,959</u>	<u>\$ 1,395,878,702</u>	<u>\$ 1,707,202,661</u>

Shelby County, Tennessee

Fiduciary Funds
Postemployment Benefit Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2023

	Other Postemployment Benefits Trust Fund	Shelby County Retirement System	Total
Additions:			
Contributions			
Employer contributions	\$ ---	\$ 65,774,938	\$ 65,774,938
Member contributions	3,794,236	18,989,579	22,783,815
Total contributions	<u>3,794,236</u>	<u>84,764,517</u>	<u>88,558,753</u>
Investment income			
Net change in fair value of investments	22,711,885	127,309,542	150,021,427
Interest income	449,281	6,453,865	6,903,146
Dividend income	7,830,759	14,346,130	22,176,889
Other income	---	282,873	282,873
Total investment income	<u>30,991,925</u>	<u>148,392,410</u>	<u>179,384,335</u>
Less investment management expenses	(668,019)	(3,211,524)	(3,879,543)
Net investment income (loss)	<u>30,323,906</u>	<u>145,180,886</u>	<u>175,504,792</u>
Security lending activities			
Securities lending income	---	150,926	150,926
Securities lending expenses	---	(41,423)	(41,423)
Net securities lending activities	<u>---</u>	<u>109,503</u>	<u>109,503</u>
Net additions	<u>34,118,142</u>	<u>230,054,906</u>	<u>264,173,048</u>
Deductions:			
Benefit payments	11,846,544	111,466,753	123,313,297
Administrative expenses	482,149	1,251,088	1,733,237
Refund of member contributions	---	11,542,004	11,542,004
Total deductions	<u>12,328,693</u>	<u>124,259,845</u>	<u>136,588,538</u>
Change in net position	21,789,449	105,795,061	127,584,510
Restricted net position:			
June 30, 2022	<u>289,534,510</u>	<u>1,290,083,641</u>	<u>1,579,618,151</u>
June 30, 2023	<u>\$ 311,323,959</u>	<u>\$ 1,395,878,702</u>	<u>\$ 1,707,202,661</u>

Shelby County, Tennessee

	Corrections Center Prisoner Commissary Funds	Sheriff Narcotics Seizure Funds	Sheriff Alert Seizure Funds	Chancery Court	Circuit Court Clerk	Criminal Court Clerk
Assets:						
Cash and cash equivalents	\$ 352,856	\$ 2,106,067	\$ 165,776	\$ 25,961,091	\$ 13,230,711	\$ 2,283,724
Accounts receivable	---	---	---	2,856	---	776,567
Investments	---	---	---	4,919,962	10,887,956	1,859,630
Total assets	<u>\$ 352,856</u>	<u>\$ 2,106,067</u>	<u>\$ 165,776</u>	<u>30,883,909</u>	<u>24,118,667</u>	<u>4,919,921</u>
Liabilities:						
Due to other governmental entities	---	---	---	283,669	24,229	---
Due to other funds and departments	---	---	---	14,967	212,222	1,352,836
Due to component units	---	---	---	---	---	---
Total liabilities	<u>---</u>	<u>---</u>	<u>---</u>	<u>298,636</u>	<u>236,451</u>	<u>1,352,836</u>
Net position:						
Restricted funds held for others	352,856	2,106,067	165,776	30,585,273	23,882,216	3,567,085
Restricted for other funds, departments, or component units	---	---	---	---	---	---
	<u>\$ 352,856</u>	<u>\$ 2,106,067</u>	<u>\$ 165,776</u>	<u>\$ 30,585,273</u>	<u>\$ 23,882,216</u>	<u>\$ 3,567,085</u>

County Charter Officers - Custodial Funds
Combining Statement of Fiduciary Net Position
June 30, 2023

General Sessions Court Clerk	Probate Court Clerk	Juvenile Court Clerk	County Clerk	Register	Trustee	Eliminate Interdepartmental Activity	Total
\$ 13,602,701	\$ 223,434	\$ 532,402	\$ 15,877,989	\$ 3,448,135	\$ 756,557,456	\$ (700,137,572)	\$ 134,204,770
102,795	---	---	---	---	2,808,147	---	3,690,365
423,282	29,137,715	4,413,546	---	---	177,621,484	(177,621,484)	51,642,091
<u>14,128,778</u>	<u>29,361,149</u>	<u>4,945,948</u>	<u>15,877,989</u>	<u>3,448,135</u>	<u>936,987,087</u>	<u>(877,759,056)</u>	<u>\$ 189,537,226</u>
218,179	6,468	63,426	6,217,615	3,015,277	4,903,189	---	14,732,052
1,785,127	216,966	21,848	---	432,858	---	(4,036,824)	---
---	---	---	---	---	32,110,388	---	32,110,388
<u>2,003,306</u>	<u>223,434</u>	<u>85,274</u>	<u>6,217,615</u>	<u>3,448,135</u>	<u>37,013,577</u>	<u>(4,036,824)</u>	<u>46,842,440</u>
12,125,472	29,137,715	4,860,674	---	---	35,911,652	---	142,694,786
---	---	---	9,660,374	---	864,061,858	(873,722,232)	---
<u>\$ 12,125,472</u>	<u>\$ 29,137,715</u>	<u>\$ 4,860,674</u>	<u>\$ 9,660,374</u>	<u>\$ ---</u>	<u>\$ 899,973,510</u>	<u>\$ (873,722,232)</u>	<u>\$ 142,694,786</u>

Shelby County, Tennessee

	Corrections Center Prisoner Commissary Funds	Sheriff Narcotics Seizure Funds	Sheriff Alert Seizure Funds	Chancery Court	Circuit Court Clerk	Criminal Court Clerk
Additions						
Sales tax collections from other governments	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Fines, fees, and other collections	3,410,185	---	---	167,841,693	23,839,581	2,543,640
Seizures	---	955,913	24,068	---	---	---
Investment income	---	101,054	11,740	---	---	---
Total additions	<u>3,410,185</u>	<u>1,056,967</u>	<u>35,808</u>	<u>167,841,693</u>	<u>23,839,581</u>	<u>2,543,640</u>
Deductions:						
Payments of sales tax collections or other tax collections to other governments	---	---	---	---	---	1,471,641
Payments to other funds, departments, or component units	---	---	---	---	---	---
Payments to individuals and others	3,441,884	1,047,831	148,779	172,574,233	16,721,258	1,169,904
Total liabilities	<u>3,441,884</u>	<u>1,047,831</u>	<u>148,779</u>	<u>172,574,233</u>	<u>16,721,258</u>	<u>2,641,545</u>
Change in net position	(31,699)	9,136	(112,971)	(4,732,540)	7,118,323	(97,905)
Restricted net position - June 30, 2022	384,555	2,096,931	278,747	35,317,813	16,763,893	3,664,990
Restricted net position - June 30, 2023	<u>\$ 352,856</u>	<u>\$ 2,106,067</u>	<u>\$ 165,776</u>	<u>\$ 30,585,273</u>	<u>\$ 23,882,216</u>	<u>\$ 3,567,085</u>

County Charter Officers - Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2023

General Sessions Court Clerk	Probate Court Clerk	Juvenile Court Clerk	County Clerk	Register	Trustee	Elimination of Interdepartmental Activity	Total
\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 253,025,319	\$ ---	\$ 253,025,319
119,539,854	106,570,614	1,361,579	73,364,191	---	4,084,745,357	(3,697,128,459)	886,088,235
---	---	---	---	---	---	---	979,981
---	---	4,678	---	---	29,022,760	---	29,140,232
<u>119,539,854</u>	<u>106,570,614</u>	<u>1,366,257</u>	<u>73,364,191</u>	<u>---</u>	<u>4,366,793,436</u>	<u>(3,697,128,459)</u>	<u>1,169,233,767</u>
934,695	---	---	---	---	253,025,319	---	255,431,655
12,668,693	---	214,734	73,562,317	---	3,532,950,899	(3,619,396,643)	---
105,716,095	100,661,726	935,080	---	---	500,084,725	---	902,501,515
<u>119,319,483</u>	<u>100,661,726</u>	<u>1,149,814</u>	<u>73,562,317</u>	<u>---</u>	<u>4,286,060,943</u>	<u>(3,619,396,643)</u>	<u>1,157,933,170</u>
220,371	5,908,888	216,443	(198,126)	---	80,732,493	(77,731,816)	11,300,597
<u>11,905,101</u>	<u>23,228,827</u>	<u>4,644,231</u>	<u>9,858,500</u>	<u>---</u>	<u>819,241,017</u>	<u>(795,990,416)</u>	<u>131,394,189</u>
<u>\$ 12,125,472</u>	<u>\$ 29,137,715</u>	<u>\$ 4,860,674</u>	<u>\$ 9,660,374</u>	<u>\$ ---</u>	<u>\$ 899,973,510</u>	<u>\$ (873,722,232)</u>	<u>\$ 142,694,786</u>



SHELBY COUNTY, TENNESSEE
 SCHEDULE OF LONG-TERM DEBT, PRINCIPAL AND INTEREST REQUIREMENTS BY
 FISCAL YEAR JUNE 30, 2023

GOVERNMENTAL ACTIVITIES

FY ENDED JUNE 30	2006B PUB IMP/SCHOOL		2009 QSCB		2010 QSCB		2012A REFUNDING BOND		2015A REFUNDING BOND	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2024	7,450,000	5,332,280	3,439,402	835,068	4,196,919	3,260,765	31,390,000	2,619,125	6,895,000	1,170,088
2025	23,900,000	4,820,062	3,439,402	835,068	4,196,919	3,260,765	---	1,049,625	11,985,000	946,000
2026	26,130,000	3,736,594	3,439,402	765,479	4,196,919	3,260,765	6,350,000	1,049,625	6,400,000	346,750
2027	20,110,000	2,645,707	376,185	69,589	4,196,918	3,260,765	7,095,000	732,125	535,000	26,750
2028	6,625,000	1,904,180	---	---	459,040	24,702	7,930,000	377,375	---	---
2029	12,680,000	1,543,634	---	---	---	---	---	---	---	---
2030	6,055,000	1,055,281	---	---	---	---	---	---	---	---
2031	19,280,000	640,578	---	---	---	---	---	---	---	---
2032	---	---	---	---	---	---	---	---	---	---
2033	---	---	---	---	---	---	---	---	---	---
2034	---	---	---	---	---	---	---	---	---	---
2035	---	---	---	---	---	---	---	---	---	---
2036	---	---	---	---	---	---	---	---	---	---
2037	---	---	---	---	---	---	---	---	---	---
2038	---	---	---	---	---	---	---	---	---	---
2039	---	---	---	---	---	---	---	---	---	---
2040	---	---	---	---	---	---	---	---	---	---
2041	---	---	---	---	---	---	---	---	---	---
2042	---	---	---	---	---	---	---	---	---	---
2043	---	---	---	---	---	---	---	---	---	---
	<u>\$ 122,230,000</u>	<u>\$ 21,678,316</u>	<u>\$ 10,694,391</u>	<u>\$ 2,505,204</u>	<u>\$ 17,246,715</u>	<u>\$ 13,067,762</u>	<u>\$ 52,765,000</u>	<u>\$ 5,827,875</u>	<u>\$ 25,815,000</u>	<u>\$ 2,489,588</u>

SHELBY COUNTY, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL AND INTEREST REQUIREMENTS BY
FISCAL YEAR JUNE 30, 2023

GOVERNMENTAL ACTIVITIES

FY ENDED JUNE 30	2016A REFUNDING BOND		2017A PUB IMP/SCHOOL		2019A PUB IMP/SCHOOL		2019B PUB IMP/SCHOOL		2020 REFUNDING BOND	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2024	10,955,000	2,335,500	3,345,000	3,277,500	6,865,000	6,720,163	4,760,000	2,592,125	5,355,000	178,240
2025	19,620,000	1,877,750	3,510,000	3,110,250	7,210,000	6,376,913	4,300,000	2,354,125	5,785,000	92,560
2026	12,875,000	896,750	3,690,000	2,934,750	7,570,000	6,016,413	4,530,000	2,139,125	---	---
2027	5,060,000	253,000	3,870,000	2,750,250	7,950,000	5,637,913	4,640,000	2,037,200	---	---
2028	---	---	4,065,000	2,556,750	8,345,000	5,240,413	4,875,000	1,805,200	---	---
2029	---	---	4,270,000	2,353,500	8,765,000	4,823,163	5,125,000	1,561,450	---	---
2030	---	---	4,485,000	2,140,000	9,205,000	4,384,913	5,395,000	1,305,200	---	---
2031	---	---	4,705,000	1,915,750	9,665,000	3,924,663	5,685,000	1,035,450	---	---
2032	---	---	4,940,000	1,680,500	10,145,000	3,441,413	5,995,000	751,200	---	---
2033	---	---	5,190,000	1,433,500	10,465,000	3,124,381	6,255,000	511,400	---	---
2034	---	---	5,450,000	1,174,000	10,790,000	2,797,350	6,530,000	261,200	---	---
2035	---	---	5,720,000	901,500	11,220,000	2,365,750	---	---	---	---
2036	---	---	6,005,000	615,500	11,670,000	1,916,950	---	---	---	---
2037	---	---	6,305,000	315,250	12,140,000	1,450,150	---	---	---	---
2038	---	---	---	---	12,625,000	964,550	---	---	---	---
2039	---	---	---	---	13,130,000	459,550	---	---	---	---
2040	---	---	---	---	---	---	---	---	---	---
2041	---	---	---	---	---	---	---	---	---	---
2042	---	---	---	---	---	---	---	---	---	---
2043	---	---	---	---	---	---	---	---	---	---
	<u>\$ 48,510,000</u>	<u>\$ 5,363,000</u>	<u>\$ 65,550,000</u>	<u>\$ 27,159,000</u>	<u>\$ 157,760,000</u>	<u>\$ 59,644,648</u>	<u>\$ 58,090,000</u>	<u>\$ 16,353,675</u>	<u>\$ 11,140,000</u>	<u>\$ 270,800</u>

SHELBY COUNTY, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL AND INTEREST REQUIREMENTS BY
FISCAL YEAR JUNE 30, 2023

GOVERNMENTAL ACTIVITIES

FY ENDED JUNE 30	2020B PUB IMP/SCHOOL		2022 REVENUE REFUNDING BOND- EDGE		2022A PUB IMP/SCHOOL		REGIONAL FORENSIC CENTER		TOTAL GOVERNMENTAL ACTIVITIES	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2024	7,420,000	8,183,350	867,500	407,464	4,625,000	7,648,750	339,602	57,598	97,903,423	44,618,016
2025	7,790,000	7,812,350	892,500	380,316	4,860,000	7,417,500	337,822	53,035	97,826,643	40,386,319
2026	8,180,000	7,422,850	922,500	353,531	5,100,000	7,174,500	336,041	48,473	89,719,862	36,145,605
2027	8,590,000	7,013,850	947,500	325,846	5,355,000	6,919,500	333,816	42,770	69,059,419	31,715,265
2028	9,020,000	6,584,350	975,000	298,225	5,625,000	6,651,750	331,145	35,927	48,250,185	25,478,872
2029	9,470,000	6,133,350	1,005,000	268,149	5,905,000	6,370,500	328,809	29,939	47,548,809	23,083,685
2030	9,945,000	5,659,850	1,035,000	237,988	6,200,000	6,075,250	326,472	23,951	42,646,472	20,882,433
2031	10,440,000	5,162,600	1,065,000	206,927	6,510,000	5,765,250	323,802	17,108	57,673,802	18,668,326
2032	10,960,000	4,640,600	1,097,500	175,444	6,835,000	5,439,750	321,131	10,265	40,293,631	16,139,172
2033	11,400,000	4,202,200	1,130,000	142,028	7,175,000	5,098,000	318,461	3,422	41,933,461	14,514,931
2034	11,860,000	3,746,200	1,167,500	108,115	7,535,000	4,739,250	---	---	43,332,500	12,826,115
2035	12,330,000	3,271,800	1,200,000	73,077	7,910,000	4,362,500	---	---	38,380,000	10,974,627
2036	12,825,000	2,778,600	1,235,000	37,165	8,310,000	3,967,000	---	---	40,045,000	9,315,215
2037	13,340,000	2,265,600	---	---	8,725,000	3,551,500	---	---	40,510,000	7,582,500
2038	13,870,000	1,732,000	---	---	9,160,000	3,115,250	---	---	35,655,000	5,811,800
2039	14,425,000	1,177,200	---	---	9,615,000	2,657,250	---	---	37,170,000	4,294,000
2040	15,005,000	600,200	---	---	10,100,000	2,176,500	---	---	25,105,000	2,776,700
2041	---	---	---	---	10,605,000	1,671,500	---	---	10,605,000	1,671,500
2042	---	---	---	---	11,135,000	1,141,250	---	---	11,135,000	1,141,250
2043	---	---	---	---	11,690,000	584,500	---	---	11,690,000	584,500
	<u>\$ 186,870,000</u>	<u>\$ 78,386,950</u>	<u>\$ 13,540,000</u>	<u>\$ 3,014,275</u>	<u>152,975,000</u>	<u>\$ 92,527,250</u>	<u>3,297,100</u>	<u>\$ 322,490</u>	<u>\$ 926,483,206</u>	<u>\$ 328,610,833</u>

SHELBY COUNTY, TN
 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 July 01, 2022	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Principal Amount Outstanding June 30, 2023	Interest to Maturity as of June 30, 2023
Governmental Activities										
BONDS PAYABLE										
<u>Payable through Debt Service Fund</u>										
2006B Public Imp/Schools	\$ 159,590,000	Variable*	2/22/2006	3/1/2031	\$ 129,360,000	\$ ---	\$ 7,130,000	\$ ---	\$ 122,230,000	\$ 21,678,316
2009 QSCB	55,120,000	1.515	9/15/2009	9/1/2026	14,133,793	---	3,439,402	---	10,694,391	2,505,204
2010 QSCB	67,260,000		10/15/2010	9/15/2027	21,443,634	---	4,196,919	---	17,246,715	13,067,762
2012A Refunding	259,340,000	3.00-5.00	3/1/2012	3/1/2028	94,265,000	---	41,500,000	---	52,765,000	5,827,875
2015A Refunding	171,830,000	2.00-5.00	1/28/2015	4/1/2027	32,785,000	---	6,970,000	---	25,815,000	2,489,588
2016A Refunding	70,110,000	1.50-5.00	2/26/2016	4/1/2027	52,000,000	---	3,490,000	---	48,510,000	5,363,000
2017A Public Imp/Schools	83,405,000	5.00	6/21/2017	4/1/2037	68,735,000	---	3,185,000	---	65,550,000	27,159,000
2019A Public Imp/Schools	181,130,000	3.125 - 5.00	2/14/2019	4/1/2039	164,300,000	---	6,540,000	---	157,760,000	59,644,648
2019B Refunding	74,555,000	2-25 - 5.00	2/14/2019	4/1/2034	62,625,000	---	4,535,000	---	58,090,000	16,353,675
2020B Public Imp/Schools	202,665,000	4.00 - 5.00	10/1/2020	4/1/2040	193,935,000	---	7,065,000	---	186,870,000	78,386,950
2022 Revenue Refunding Bond- EDGE	14,467,500	2.96	6/15/2022	4/1/2036	14,467,500	---	927,500	---	13,540,000	3,014,274
2022A Public Imp/Schools	152,975,000	5.00	12/12/2022	4/1/2043	---	152,975,000	---	---	152,975,000	92,527,250
Total Bonds Payable through Debt Service Fund					\$ 848,049,927	\$ 152,975,000	\$ 88,978,821	\$ ---	\$ 912,046,106	\$ 328,017,542
DIRECT PLACEMENTS										
<u>Payable through Debt Service Fund</u>										
2020 Refunding	\$ 58,610,000	1.60	2/18/2020	3/1/2025	\$ 22,880,000	\$ ---	\$ 11,740,000	\$ ---	\$ 11,140,000	\$ 270,800
Total Direct Placements Payable through Debt Service Fund					\$ 22,880,000	\$ ---	\$ 11,740,000	\$ ---	\$ 11,140,000	\$ 270,800
Total Bonds Payable and Direct Placements					\$ 870,929,927	\$ 152,975,000	\$ 100,718,821	\$ ---	\$ 923,186,106	\$ 328,288,342
Note Payable - Regional Forensic Center facility	\$ 6,883,614	2.00 - 5.00	12/4/2012	10/1/2032	\$ 3,638,482	\$ ---	\$ 341,382	\$ ---	\$ 3,297,100	\$ 322,490
Lease Obligations					\$ 1,329,591	\$ ---	\$ 587,211	\$ ---	\$ 742,380	\$ ---
Subscription based information technology arrangements					\$ 2,044,088	\$ 5,616,225	\$ 1,967,341	\$ ---	\$ 5,692,972	\$ ---
Total Long-Term Debt for Governmental Activities					\$ 877,942,088	\$ 158,591,225	\$ 103,614,755	\$ ---	\$ 932,918,558	\$ 328,610,832

* 2006B Variable rate was 3.46% at June 30, 2023

Other Budgetary Comparison Schedules

The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The **General Fund** Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department

The **Grants Fund** Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department

**Other Budgetary
Comparison Schedules**

Debt Service Fund
Budgetary Comparison Schedule - Summary by Type
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 132,725,029	\$ 132,725,029	\$ 135,594,433	\$ 2,869,404
Other local taxes	10,871,609	10,871,609	11,598,912	727,303
Other revenue	59,500	59,500	20,283	(39,217)
Investment income	100,000	100,000	2,504,250	2,404,250
Total revenues	143,756,138	143,756,138	149,717,878	5,961,740
Expenditures:				
Debt Service				
Principal	100,872,703	100,872,703	101,060,203	(187,500)
Interest	42,087,381	44,403,253	43,246,998	1,156,255
Bond Issuance costs	736,554	736,554	1,296,681	(560,127)
Total expenditures	143,696,638	146,012,510	145,603,882	408,628
Excess (deficiency) of revenues over (under) expenditures	59,500	(2,256,372)	4,113,996	6,370,368
Other financing sources (uses):				
Planned change in fund balance	(59,500)	2,256,372	---	(2,256,372)
Total other financing sources (uses)	(59,500)	2,256,372	---	(2,256,372)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 4,113,996	\$ 4,113,996

Shelby County, Tennessee

**General Fund
Budgetary Comparison Schedule - Summary by Type
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 300,767,782	\$ 300,767,782	\$ 306,995,858	\$ 6,228,076
Other local taxes	32,618,895	32,618,895	41,388,218	8,769,323
State revenue	24,306,564	25,264,407	27,723,256	2,458,849
Federal and local revenue	5,787,812	5,787,812	7,019,406	1,231,594
Charges for services	2,185,368	2,255,721	1,515,450	(740,271)
Fines, fees and permits	65,604,395	65,673,636	64,235,613	(1,438,023)
Other revenue	640,200	1,437,348	905,541	(531,807)
Investment income	381,650	381,650	8,244,341	7,862,691
Total revenues	432,292,666	434,187,250	458,027,683	23,840,433
Expenditures:				
Salaries	250,871,434	254,793,730	198,766,951	56,026,779
Other compensation	19,573,499	19,500,973	33,751,776	(14,250,803)
Fringe benefits	93,179,648	94,492,031	73,195,743	21,296,288
Salary restrictions	(37,091,075)	(46,667,998)	---	(46,667,998)
Supplies and materials	9,831,884	13,535,458	10,600,193	2,935,265
Services and other expenditures	16,139,408	22,092,789	13,651,873	8,440,916
Professional and contracted services	62,224,245	58,325,105	40,660,240	17,664,865
Rent, utilities and maintenance	18,174,173	19,094,258	17,028,291	2,065,967
Interfund services	(1,757,291)	(2,264,301)	(950,833)	(1,313,468)
Asset acquisitions	9,901,589	17,667,080	11,156,028	6,511,052
Principal on leases	---	---	877,722	(877,722)
Interest on leases	---	---	38,022	(38,022)
Affiliated organizations	38,815,849	36,259,899	34,404,865	1,855,034
Grants	14,588,998	30,650,688	18,874,143	11,776,545
Contingencies and restrictions	(3,953,655)	(4,760,266)	---	(4,760,266)
Total expenditures	490,498,706	512,719,446	452,055,014	60,664,432
Excess (deficiency) of revenues over (under) expenditures	(58,206,040)	(78,532,196)	5,972,669	(84,504,865)
Other financing sources (uses):				
Transfers in	71,355,853	84,797,471	31,056,940	(53,740,531)
Transfers out	(22,284,827)	(22,802,353)	(32,024,877)	(9,222,524)
Sale of capital assets	5,000	5,000	26,000	21,000
Insurance recoveries	---	---	15,809	15,809
Leases	---	---	2,200,979	2,200,979
Planned change in fund balance	9,130,014	16,532,078	---	(16,532,078)
Total other financing sources (uses)	58,206,040	78,532,196	1,274,851	(77,257,345)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 7,247,520	\$ 7,247,520

General Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Revenues:			
General Government			
Chief Administrative Officer	\$ ---	\$ 2,475	\$ 2,475
County Attorney	3,500	2,606	(894)
Central Operations	351,109,859	373,132,507	22,022,648
Human Resources	30,500	25,000	(5,500)
Purchasing	200	---	(200)
Finance	---	152,438	152,438
Chief Information Officer	368,513	347,713	(20,800)
Information Technology Operations	1,725,000	1,830,758	105,758
	<u>353,237,571</u>	<u>375,493,498</u>	<u>22,255,927</u>
Public Works			
Environmental Programs	280,500	244,563	(35,937)
Parks and Grounds Maintenance	378,150	207,009	(171,141)
Support Services	1,345,400	1,193,378	(152,022)
	<u>2,004,050</u>	<u>1,644,949</u>	<u>(359,101)</u>
Health Services			
Forensic Services	457,500	472,148	14,648
Health Services Administration and Finance	906,100	719,311	(186,789)
Environmental Health Services	1,864,700	2,661,860	797,160
Community Health	634,900	392,675	(242,225)
Health Planning and Promotion	1,000	---	(1,000)
Public Health Safety	67,500	69,589	2,089
	<u>3,931,700</u>	<u>4,315,582</u>	<u>383,882</u>
Community Services			
Director of Community Services	500,000	500,000	---
Crime Victims Center	434,950	253,546	(181,404)
Pretrial Services	100,000	78,236	(21,764)
	<u>1,034,950</u>	<u>831,782</u>	<u>(203,168)</u>
Law Enforcement			
Sheriff's Office	5,795,000	5,951,299	156,299
	<u>5,795,000</u>	<u>5,951,299</u>	<u>156,299</u>
Judicial			
Chancery Court	4,290,000	4,806,498	516,498
Circuit Court	1,384,500	1,450,010	65,510
Criminal Court	3,689,000	2,354,087	(1,334,913)
General Sessions Court	7,510,000	6,552,995	(957,005)
Probate Court	725,000	1,273,026	548,026
Juvenile Court Judge	4,000	1,985	(2,015)
Juvenile Court Clerk	275,000	654,999	379,999
Public Defender	6,010,000	6,076,574	66,574
Divorce Referee	280,000	225,958	(54,042)
	<u>\$ 24,167,500</u>	<u>\$ 23,396,133</u>	<u>\$ (771,366)</u>

General Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Other Elected Officials			
Assessor	\$ 20,750	\$ 4,223	\$ (16,527)
County Clerk	12,055,000	14,353,111	2,298,111
Register	4,695,145	4,227,782	(467,363)
Trustee	26,263,741	27,747,724	1,483,983
Election Commission	981,843	61,599	(920,244)
	<u>44,016,479</u>	<u>46,394,439</u>	<u>2,377,960</u>
 Total revenues	 <u>434,187,250</u>	 <u>458,027,683</u>	 <u>23,840,433</u>
Expenditures:			
General Government			
Mayor's Office	904,929	743,995	160,934
Public Affairs	544,797	494,236	50,561
Chief Administrative Officer	13,890,492	5,635,538	8,254,954
County Attorney	4,770,328	4,002,686	767,642
Director of Administration and Finance	1,328,042	916,284	411,758
Central Operations	19,911,106	41,577,769	(21,666,663)
County Grants	16,885,223	12,825,679	4,059,544
Human Resources	4,404,538	3,445,281	959,257
Purchasing	839,955	698,006	141,949
Finance	2,993,067	2,313,828	679,239
Board of Equalization	449,114	259,984	189,130
Chief Information Officer	841,411	565,890	275,521
Information Technology Operations	13,253,926	10,722,791	2,531,135
	<u>81,016,928</u>	<u>84,201,967</u>	<u>(3,185,039)</u>
 Planning and Development			
Housing	335,892	338,330	(2,438)
	<u>335,892</u>	<u>338,330</u>	<u>(2,438)</u>
 Public Works			
Director of Public Works	5,907,012	2,035,428	3,871,584
Environmental Programs	595,855	505,495	90,360
Parks and Grounds Maintenance	1,623,140	1,277,937	345,203
Support Services	23,070,356	21,083,938	1,986,418
	<u>31,196,363</u>	<u>24,902,798</u>	<u>6,293,565</u>
 Corrections			
Corrections Center Administration	181,505	77,000	104,505
	<u>181,505</u>	<u>77,000</u>	<u>104,505</u>
 Health Services			
Director of Health Services	881,698	795,023	86,675
Forensic Services	5,413,740	5,337,649	76,091
Health Services Administration and Finance	15,843,030	4,861,279	10,981,751
Environmental Health Services	2,655,440	2,546,753	108,687
Community Health	2,350,158	2,070,871	279,287
Health Planning and Promotion	1,270,108	1,039,276	230,832
Inmate Medical Care	17,206,446	15,454,107	1,752,339
Public Health Safety	4,768,808	3,368,473	1,400,335
	<u>\$ 50,389,428</u>	<u>\$ 35,473,431</u>	<u>\$ 14,915,997</u>

Shelby County, Tennessee

General Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Community Services			
Director of Community Services	\$ 16,531,600	\$ 4,871,056	\$ 11,660,544
Crime Victims Center	2,264,542	1,915,662	348,880
Pretrial Services	10,226,108	7,287,036	2,939,072
	<u>29,022,250</u>	<u>14,073,754</u>	<u>14,948,496</u>
Law Enforcement			
Sheriff's Office	192,629,829	182,909,184	9,720,645
	<u>192,629,829</u>	<u>182,909,184</u>	<u>9,720,645</u>
Judicial			
Chancery Court	2,111,079	1,960,574	150,505
Circuit Court	3,332,070	3,203,272	128,798
Criminal Court	6,239,964	5,682,652	557,312
General Sessions Court	18,392,337	16,309,486	2,082,851
Probate Court	1,638,990	1,658,242	(19,252)
Juvenile Court Judge	11,999,696	10,829,885	1,169,811
Juvenile Court Clerk	4,233,037	3,730,778	502,259
Public Defender	17,019,001	13,696,164	3,322,837
Divorce Referee	625,666	763,889	(138,223)
Jury Commission	867,738	602,662	265,076
Attorney General	12,782,118	11,780,229	1,001,889
	<u>79,241,696</u>	<u>70,217,833</u>	<u>9,023,863</u>
Other Elected Officials			
Legislative Operations	5,245,924	3,885,367	1,360,557
Equal Opportunity Compliance	1,511,922	1,283,800	228,122
Assessor	11,968,017	11,168,639	799,378
County Clerk	7,434,523	5,145,870	2,288,653
Register	2,850,801	2,247,764	603,037
Trustee	10,829,184	10,361,968	467,216
Election Commission	8,501,414	5,767,309	2,734,105
	<u>48,705,555</u>	<u>39,860,717</u>	<u>8,844,838</u>
Total expenditures	<u>512,719,446</u>	<u>452,055,014</u>	<u>60,664,432</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (78,532,196)</u>	<u>\$ 5,972,669</u>	<u>\$ (84,504,865)</u>

General Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Transfers in:			
Public Affairs	\$ 313,868	\$ ---	\$ (313,868)
Chief Administrative Officer	5,204,155	1,414,015	(3,790,140)
Director of Administration and Finance	99,722	53,425	(46,297)
Central Operations	33,539,024	5,400,671	(28,138,353)
County Grants	758,193	6,912,201	6,154,008
Human Resources	329,070	43,328	(285,742)
Finance	632,500	55,267	(577,233)
Information Technology Operations	721,492	780,382	58,890
Housing	1,483	---	(1,483)
Director of Public Works	4,000,000	---	(4,000,000)
Support Services	---	3,578,344	3,578,344
Corrections Center Administration	181,505	77,000	(104,505)
Health Services Administration and Finance	13,803,317	2,844,369	(10,958,948)
Environmental Health Services	5,233	---	(5,233)
Community Health	116,362	3,114,749	2,998,387
Public Health Safety	292,053	324,888	32,835
Director of Community Services	17,714,601	3,029,589	(14,685,012)
Crime Victims Center	345,544	145,545	(199,999)
Pretrial Services	2,644,769	618,288	(2,026,481)
Sheriff's Office	505,006	---	(505,006)
Chancery Court	2,860	---	(2,860)
Criminal Court	252,238	---	(252,238)
General Sessions Court	135,572	---	(135,572)
Juvenile Court Judge	65,731	---	(65,731)
Juvenile Court Clerk	35,254	---	(35,254)
Jury Commission	1,056	---	(1,056)
Attorney General	2,002	---	(2,002)
Legislative Operations	692,558	300,000	(392,558)
Trustee	2,400,000	2,400,000	---
	<u>\$ 84,797,471</u>	<u>\$ 31,056,940</u>	<u>\$ (53,740,531)</u>

Shelby County, Tennessee

General Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Transfers out:			
Central Operations	\$ (18,887,834)	\$ (22,354,108)	\$ (3,466,274)
Information Technology Operations	---	(721,191)	(721,191)
Housing	(70,000)	(31,676)	38,324
Director of Public Works	(475,397)	(50,000)	425,397
Support Services	---	(3,578,344)	(3,578,344)
Environmental Health Services	(1,637,296)	(1,513,902)	123,394
Community Health	(863,850)	(3,742,433)	(2,878,583)
Health Planning and Promotion	(123,160)	(15,004)	108,156
Sheriff's Office	(153,688)	(18,219)	135,469
Juvenile Court Clerk	(591,128)	---	591,128
	<u>(22,802,353)</u>	<u>(32,024,877)</u>	<u>(9,222,524)</u>
Other financing sources (uses):			
Central Operations	12,052,726	---	(12,052,726)
County Grants	5,416,750	---	(5,416,750)
Chief Information Officer	222,079	---	(222,079)
Information Technology Operations	345,063	541,202	196,139
Director of Public Works	200,000	---	(200,000)
Support Services	5,000	---	(5,000)
Health Services Administration and Finance	(1,195,603)	---	1,195,603
Inmate Medical Care	272,570	---	(272,570)
Sheriff's Office	(571,987)	1,701,586	2,273,573
	<u>16,537,078</u>	<u>2,242,788</u>	<u>(14,294,290)</u>
Net other financing sources (uses)	<u>78,532,196</u>	<u>1,274,851</u>	<u>(77,257,345)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ 7,247,520</u>	<u>\$ 7,247,520</u>

Mayor's Office

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 640,094	\$ 682,531	\$ 559,451	\$ 123,080
Other compensation	8,438	8,438	387	8,051
Fringe benefits	225,543	237,060	183,962	53,098
Salary restrictions	(23,600)	(23,600)	---	(23,600)
Services and other expenditures	500	500	195	305
Total expenditures	850,975	904,929	743,995	160,934
Excess (deficiency) of revenues over (under) expenditures	(850,975)	(904,929)	(743,995)	160,934
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (850,975)	\$ (904,929)	\$ (743,995)	\$ 160,934

Public Affairs

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 371,371	\$ 390,331	\$ 347,679	\$ 42,652
Other compensation	10,783	10,783	666	10,117
Fringe benefits	126,088	132,313	129,978	2,335
Salary restrictions	(13,682)	(13,682)	---	(13,682)
Supplies and materials	4,250	6,550	4,972	1,578
Services and other expenditures	242,165	1,497	270	1,227
Professional and contracted services	100,000	3,600	3,536	64
Interfund services	18,405	13,405	7,135	6,270
Total expenditures	859,380	544,797	494,236	50,561
Excess (deficiency) of revenues over (under) expenditures	(859,380)	(544,797)	(494,236)	50,561
Other financing sources (uses):				
Transfers in	313,868	313,868	---	(313,868)
Total other financing sources (uses)	313,868	313,868	---	(313,868)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (545,512)	\$ (230,929)	\$ (494,236)	\$ (263,307)

Chief Administrative Officer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ ---	\$ ---	\$ 2,475	\$ 2,475
Total revenues	---	---	2,475	2,475
Expenditures:				
Salaries	2,939,604	3,135,605	2,501,240	634,365
Other compensation	122,204	370,403	89,104	281,299
Fringe benefits	876,962	942,819	812,090	130,729
Salary restrictions	(156,546)	(183,025)	---	(183,025)
Supplies and materials	234,000	1,062,075	235,227	826,848
Services and other expenditures	207,971	410,088	364,483	45,605
Professional and contracted services	581,071	751,149	440,334	310,815
Rent, utilities and maintenance	64,717	155,380	60,786	94,594
Interfund services	277,853	348,123	239,153	108,970
Asset acquisitions	945,174	2,293,506	381,657	1,911,849
Grants	1,000,000	4,604,369	511,464	4,092,905
Total expenditures	7,093,010	13,890,492	5,635,538	8,254,954
Excess (deficiency) of revenues over (under) expenditures	(7,093,010)	(13,890,492)	(5,633,063)	8,257,429
Other financing sources (uses):				
Transfers in	2,429,889	5,204,155	1,414,015	(3,790,140)
Total other financing sources (uses)	2,429,889	5,204,155	1,414,015	(3,790,140)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (4,663,121)	\$ (8,686,337)	\$ (4,219,048)	\$ 4,467,289

County Attorney

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 3,000	\$ 3,000	\$ 2,470	\$ (530)
Other revenue	500	500	136	(364)
Total revenues	3,500	3,500	2,606	(894)
Expenditures:				
Salaries	2,620,779	2,685,091	2,406,748	278,343
Other compensation	16,354	16,354	8,365	7,989
Fringe benefits	882,664	892,078	804,390	87,688
Salary restrictions	(95,034)	(86,995)	---	(86,995)
Supplies and materials	23,670	23,670	18,008	5,662
Services and other expenditures	228,759	271,759	234,071	37,688
Professional and contracted services	963,002	920,002	488,021	431,981
Interfund services	48,369	48,369	43,083	5,286
Total expenditures	4,688,563	4,770,328	4,002,686	767,642
Excess (deficiency) of revenues over (under) expenditures	(4,685,063)	(4,766,828)	(4,000,080)	766,748
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (4,685,063)	\$ (4,766,828)	\$ (4,000,080)	\$ 766,748

Director of Administration and Finance

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 835,629	\$ 889,771	\$ 679,059	\$ 210,712
Other compensation	---	30,543	1,090	29,453
Fringe benefits	282,156	296,850	216,620	80,230
Salary restrictions	(26,751)	(62,351)	---	(62,351)
Supplies and materials	4,100	3,500	1,645	1,855
Services and other expenditures	74,200	75,062	12,562	62,500
Professional and contracted services	85,845	85,845	---	85,845
Interfund services	12,322	8,822	5,308	3,514
Total expenditures	<u>1,267,501</u>	<u>1,328,042</u>	<u>916,284</u>	<u>411,758</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,267,501)</u>	<u>(1,328,042)</u>	<u>(916,284)</u>	<u>411,758</u>
Other financing sources (uses):				
Transfers in	99,722	99,722	53,425	(46,297)
Total other financing sources (uses)	<u>99,722</u>	<u>99,722</u>	<u>53,425</u>	<u>(46,297)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,167,779)</u>	<u>\$ (1,228,320)</u>	<u>\$ (862,859)</u>	<u>\$ 365,461</u>

Central Operations

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 300,767,782	\$ 300,767,782	\$ 306,995,858	\$ 6,228,076
Other local taxes	32,308,895	32,308,895	41,154,178	8,845,283
State revenue	13,200,714	13,200,714	15,765,443	2,564,729
Federal and local revenue	3,050,000	3,050,000	3,074,901	24,901
Charges for services	61,000	61,000	21,886	(39,114)
Fines, fees and permits	875,000	875,000	(336,065)	(1,211,065)
Other revenue	422,500	717,468	(17,864)	(735,332)
Investment income	129,000	129,000	6,474,170	6,345,170
Total revenues	350,814,891	351,109,858	373,132,507	22,022,649
Expenditures:				
Other compensation	1,237,802	527,676	7,697,275	(7,169,599)
Fringe benefits	---	---	68,280	(68,280)
Salary restrictions	(13,739,488)	(14,177,304)	---	(14,177,304)
Services and other expenditures	1,076,598	1,161,598	1,075,762	85,836
Professional and contracted services	1,847,040	1,662,040	552,730	1,109,310
Interfund services	(4,127,119)	(4,127,119)	(4,127,119)	---
Asset acquisitions	50,000	2,550,000	2,500,000	50,000
Affiliated organizations	37,490,001	34,934,051	33,079,017	1,855,034
Grants	835,000	2,504,200	731,824	1,772,376
Contingencies and restrictions	(5,124,036)	(5,124,036)	---	(5,124,036)
Total expenditures	19,545,798	19,911,106	41,577,769	(21,666,663)
Excess (deficiency) of revenues over (under) expenditures	331,269,093	331,198,752	331,554,738	355,986
Other financing sources (uses):				
Transfers in	33,450,000	33,539,024	5,400,671	(28,138,353)
Transfers out	(18,887,834)	(18,887,834)	(22,354,108)	(3,466,274)
Planned change in fund balance	9,130,014	12,052,726	---	(12,052,726)
Total other financing sources (uses)	23,692,180	26,703,916	(16,953,437)	(43,657,353)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 354,961,273	\$ 357,902,668	\$ 314,601,301	\$ (43,301,367)

County Grants

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Services and other expenditures	\$ ---	\$ 16,868	\$ 7,824	\$ 9,044
Grants	9,353,998	16,868,355	12,817,855	4,050,500
Total expenditures	<u>9,353,998</u>	<u>16,885,223</u>	<u>12,825,679</u>	<u>4,059,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,353,998)</u>	<u>(16,885,223)</u>	<u>(12,825,679)</u>	<u>4,059,544</u>
Other financing sources (uses):				
Transfers in	748,193	758,193	6,912,201	6,154,008
Planned change in fund balance	---	5,416,750	---	(5,416,750)
Total other financing sources (uses)	<u>748,193</u>	<u>6,174,943</u>	<u>6,912,201</u>	<u>737,258</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (8,605,805)</u>	<u>\$ (10,710,280)</u>	<u>\$ (5,913,478)</u>	<u>\$ 4,796,802</u>

Human Resources

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 500	\$ 500	\$ ---	\$ (500)
Other revenue	30,000	30,000	25,000	(5,000)
Total revenues	30,500	30,500	25,000	(5,500)
Expenditures:				
Salaries	2,676,125	2,698,051	2,228,337	469,714
Other compensation	31,995	31,995	25,550	6,445
Fringe benefits	889,760	923,274	759,452	163,822
Salary restrictions	(96,591)	(115,662)	---	(115,662)
Supplies and materials	32,300	47,962	35,789	12,173
Services and other expenditures	386,774	390,233	85,536	304,697
Professional and contracted services	271,350	316,157	222,571	93,586
Rent, utilities and maintenance	4,500	9,222	6,072	3,150
Interfund services	71,956	103,306	81,974	21,332
Total expenditures	4,268,169	4,404,538	3,445,281	959,257
Excess (deficiency) of revenues over (under) expenditures	(4,237,669)	(4,374,038)	(3,420,281)	953,757
Other financing sources (uses):				
Transfers in	329,070	329,070	43,328	(285,742)
Total other financing sources (uses)	329,070	329,070	43,328	(285,742)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,908,599)	\$ (4,044,968)	\$ (3,376,953)	\$ 668,015

Purchasing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 200	\$ 200	\$ ---	\$ (200)
Total revenues	200	200	---	(200)
Expenditures:				
Salaries	574,902	578,377	479,185	99,192
Other compensation	4,097	4,097	9,452	(5,355)
Fringe benefits	220,179	221,122	165,045	56,077
Salary restrictions	(21,578)	(21,578)	---	(21,578)
Supplies and materials	10,500	10,500	8,001	2,499
Services and other expenditures	24,028	24,028	14,957	9,071
Rent, utilities and maintenance	2,000	2,000	---	2,000
Interfund services	21,409	21,409	21,366	43
Total expenditures	835,537	839,955	698,006	141,949
Excess (deficiency) of revenues over (under) expenditures	(835,337)	(839,755)	(698,006)	141,749
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (835,337)	\$ (839,755)	\$ (698,006)	\$ 141,749

Finance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ ---	\$ 152,438	152,438
Total revenues	---	---	152,438	152,438
Expenditures:				
Salaries	1,719,387	1,728,382	1,565,180	163,202
Other compensation	37,803	33,023	10,543	22,480
Fringe benefits	575,570	578,011	545,216	32,795
Salary restrictions	(79,481)	(86,137)	---	(86,137)
Supplies and materials	18,550	19,562	16,741	2,821
Services and other expenditures	105,159	104,147	77,473	26,674
Professional and contracted services	649,200	568,657	57,234	511,423
Interfund services	44,184	47,422	41,441	5,981
Total expenditures	3,070,372	2,993,067	2,313,828	679,239
Excess (deficiency) of revenues over (under) expenditures	(3,070,372)	(2,993,067)	(2,161,390)	831,677
Other financing sources (uses):				
Transfers in	632,500	632,500	55,267	(577,233)
Total other financing sources (uses)	632,500	632,500	55,267	(577,233)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,437,872)	\$ (2,360,567)	\$ (2,106,123)	\$ 254,444

Board of Equalization

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 377,906	\$ 377,906	\$ 192,300	\$ 185,606
Other compensation	2,202	2,202	1,824	378
Fringe benefits	58,251	58,251	55,197	3,054
Salary restrictions	(11,836)	(11,836)	---	(11,836)
Supplies and materials	5,392	5,392	2,880	2,512
Interfund services	17,199	17,199	7,783	9,416
Total expenditures	449,114	449,114	259,984	189,130
Excess (deficiency) of revenues over (under) expenditures	(449,114)	(449,114)	(259,984)	189,130
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (449,114)	\$ (449,114)	\$ (259,984)	\$ 189,130

Chief Information Officer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 192,542	\$ 192,542	\$ 192,542	---
Charges for services	175,971	175,971	155,171	(20,800)
Total revenues	368,513	368,513	347,713	(20,800)
Expenditures:				
Salaries	305,919	296,313	155,932	140,381
Other compensation	2,466	2,466	3,512	(1,046)
Fringe benefits	98,555	97,262	51,752	45,510
Supplies and materials	1,499	1,499	---	1,499
Services and other expenditures	421,173	667,857	578,680	89,177
Professional and contracted services	30,000	---	---	---
Interfund services	(229,381)	(223,986)	(223,986)	---
Total expenditures	630,231	841,411	565,890	275,521
Excess (deficiency) of revenues over (under) expenditures	(261,718)	(472,898)	(218,177)	254,721
Other financing sources (uses):				
Transfers in	---	---	---	---
Transfers out	---	---	---	---
Planned change in fund balance	---	222,079	---	(222,079)
Total other financing sources (uses)	---	222,079	---	(222,079)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (261,718)	\$ (250,819)	\$ (218,177)	\$ 32,642

Information Technology Operations

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, fees and permits	\$ 1,725,000	\$ 1,725,000	\$ 1,830,759	\$ 105,759
Total revenues	<u>1,725,000</u>	<u>1,725,000</u>	<u>1,830,759</u>	<u>105,759</u>
Expenditures:				
Salaries	6,302,570	6,324,556	4,659,945	1,664,611
Other compensation	199,501	199,501	178,874	20,627
Fringe benefits	2,265,911	2,270,563	1,677,964	592,599
Salary restrictions	(261,460)	(261,460)	---	(261,460)
Supplies and materials	194,782	194,782	165,437	29,345
Services and other expenditures	2,415,458	3,088,054	2,036,276	1,051,778
Professional and contracted services	852,154	699,786	571,485	128,301
Rent, utilities and maintenance	566,809	421,794	390,377	31,417
Interfund services	300,350	316,350	314,231	2,119
Asset acquisitions	46,150	---	541,202	(541,202)
Principal on leases	---	---	179,223	(179,223)
Interest on leases	---	---	7,777	(7,777)
Total expenditures	<u>12,882,225</u>	<u>13,253,926</u>	<u>10,722,791</u>	<u>2,531,135</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,157,225)</u>	<u>(11,528,926)</u>	<u>(8,892,032)</u>	<u>2,636,894</u>
Other financing sources (uses):				
Transfers in	721,492	721,492	780,382	58,890
Transfers out	---	---	(721,191)	(721,191)
Leases	---	---	541,202	541,202
Planned change in fund balance	---	345,063	---	(345,063)
Total other financing sources (uses)	<u>721,492</u>	<u>1,066,555</u>	<u>600,393</u>	<u>(466,162)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (10,435,733)</u>	<u>\$ (10,462,371)</u>	<u>\$ (8,291,639)</u>	<u>\$ 2,170,732</u>

Housing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 208,333	\$ 209,500	\$ 205,261	\$ 4,239
Other compensation	4,668	4,668	2,130	2,538
Fringe benefits	71,514	71,830	73,570	(1,740)
Salary restrictions	(8,816)	(8,816)	---	(8,816)
Supplies and materials	8,048	3,848	3,676	172
Services and other expenditures	2,538	2,038	1,390	648
Interfund services	48,124	52,824	52,303	521
Total expenditures	334,409	335,892	338,330	(2,438)
Excess (deficiency) of revenues over (under) expenditures	(334,409)	(335,892)	(338,330)	(2,438)
Other financing sources (uses):				
Transfers in	---	1,483	---	(1,483)
Transfers out	(70,000)	(70,000)	(31,676)	38,324
Total other financing sources (uses)	(70,000)	(68,517)	(31,676)	36,841
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (404,409)	\$ (404,409)	\$ (370,006)	\$ 34,403

Director of Public Works

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 378,195	\$ 388,334	\$ 364,439	\$ 23,895
Other compensation	---	---	2,311	(2,311)
Fringe benefits	125,484	128,236	121,512	6,724
Salary restrictions	(128,920)	(128,920)	---	(128,920)
Supplies and materials	83,500	28,500	4,528	23,972
Services and other expenditures	2,810	7,810	3,838	3,972
Professional and contracted services	47,766	233,766	9,630	224,136
Rent, utilities and maintenance	4,250	18,250	1,650	16,600
Interfund services	405,585	280,585	156,672	123,913
Asset acquisitions	4,000,000	3,624,603	45,000	3,579,603
Affiliated organizations	1,325,848	1,325,848	1,325,848	---
Total expenditures	6,244,518	5,907,012	2,035,428	3,871,584
Excess (deficiency) of revenues over (under) expenditures	(6,244,518)	(5,907,012)	(2,035,428)	3,871,584
Other financing sources (uses):				
Transfers in	4,000,000	4,000,000	---	(4,000,000)
Transfers out	(50,000)	(475,397)	(50,000)	425,397
Planned change in fund balance	---	200,000	---	(200,000)
Total other financing sources (uses)	3,950,000	3,724,603	(50,000)	(3,774,603)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,294,518)	\$ (2,182,409)	\$ (2,085,428)	\$ 96,981

Environmental Programs

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 280,500	\$ 280,500	\$ 244,563	\$ (35,937)
Total revenues	<u>280,500</u>	<u>280,500</u>	<u>244,563</u>	<u>(35,937)</u>
Expenditures:				
Salaries	148,893	148,893	138,320	10,573
Other compensation	2,673	2,673	1,108	1,565
Fringe benefits	59,871	59,871	59,197	674
Supplies and materials	21,715	26,715	16,473	10,242
Services and other expenditures	11,096	11,095	6,344	4,751
Professional and contracted services	21,848	22,263	17,176	5,087
Rent, utilities and maintenance	220,801	305,386	261,061	44,325
Interfund services	18,959	18,959	5,816	13,143
Total expenditures	<u>505,856</u>	<u>595,855</u>	<u>505,495</u>	<u>90,360</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(225,356)</u>	<u>(315,355)</u>	<u>(260,932)</u>	<u>54,423</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (225,356)</u>	<u>\$ (315,355)</u>	<u>\$ (260,932)</u>	<u>\$ 54,423</u>

Parks and Grounds Maintenance

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 260,000	\$ 260,000	\$ 64,679	\$ (195,321)
Fines, fees and permits	15,000	15,000	2,376	(12,624)
Other revenue	103,000	103,000	138,998	35,998
Investment income	150	150	956	806
Total revenues	<u>378,150</u>	<u>378,150</u>	<u>207,009</u>	<u>(171,141)</u>
Expenditures:				
Salaries	801,083	719,529	586,457	133,072
Other compensation	7,132	12,132	4,096	8,036
Fringe benefits	190,813	172,583	161,673	10,910
Supplies and materials	158,157	127,237	59,245	67,992
Services and other expenditures	69,332	69,332	25,332	44,000
Professional and contracted services	17,264	26,464	11,625	14,839
Rent, utilities and maintenance	299,676	366,336	309,038	57,298
Interfund services	126,277	129,527	120,471	9,056
Asset acquisitions	11,090	---	---	---
Total expenditures	<u>1,680,824</u>	<u>1,623,140</u>	<u>1,277,937</u>	<u>345,203</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,302,674)</u>	<u>(1,244,990)</u>	<u>(1,070,928)</u>	<u>174,062</u>
Other financing sources (uses):				
Transfers in	---	---	(35,121)	(35,121)
Total other financing sources (uses)	<u>---</u>	<u>---</u>	<u>(35,121)</u>	<u>(35,121)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,302,674)</u>	<u>\$ (1,244,990)</u>	<u>\$ (1,106,049)</u>	<u>\$ 138,941</u>

Support Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 408,000	\$ 408,000	\$ 306,255	\$ (101,745)
Charges for services	230,547	300,900	276,624	(24,276)
Fines, fees and permits	600,000	600,000	599,133	(867)
Other revenue	36,500	36,500	11,366	(25,134)
Total revenues	1,275,047	1,345,400	1,193,378	(152,022)
Expenditures:				
Salaries	8,055,304	8,115,547	7,075,701	1,039,846
Other compensation	155,406	161,046	191,797	(30,751)
Fringe benefits	3,055,029	3,081,931	2,697,126	384,805
Salary restrictions	(221,536)	(221,536)	---	(221,536)
Supplies and materials	720,550	723,646	601,205	122,441
Services and other expenditures	1,297,605	1,298,795	1,211,341	87,454
Professional and contracted services	228,296	158,175	75,116	83,059
Rent, utilities and maintenance	9,086,837	9,350,814	8,660,052	690,762
Interfund services	520,828	358,440	528,752	(170,312)
Asset acquisitions	10,000	43,498	42,848	650
Total expenditures	22,908,319	23,070,356	21,083,938	1,986,418
Excess (deficiency) of revenues over (under) expenditures	(21,633,272)	(21,724,956)	(19,890,560)	1,834,396
Other financing sources (uses):				
Transfers in	---	---	3,578,344	3,578,344
Transfers out	---	---	(3,578,344)	(3,578,344)
Sale of capital assets	5,000	5,000	---	(5,000)
Total other financing sources (uses)	5,000	5,000	---	(5,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (21,628,272)	\$ (21,719,956)	\$ (19,890,560)	\$ 1,829,396

Corrections Center Administration

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Other compensation	\$ 7,496	\$ 84,496	\$ 77,000	\$ 7,496
Professional and contracted services	174,009	97,009	---	97,009
Total expenditures	181,505	181,505	77,000	104,505
Excess (deficiency) of revenues over (under) expenditures	(181,505)	(181,505)	(77,000)	104,505
Other financing sources (uses):				
Transfers in	181,505	181,505	77,000	(104,505)
Total other financing sources (uses)	181,505	181,505	77,000	(104,505)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

Director of Health Services

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 453,211	\$ 816,265	\$ 503,564	\$ 312,701
Other compensation	2,244	2,244	12,641	(10,397)
Fringe benefits	147,250	280,656	169,949	110,707
Salary restrictions	(15,688)	(15,688)	---	(15,688)
Supplies and materials	19,000	19,000	17,482	1,518
Services and other expenditures	242,000	173,500	164,457	9,043
Professional and contracted services	---	---	250	(250)
Rent, utilities and maintenance	---	---	600	(600)
Interfund services	(500,000)	(500,000)	(177,779)	(322,221)
Asset acquisitions	310,500	105,721	103,859	1,862
Total expenditures	<u>658,517</u>	<u>881,698</u>	<u>795,023</u>	<u>86,675</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(658,517)</u>	<u>(881,698)</u>	<u>(795,023)</u>	<u>86,675</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (658,517)</u>	<u>\$ (881,698)</u>	<u>\$ (795,023)</u>	<u>\$ 86,675</u>

Forensic Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 200,000	\$ 200,000	\$ 179,573	\$ (20,427)
Federal and local revenue	56,500	56,500	103,500	47,000
Fines, fees and permits	201,000	201,000	189,075	(11,925)
Total revenues	457,500	457,500	472,148	14,648
Expenditures:				
Supplies and materials	87,000	42,000	10,089	31,911
Services and other expenditures	108,341	85,341	71,392	13,949
Professional and contracted services	5,043,421	4,896,521	4,895,920	601
Rent, utilities and maintenance	337,000	326,900	301,743	25,157
Interfund services	62,978	62,978	58,505	4,473
Asset acquisitions	90,401	---	---	---
Total expenditures	5,729,141	5,413,740	5,337,649	76,091
Excess (deficiency) of revenues over (under) expenditures	(5,271,641)	(4,956,240)	(4,865,501)	90,739
Other financing sources (uses):				
Planned change in fund balance	---	(175,000)	---	175,000
Total other financing sources (uses)	---	(175,000)	---	175,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (5,271,641)	\$ (5,131,240)	\$ (4,865,501)	\$ 265,739

Health Services Administration and Finance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 5,100	\$ 5,100	\$ 12,675	\$ 7,575
Fines, fees and permits	900,000	900,000	641,085	(258,915)
Charges for services	---	---	67	67
Other revenue	1,000	1,000	65,484	64,484
Total revenues	906,100	906,100	719,311	(186,789)
Expenditures:				
Salaries	3,030,438	3,017,128	1,468,908	1,548,220
Other compensation	197,009	423,186	37,807	385,379
Fringe benefits	1,188,009	1,205,404	547,339	658,065
Salary restrictions	(62,490)	(62,490)	---	(62,490)
Supplies and materials	409,388	529,463	294,311	235,152
Services and other expenditures	721,647	1,397,500	668,805	728,695
Professional and contracted services	6,041,299	7,317,645	1,671,548	5,646,097
Rent, utilities and maintenance	892,743	802,737	570,002	232,735
Interfund services	(1,748,094)	(2,320,857)	(1,048,423)	(1,272,434)
Asset acquisitions	1,966,070	3,533,314	650,982	2,882,332
Total expenditures	12,636,019	15,843,030	4,861,279	10,981,751
Excess (deficiency) of revenues over (under) expenditures	(11,729,919)	(14,936,930)	(4,141,968)	10,794,962
Other financing sources (uses):				
Transfers in	11,127,665	13,803,317	2,844,369	(10,958,948)
Planned change in fund balance	---	(1,195,603)	---	1,195,603
Total other financing sources (uses)	11,127,665	12,607,714	2,844,369	(9,763,345)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (602,254)	\$ (2,329,216)	\$ (1,297,599)	\$ 1,031,617

Environmental Health Services

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State revenue	\$ 1,207,000	\$ 1,207,000	\$ 1,494,708	\$ 287,708
Federal and local revenue	---	---	283,700	283,700
Charges for services	100	100	4,255	4,155
Fines, fees and permits	657,500	657,500	876,294	218,794
Other revenue	100	100	2,903	2,803
Total revenues	<u>1,864,700</u>	<u>1,864,700</u>	<u>2,661,860</u>	<u>797,160</u>
Expenditures:				
Salaries	1,923,793	1,914,429	1,540,616	373,813
Other compensation	48,412	48,412	33,732	14,680
Fringe benefits	732,790	730,249	593,009	137,240
Salary restrictions	(73,729)	(73,729)	---	(73,729)
Supplies and materials	100,005	88,005	68,498	19,507
Services and other expenditures	85,125	115,398	79,579	35,819
Professional and contracted services	309,273	173,000	158,353	14,647
Rent, utilities and maintenance	5,425	10,425	1,351	9,074
Interfund services	(238,954)	(390,749)	71,615	(462,364)
Asset acquisitions	40,000	40,000	---	40,000
Total expenditures	<u>2,932,140</u>	<u>2,655,440</u>	<u>2,546,753</u>	<u>108,687</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,067,440)</u>	<u>(790,740)</u>	<u>115,107</u>	<u>905,847</u>
Other financing sources (uses):				
Transfers in	---	5,233	---	(5,233)
Transfers out	(1,504,001)	(1,637,296)	(1,513,902)	123,394
Total other financing sources (uses)	<u>(1,504,001)</u>	<u>(1,632,063)</u>	<u>(1,513,902)</u>	<u>118,161</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,571,441)</u>	<u>\$ (2,422,803)</u>	<u>\$ (1,398,795)</u>	<u>\$ 1,024,008</u>

Community Health

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 634,300	\$ 634,300	\$ 391,392	\$ (242,908)
Fines, fees and permits	---	---	1,283	1,283
Other revenue	600	600	---	(600)
Total revenues	634,900	634,900	392,675	(242,225)
Expenditures:				
Salaries	1,158,645	1,042,216	965,032	77,184
Other compensation	17,312	17,312	19,666	(2,354)
Fringe benefits	424,776	394,358	347,674	46,684
Salary restrictions	(43,984)	(43,984)	---	(43,984)
Supplies and materials	322,169	321,469	223,442	98,027
Services and other expenditures	41,825	50,025	36,020	14,005
Professional and contracted services	84,900	84,900	56,105	28,795
Rent, utilities and maintenance	447,412	449,212	272,896	176,316
Interfund services	111,950	22,650	18,412	4,238
Asset acquisitions	12,000	12,000	---	12,000
Principal on leases	---	---	131,075	(131,075)
Interest on leases	---	---	549	(549)
Total expenditures	2,577,005	2,350,158	2,070,871	279,287
Excess (deficiency) of revenues over (under) expenditures	(1,942,105)	(1,715,258)	(1,678,196)	37,062
Other financing sources (uses):				
Transfers in	116,362	116,362	3,114,749	2,998,387
Transfers out	(863,850)	(863,850)	(3,742,433)	(2,878,583)
Total other financing sources (uses)	(747,488)	(747,488)	(627,684)	119,804
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,689,593)	\$ (2,462,746)	\$ (2,305,880)	\$ 156,866

Health Planning and Promotion

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 1,000	\$ 1,000	\$ ---	\$ (1,000)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>---</u>	<u>(1,000)</u>
Expenditures:				
Salaries	602,230	473,829	377,480	96,349
Other compensation	1,578	1,578	1,927	(349)
Fringe benefits	233,042	179,562	137,570	41,992
Salary restrictions	(29,571)	(29,571)	---	(29,571)
Supplies and materials	84,060	82,560	65,535	17,025
Services and other expenditures	176,680	218,527	174,865	43,662
Professional and contracted services	78,000	317,723	276,084	41,639
Rent, utilities and maintenance	10,000	2,500	---	2,500
Interfund services	23,400	23,400	5,815	17,585
Total expenditures	<u>1,179,419</u>	<u>1,270,108</u>	<u>1,039,276</u>	<u>230,832</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,178,419)</u>	<u>(1,269,108)</u>	<u>(1,039,276)</u>	<u>229,832</u>
Other financing sources (uses):				
Transfers out	(123,160)	(123,160)	(15,004)	108,156
Total other financing sources (uses)	<u>(123,160)</u>	<u>(123,160)</u>	<u>(15,004)</u>	<u>108,156</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,301,579)</u>	<u>\$ (1,392,268)</u>	<u>\$ (1,054,280)</u>	<u>\$ 337,988</u>

Inmate Medical Care

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 374,426	\$ 374,426	\$ 316,441	\$ 57,985
Other compensation	---	---	2,569	(2,569)
Fringe benefits	117,507	117,507	106,431	11,076
Salary restrictions	(11,475)	(11,475)	---	(11,475)
Supplies and materials	12,700	17,700	13,101	4,599
Services and other expenditures	26,000	26,000	24,521	1,479
Professional and contracted services	17,765,188	16,660,188	14,988,385	1,671,803
Rent, utilities and maintenance	10,600	10,600	---	10,600
Interfund services	11,500	11,500	2,659	8,841
Total expenditures	18,306,446	17,206,446	15,454,107	1,752,339
Excess (deficiency) of revenues over (under) expenditures	(18,306,446)	(17,206,446)	(15,454,107)	1,752,339
Other financing sources (uses):				
Planned change in fund balance	---	272,570	---	(272,570)
Total other financing sources (uses)	---	272,570	---	(272,570)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (18,306,446)	\$ (16,933,876)	\$ (15,454,107)	\$ 1,479,769

Public Health Safety

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 65,500	\$ 65,500	\$ 68,899	\$ 3,399
Fines, fees and permits	1,000	1,000	690	(310)
Other revenue	1,000	1,000	---	(1,000)
Total revenues	67,500	67,500	69,589	2,089
Expenditures:				
Salaries	3,016,606	2,941,076	2,034,164	906,912
Other compensation	72,444	72,444	66,307	6,137
Fringe benefits	1,129,597	1,082,687	716,044	366,643
Salary restrictions	(105,468)	(105,468)	---	(105,468)
Supplies and materials	246,088	253,367	129,439	123,928
Services and other expenditures	98,476	96,976	67,309	29,667
Professional and contracted services	357,385	357,685	315,097	42,588
Rent, utilities and maintenance	14,300	14,300	3,397	10,903
Interfund services	94,767	53,241	35,494	17,747
Asset acquisitions	---	2,500	1,222	1,278
Total expenditures	4,924,195	4,768,808	3,368,473	1,400,335
Excess (deficiency) of revenues over (under) expenditures	(4,856,695)	(4,701,308)	(3,298,884)	1,402,424
Other financing sources (uses):				
Transfers in	325,000	292,053	324,888	32,835
Total other financing sources (uses)	325,000	292,053	324,888	32,835
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (4,531,695)	\$ (4,409,255)	\$ (2,973,996)	\$ 1,435,259

Director of Community Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ 500,000	\$ 500,000	---
Total revenues	---	500,000	500,000	---
Expenditures:				
Salaries	1,987,919	2,087,523	1,479,046	608,477
Other compensation	154,255	442,798	5,732	437,066
Fringe benefits	710,203	726,493	492,302	234,191
Salary restrictions	(198,342)	(198,342)	---	(198,342)
Supplies and materials	433,401	852,505	328,137	524,368
Services and other expenditures	1,016,479	4,489,542	1,325,488	3,164,054
Professional and contracted services	9,147,942	5,439,527	773,295	4,666,232
Rent, utilities and maintenance	11,200	116,200	46,208	69,992
Interfund services	(593,837)	(907,272)	(960,214)	52,942
Asset acquisitions	---	308,862	43,062	265,800
Grants	1,000,000	3,173,764	1,338,000	1,835,764
Total expenditures	13,669,220	16,531,600	4,871,056	11,660,544
Excess (deficiency) of revenues over (under) expenditures	(13,669,220)	(16,031,600)	(4,371,056)	11,660,544
Other financing sources (uses):				
Transfers in	11,763,420	17,714,601	3,029,589	(14,685,012)
Total other financing sources (uses)	11,763,420	17,714,601	3,029,589	(14,685,012)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,905,800)	\$ 1,683,001	\$ (1,341,467)	\$ (3,024,468)

Crime Victims Center

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 300,000	\$ 300,000	\$ 62,200	\$ (237,800)
Federal and local revenue	82,770	82,770	147,275	64,505
Fines, fees and permits	50,000	50,000	44,071	(5,929)
Other revenue	---	2,180	---	(2,180)
Total revenues	432,770	434,950	253,546	(181,404)
Expenditures:				
Salaries	1,072,741	1,066,820	1,012,644	54,176
Other compensation	14,922	158,338	43,710	114,628
Fringe benefits	340,167	345,114	279,903	65,211
Salary restrictions	(47,182)	(47,182)	---	(47,182)
Supplies and materials	63,200	71,880	47,387	24,493
Services and other expenditures	192,038	103,122	50,963	52,159
Professional and contracted services	450,000	450,000	385,540	64,460
Rent, utilities and maintenance	96,350	72,950	60,698	12,252
Interfund services	20,100	43,500	34,817	8,683
Total expenditures	2,202,336	2,264,542	1,915,662	348,880
Excess (deficiency) of revenues over (under) expenditures	(1,769,566)	(1,829,592)	(1,662,116)	167,476
Other financing sources (uses):				
Transfers in	285,517	345,544	145,545	(199,999)
Total other financing sources (uses)	285,517	345,544	145,545	(199,999)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,484,049)	\$ (1,484,048)	\$ (1,516,571)	\$ (32,523)

Pretrial Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 100,000	\$ 100,000	\$ 78,198	\$ (21,802)
Other revenue	---	---	38	38
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>78,236</u>	<u>(21,764)</u>
Expenditures:				
Salaries	3,451,329	3,540,980	2,813,190	727,790
Other compensation	340,565	634,589	35,185	599,404
Fringe benefits	1,344,155	1,385,723	1,101,682	284,041
Salary restrictions	(123,159)	(123,159)	---	(123,159)
Supplies and materials	79,939	202,033	69,049	132,984
Services and other expenditures	304,536	233,277	168,928	64,349
Professional and contracted services	3,800,700	3,943,683	2,950,354	993,329
Rent, utilities and maintenance	98,428	293,078	66,611	226,467
Interfund services	105,224	105,374	82,037	23,337
Asset acquisitions	78,830	10,530	---	10,530
Total expenditures	<u>9,480,547</u>	<u>10,226,108</u>	<u>7,287,036</u>	<u>2,939,072</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,380,547)</u>	<u>(10,126,108)</u>	<u>(7,208,800)</u>	<u>2,917,308</u>
Other financing sources (uses):				
Transfers in	1,896,396	2,644,769	618,288	(2,026,481)
Total other financing sources (uses)	<u>1,896,396</u>	<u>2,644,769</u>	<u>618,288</u>	<u>(2,026,481)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (7,484,151)</u>	<u>\$ (7,481,339)</u>	<u>\$ (6,590,512)</u>	<u>\$ 890,827</u>

Sheriff's Office

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 3,290,000	\$ 3,290,000	\$ 3,628,986	\$ 338,986
Federal and local revenue	408,000	408,000	1,116,689	708,689
Charges for services	642,750	642,750	442,363	(200,387)
Fines, fees and permits	1,414,250	1,414,250	756,879	(657,371)
Other revenue	40,000	40,000	6,382	(33,618)
Total revenues	5,795,000	5,795,000	5,951,299	156,299
Expenditures:				
Salaries	125,232,830	125,769,098	91,810,670	33,958,428
Other compensation	13,915,622	13,721,020	24,036,685	(10,315,665)
Fringe benefits	49,638,787	49,848,649	36,113,712	13,734,937
Salary restrictions	(18,423,291)	(27,294,547)	---	(27,294,547)
Supplies and materials	5,274,778	7,374,115	7,066,586	307,529
Services and other expenditures	1,707,023	2,067,620	1,423,571	644,049
Professional and contracted services	9,335,298	9,147,212	8,513,288	633,924
Rent, utilities and maintenance	4,502,126	4,972,593	4,786,585	186,008
Interfund services	789,336	1,175,906	1,018,843	157,063
Asset acquisitions	2,286,613	5,048,163	6,792,840	(1,744,677)
Grants	---	800,000	775,000	25,000
Principal on leases	---	---	542,109	(542,109)
Interest on leases	---	---	29,295	(29,295)
Total expenditures	194,259,122	192,629,829	182,909,184	9,720,645
Excess (deficiency) of revenues over (under) expenditures	(188,464,122)	(186,834,829)	(176,957,885)	9,876,944
Other financing sources (uses):				
Transfers in	500,000	505,006	---	(505,006)
Transfers out	(194,854)	(153,688)	(18,219)	135,469
Sale of capital assets	---	---	26,000	26,000
Insurance recoveries	---	---	15,809	15,809
Leases	---	---	1,659,777	1,659,777
Planned change in fund balance	---	(571,987)	---	571,987
Total other financing sources (uses)	305,146	(220,669)	1,683,367	1,904,036
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (188,158,976)	\$ (187,055,498)	\$ (175,274,518)	\$ 11,780,980

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	
Chancery Court				
Revenues:				
Fines, fees and permits	\$ 4,250,000	\$ 4,250,000	\$ 4,102,946	\$ (147,054)
Other revenue	---	---	385	385
Investment income	40,000	40,000	703,167	663,167
Total revenues	4,290,000	4,290,000	4,806,498	516,498
Expenditures:				
Salaries	1,460,291	1,483,902	1,359,906	123,996
Other compensation	34,234	8,928	7,129	1,799
Fringe benefits	544,012	556,608	483,910	72,698
Salary restrictions	(49,761)	(57,801)	---	(57,801)
Supplies and materials	45,579	42,151	35,114	7,037
Services and other expenditures	20,650	23,650	22,257	1,393
Professional and contracted services	1,700	1,700	1,460	240
Rent, utilities and maintenance	3,950	4,378	3,927	451
Interfund services	47,563	47,563	46,871	692
Total expenditures	2,108,218	2,111,079	1,960,574	150,505
Excess (deficiency) of revenues over (under) expenditures	2,181,782	2,178,921	2,845,924	667,003
Other financing sources (uses):				
Transfers in	---	2,860	---	(2,860)
Total other financing sources (uses)	---	2,860	---	(2,860)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 2,181,782	\$ 2,181,781	\$ 2,845,924	\$ 664,143

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2023**

Circuit Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 500	\$ 500	\$ ---	\$ (500)
Fines, fees and permits	1,350,000	1,350,000	1,197,488	(152,512)
Investment income	34,000	34,000	252,522	218,522
Total revenues	1,384,500	1,384,500	1,450,010	65,510
Expenditures:				
Salaries	2,381,103	2,381,103	2,202,984	178,119
Other compensation	29,482	29,482	15,097	14,385
Fringe benefits	793,625	793,625	757,513	36,112
Salary restrictions	(106,882)	(106,882)	---	(106,882)
Supplies and materials	35,770	35,610	35,765	(15)
Services and other expenditures	100,704	109,917	107,969	1,948
Professional and contracted services	2,850	3,402	3,402	---
Rent, utilities and maintenance	5,044	3,244	3,235	9
Interfund services	90,374	82,569	77,307	5,262
Total expenditures	3,332,070	3,332,070	3,203,272	128,798
Excess (deficiency) of revenues over (under) expenditures	(1,947,570)	(1,947,570)	(1,753,262)	194,308
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,947,570)	\$ (1,947,570)	\$ (1,753,262)	\$ 194,308

Criminal Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 3,680,000	\$ 3,680,000	\$ 2,279,660	\$ (1,400,340)
Investment income	9,000	9,000	74,427	65,427
Total revenues	3,689,000	3,689,000	2,354,087	(1,334,913)
Expenditures:				
Salaries	4,149,371	4,316,146	3,829,765	486,381
Other compensation	41,595	41,595	65,236	(23,641)
Fringe benefits	1,594,302	1,679,764	1,451,595	228,169
Salary restrictions	(150,508)	(150,508)	---	(150,508)
Supplies and materials	74,849	87,959	84,883	3,076
Services and other expenditures	102,465	119,544	116,547	2,997
Professional and contracted services	2,078	---	---	---
Rent, utilities and maintenance	7,170	1,919	1,413	506
Interfund services	159,026	143,545	133,213	10,332
Asset acquisitions	7,378	---	---	---
Total expenditures	5,987,726	6,239,964	5,682,652	557,312
Excess (deficiency) of revenues over (under) expenditures	(2,298,726)	(2,550,964)	(3,328,565)	(777,601)
Other financing sources (uses):				
Transfers in	---	252,238	---	(252,238)
Total other financing sources (uses)	---	252,238	---	(252,238)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,298,726)	\$ (2,298,726)	\$ (3,328,565)	\$ (1,029,839)

General Sessions Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 310,000	\$ 310,000	\$ 234,040	\$ (75,960)
Fines, fees and permits	7,100,000	7,100,000	5,885,435	(1,214,565)
Investment income	100,000	100,000	433,520	333,520
Total revenues	7,510,000	7,510,000	6,552,995	(957,005)
Expenditures:				
Salaries	12,196,530	12,829,807	11,344,164	1,485,643
Other compensation	207,506	207,506	116,162	91,344
Fringe benefits	4,186,968	4,405,940	3,881,907	524,033
Salary restrictions	(574,165)	(574,165)	---	(574,165)
Supplies and materials	201,785	214,750	141,411	73,339
Services and other expenditures	354,634	402,496	158,895	243,601
Professional and contracted services	367,597	365,598	304,643	60,955
Rent, utilities and maintenance	170,153	120,153	60,893	59,260
Interfund services	377,217	380,252	287,695	92,557
Asset acquisitions	---	40,000	---	40,000
Principal on leases	---	---	13,558	(13,558)
Interest on leases	---	---	158	(158)
Total expenditures	17,488,225	18,392,337	16,309,486	2,082,851
Excess (deficiency) of revenues over (under) expenditures	(9,978,225)	(10,882,337)	(9,756,491)	1,125,846
Other financing sources (uses):				
Transfers in	---	135,572	---	(135,572)
Total other financing sources (uses)	---	135,572	---	(135,572)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (9,978,225)	\$ (10,746,765)	\$ (9,756,491)	\$ 990,274

Probate Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 725,000	\$ 725,000	\$ 1,273,026	\$ 548,026
Total revenues	725,000	725,000	1,273,026	548,026
Expenditures:				
Salaries	1,187,534	1,191,119	1,171,301	19,818
Other compensation	7,615	7,615	20,219	(12,604)
Fringe benefits	391,220	392,193	396,948	(4,755)
Salary restrictions	(24,042)	(28,600)	---	(28,600)
Supplies and materials	12,666	12,666	10,233	2,433
Services and other expenditures	28,700	23,871	19,415	4,456
Professional and contracted services	1,350	130	130	---
Interfund services	33,947	39,996	39,996	---
Total expenditures	1,638,990	1,638,990	1,658,242	(19,252)
Excess (deficiency) of revenues over (under) expenditures	(913,990)	(913,990)	(385,216)	528,774
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (913,990)	\$ (913,990)	\$ (385,216)	\$ 528,774

Juvenile Court Judge

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 4,000	\$ 4,000	\$ 1,985	\$ (2,015)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>1,985</u>	<u>(2,015)</u>
Expenditures:				
Salaries	8,025,011	8,069,767	7,210,120	859,647
Other compensation	96,740	96,740	105,056	(8,316)
Fringe benefits	2,925,541	2,946,517	2,510,265	436,252
Salary restrictions	(332,473)	(332,473)	---	(332,473)
Supplies and materials	113,262	140,221	120,088	20,133
Services and other expenditures	139,820	139,820	126,479	13,341
Professional and contracted services	918,997	864,537	704,010	160,527
Rent, utilities and maintenance	35,800	43,300	37,293	6,007
Interfund services	11,267	31,267	16,574	14,693
Total expenditures	<u>11,933,965</u>	<u>11,999,696</u>	<u>10,829,885</u>	<u>1,169,811</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,929,965)</u>	<u>(11,995,696)</u>	<u>(10,827,900)</u>	<u>1,167,796</u>
Other financing sources (uses):				
Transfers in	---	65,731	---	(65,731)
Total other financing sources (uses)	<u>---</u>	<u>65,731</u>	<u>---</u>	<u>(65,731)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (11,929,965)</u>	<u>\$ (11,929,965)</u>	<u>\$ (10,827,900)</u>	<u>\$ 1,102,065</u>

Juvenile Court Clerk

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 150,000	\$ 150,000	\$ 549,083	\$ 399,083
Fines, fees and permits	125,000	125,000	105,916	(19,084)
Total revenues	275,000	275,000	654,999	379,999
Expenditures:				
Salaries	2,989,124	2,992,771	2,625,042	367,729
Other compensation	32,485	32,485	27,467	5,018
Fringe benefits	1,129,669	1,126,022	914,063	211,959
Salary restrictions	(108,384)	(108,384)	---	(108,384)
Supplies and materials	69,085	49,652	41,258	8,394
Services and other expenditures	58,157	74,118	74,770	(652)
Professional and contracted services	4,500	1,175	1,175	---
Rent, utilities and maintenance	40,999	22,219	19,688	2,531
Interfund services	17,402	42,979	27,315	15,664
Total expenditures	4,233,037	4,233,037	3,730,778	502,259
Excess (deficiency) of revenues over (under) expenditures	(3,958,037)	(3,958,037)	(3,075,779)	882,258
Other financing sources (uses):				
Transfers in	35,254	35,254	---	(35,254)
Transfers out	(591,128)	(591,128)	---	591,128
Total other financing sources (uses)	(555,874)	(555,874)	---	555,874
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (4,513,911)	\$ (4,513,911)	\$ (3,075,779)	\$ 1,438,132

Public Defender

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 5,920,000	\$ 5,920,000	\$ 6,015,200	\$ 95,200
Fines, fees and permits	90,000	90,000	61,374	(28,626)
Total revenues	6,010,000	6,010,000	6,076,574	66,574
Expenditures:				
Salaries	11,666,251	12,545,627	9,671,637	2,873,990
Other compensation	609,788	43,009	119,106	(76,097)
Fringe benefits	3,950,741	4,229,983	3,301,030	928,953
Salary restrictions	(438,122)	(532,811)	---	(532,811)
Supplies and materials	114,188	92,093	57,730	34,363
Services and other expenditures	300,766	323,766	253,459	70,307
Professional and contracted services	27,300	27,900	27,883	17
Rent, utilities and maintenance	22,100	15,521	8,798	6,723
Interfund services	267,334	273,913	256,521	17,392
Total expenditures	16,520,346	17,019,001	13,696,164	3,322,837
Excess (deficiency) of revenues over (under) expenditures	(10,510,346)	(11,009,001)	(7,619,590)	3,389,411
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (10,510,346)	\$ (11,009,001)	\$ (7,619,590)	\$ 3,389,411

Divorce Referee

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 280,000	\$ 280,000	\$ 225,958	\$ (54,042)
Total revenues	<u>280,000</u>	<u>280,000</u>	<u>225,958</u>	<u>(54,042)</u>
Expenditures:				
Salaries	436,885	436,885	540,011	(103,126)
Other compensation	2,124	2,124	1,053	1,071
Fringe benefits	194,549	194,549	216,536	(21,987)
Salary restrictions	(20,207)	(20,207)	---	(20,207)
Supplies and materials	6,000	6,000	1,690	4,310
Services and other expenditures	1,300	1,300	240	1,060
Interfund services	5,015	5,015	4,359	656
Total expenditures	<u>625,666</u>	<u>625,666</u>	<u>763,889</u>	<u>(138,223)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(345,666)</u>	<u>(345,666)</u>	<u>(537,931)</u>	<u>(192,265)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (345,666)</u>	<u>\$ (345,666)</u>	<u>\$ (537,931)</u>	<u>\$ (192,265)</u>

Jury Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 248,467	\$ 249,297	\$ 235,871	\$ 13,426
Other compensation	3,402	3,402	2,385	1,017
Fringe benefits	90,276	90,502	80,583	9,919
Salary restrictions	(8,913)	(8,913)	---	(8,913)
Supplies and materials	4,024	5,024	1,039	3,985
Services and other expenditures	446,706	450,706	226,728	223,978
Professional and contracted services	37,450	38,450	26,810	11,640
Rent, utilities and maintenance	2,000	2,000	1,455	545
Interfund services	44,270	37,270	27,791	9,479
Total expenditures	867,682	867,738	602,662	265,076
Excess (deficiency) of revenues over (under) expenditures	(867,682)	(867,738)	(602,662)	265,076
Other financing sources (uses):				
Transfers in	---	1,056	---	(1,056)
Total other financing sources (uses)	---	1,056	---	(1,056)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (867,682)	\$ (866,682)	\$ (602,662)	\$ 264,020

Attorney General

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 9,124,054	\$ 9,332,878	\$ 8,287,912	\$ 1,044,966
Other compensation	69,856	84,856	39,049	45,807
Fringe benefits	3,153,750	3,250,599	2,870,455	380,144
Salary restrictions	(333,386)	(486,778)	---	(486,778)
Supplies and materials	42,117	14,597	11,530	3,067
Services and other expenditures	64,452	70,778	58,735	12,043
Professional and contracted services	137,000	137,000	137,000	---
Rent, utilities and maintenance	124,200	147,300	145,313	1,987
Interfund services	230,788	230,888	226,879	4,009
Asset acquisitions	---	---	3,356	(3,356)
Total expenditures	<u>12,612,831</u>	<u>12,782,118</u>	<u>11,780,229</u>	<u>1,001,889</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,612,831)</u>	<u>(12,782,118)</u>	<u>(11,780,229)</u>	<u>1,001,889</u>
Other financing sources (uses):				
Transfers in	---	2,002	---	(2,002)
Total other financing sources (uses)	<u>---</u>	<u>2,002</u>	<u>---</u>	<u>(2,002)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (12,612,831)</u>	<u>\$ (12,780,116)</u>	<u>\$ (11,780,229)</u>	<u>\$ 999,887</u>

Commissioner's Contingency

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Contingencies and restrictions	\$ 1,170,381	\$ 363,770	\$ ---	\$ 363,770
Total expenditures	1,170,381	363,770	---	363,770
Excess (deficiency) of revenues over (under) expenditures	(1,170,381)	(363,770)	---	363,770
Other financing sources (uses):				
Transfers in	---	(50,000)	---	50,000
Total other financing sources (uses)	---	(50,000)	---	50,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,170,381)	\$ (413,770)	\$ ---	\$ 413,770

Legislative Operations

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 2,173,503	\$ 2,343,231	\$ 1,855,733	\$ 487,498
Other compensation	10,793	10,793	11,885	(1,092)
Fringe benefits	563,481	626,988	540,175	86,813
Salary restrictions	(61,115)	(61,115)	---	(61,115)
Supplies and materials	42,964	61,469	52,984	8,485
Services and other expenditures	240,939	933,872	558,664	375,208
Professional and contracted services	647,000	768,495	328,635	439,860
Rent, utilities and maintenance	31,000	79,000	55,181	23,819
Interfund services	193,191	183,191	182,110	1,081
Grants	---	300,000	300,000	---
Total expenditures	<u>3,841,756</u>	<u>5,245,924</u>	<u>3,885,367</u>	<u>1,360,557</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,841,756)</u>	<u>(5,245,924)</u>	<u>(3,885,367)</u>	<u>1,360,557</u>
Other financing sources (uses):				
Transfers in	---	692,558	300,000	(392,558)
Total other financing sources (uses)	<u>---</u>	<u>692,558</u>	<u>300,000</u>	<u>(392,558)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,841,756)</u>	<u>\$ (4,553,366)</u>	<u>\$ (3,585,367)</u>	<u>\$ 967,999</u>

Equal Opportunity Compliance

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 974,224	\$ 974,224	\$ 873,263	\$ 100,961
Other compensation	11,349	11,349	8,703	2,646
Fringe benefits	325,760	325,760	290,743	35,017
Salary restrictions	(35,406)	(35,406)	---	(35,406)
Supplies and materials	19,764	64,764	50,852	13,912
Services and other expenditures	105,425	70,425	31,893	38,532
Professional and contracted services	13,723	64,203	15,480	48,723
Interfund services	32,220	32,220	12,866	19,354
Asset acquisitions	4,383	4,383	---	4,383
Total expenditures	<u>1,451,442</u>	<u>1,511,922</u>	<u>1,283,800</u>	<u>228,122</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,451,442)</u>	<u>(1,511,922)</u>	<u>(1,283,800)</u>	<u>228,122</u>
Other financing sources (uses):				
Transfers in	---	50,000	---	(50,000)
Planned change in fund balance	---	(34,520)	---	34,520
Total other financing sources (uses)	<u>---</u>	<u>15,480</u>	<u>---</u>	<u>(15,480)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,451,442)</u>	<u>\$ (1,496,442)</u>	<u>\$ (1,283,800)</u>	<u>\$ 212,642</u>

Assessor

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 17,250	\$ 17,250	\$ 223	\$ (17,027)
Charges for services	3,500	3,500	4,000	500
Total revenues	20,750	20,750	4,223	(16,527)
Expenditures:				
Salaries	7,576,132	7,577,943	6,940,935	637,008
Other compensation	127,032	127,032	127,059	(27)
Fringe benefits	2,800,416	2,800,908	2,540,899	260,009
Salary restrictions	(278,055)	(278,055)	---	(278,055)
Supplies and materials	118,169	177,690	111,043	66,647
Services and other expenditures	361,733	411,083	369,670	41,413
Professional and contracted services	591,570	559,070	517,186	41,884
Rent, utilities and maintenance	416,051	327,680	305,028	22,652
Interfund services	252,666	264,666	256,819	7,847
Total expenditures	11,965,714	11,968,017	11,168,639	799,378
Excess (deficiency) of revenues over (under) expenditures	(11,944,964)	(11,947,267)	(11,164,416)	782,851
Other financing sources (uses):				
Transfers in	---	2,303	---	(2,303)
Total other financing sources (uses)	---	2,303	---	(2,303)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (11,944,964)	\$ (11,944,964)	\$ (11,164,416)	\$ 780,548

County Clerk

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 12,000,000	\$ 12,000,000	\$ 14,353,111	\$ 2,353,111
Investment income	55,000	55,000	---	(55,000)
Total revenues	12,055,000	12,055,000	14,353,111	2,298,111
Expenditures:				
Salaries	4,654,549	4,654,549	3,354,750	1,299,799
Other compensation	87,074	87,074	116,356	(29,282)
Fringe benefits	1,725,950	1,725,950	1,265,363	460,587
Salary restrictions	(169,083)	(169,083)	---	(169,083)
Supplies and materials	104,613	90,943	44,857	46,086
Services and other expenditures	320,415	208,581	(352,301)	560,882
Professional and contracted services	156,529	90,363	36,204	54,159
Rent, utilities and maintenance	135,825	152,495	139,043	13,452
Interfund services	418,651	593,651	541,598	52,053
Total expenditures	7,434,523	7,434,523	5,145,870	2,288,653
Excess (deficiency) of revenues over (under) expenditures	4,620,477	4,620,477	9,207,241	4,586,764
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 4,620,477	\$ 4,620,477	\$ 9,207,241	\$ 4,586,764

Register

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 4,688,145	\$ 4,688,145	\$ 4,174,943	\$ (513,202)
Investment income	7,000	7,000	52,839	45,839
Total revenues	4,695,145	4,695,145	4,227,782	(467,363)
Expenditures:				
Salaries	1,987,966	1,983,109	1,566,049	417,060
Other compensation	19,264	17,993	18,647	(654)
Fringe benefits	700,046	706,174	552,440	153,734
Salary restrictions	(68,207)	4,383	---	4,383
Supplies and materials	14,137	14,137	7,594	6,543
Services and other expenditures	20,555	58,555	49,219	9,336
Professional and contracted services	350	350	---	350
Rent, utilities and maintenance	66,140	20,740	3,641	17,099
Interfund services	37,960	45,360	38,174	7,186
Principal on leases	---	---	11,757	(11,757)
Interest on leases	---	---	243	(243)
Total expenditures	2,778,211	2,850,801	2,247,764	603,037
Excess (deficiency) of revenues over (under) expenditures	1,916,934	1,844,344	1,980,018	135,674
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 1,916,934	\$ 1,844,344	\$ 1,980,018	\$ 135,674

Trustee

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 1,590,000	\$ 1,590,000	\$ 1,751,081	\$ 161,081
Fines, fees and permits	24,597,000	24,666,241	25,725,614	1,059,373
Other revenue	---	---	18,290	18,290
Investment income	7,500	7,500	252,739	245,239
Total revenues	26,194,500	26,263,741	27,747,724	1,483,983
Expenditures:				
Salaries	4,512,782	4,546,225	4,125,494	420,731
Other compensation	68,267	68,267	63,579	4,688
Fringe benefits	1,592,551	1,628,350	1,481,243	147,107
Salary restrictions	(159,338)	(159,338)	---	(159,338)
Supplies and materials	34,150	65,075	62,802	2,273
Services and other expenditures	1,399,716	1,233,541	1,232,165	1,376
Professional and contracted services	785,269	713,674	679,712	33,962
Rent, utilities and maintenance	57,716	81,641	74,335	7,306
Interfund services	68,830	251,749	242,638	9,111
Grants	2,400,000	2,400,000	2,400,000	---
Total expenditures	10,759,943	10,829,184	10,361,968	467,216
Excess (deficiency) of revenues over (under) expenditures	15,434,557	15,434,557	17,385,756	1,951,199
Other financing sources (uses):				
Transfers in	2,400,000	2,400,000	2,400,000	---
Total other financing sources (uses)	2,400,000	2,400,000	2,400,000	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 17,834,557	\$ 17,834,557	\$ 19,785,756	\$ 1,951,199

Election Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 16,000	\$ 973,843	\$ 15,164	\$ (958,679)
Federal and local revenue	---	---	40,988	40,988
Charges for services	8,000	8,000	5,447	(2,553)
Total revenues	24,000	981,843	61,599	(920,244)
Expenditures:				
Salaries	3,867,391	4,472,640	3,105,025	1,367,615
Other compensation	1,499,508	1,596,306	286,543	1,309,763
Fringe benefits	506,159	551,144	471,436	79,708
Salary restrictions	(153,327)	(153,327)	---	(153,327)
Supplies and materials	126,020	221,122	222,434	(1,312)
Services and other expenditures	785,937	779,177	604,841	174,336
Professional and contracted services	246,731	356,061	442,832	(86,771)
Rent, utilities and maintenance	380,850	371,991	369,921	2,070
Interfund services	241,300	256,300	214,277	42,023
Asset acquisitions	43,000	50,000	50,000	---
Total expenditures	7,543,569	8,501,414	5,767,309	2,734,105
Excess (deficiency) of revenues over (under) expenditures	(7,519,569)	(7,519,571)	(5,705,710)	1,813,861
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (7,519,569)	\$ (7,519,571)	\$ (5,705,710)	\$ 1,813,861

Shelby County, Tennessee

Grants Fund
Budgetary Comparison Schedule - Summary by Type
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	95,070,762	113,479,510	64,777,047	(48,702,463)
Federal and local revenue	282,225,770	327,188,035	121,835,454	(205,352,581)
Charges for services	1,479,664	1,479,664	103,655	(1,376,009)
Fines, fees and permits	275,639	275,639	149,251	(126,388)
Other revenue	1,193,729	1,797,696	384,647	(1,413,049)
Investment income	96,000	986,000	150,066	(835,934)
Total revenues	380,341,564	445,206,544	187,400,120	(257,806,424)
Expenditures:				
Salaries	51,381,460	53,541,028	25,193,372	28,347,656
Other compensation	10,342,838	9,218,083	1,163,350	8,054,733
Fringe benefits	18,458,924	19,248,574	9,364,678	9,883,896
Salary restrictions	(26,641,051)	(27,669,190)	---	(27,669,190)
Supplies and materials	5,809,882	6,227,025	1,691,524	4,535,501
Services and other expenditures	64,598,838	109,597,798	66,516,067	43,081,731
Professional and contracted services	63,363,171	85,215,635	37,637,113	47,578,522
Rent, utilities and maintenance	2,415,736	1,865,461	155,681	1,709,780
Interfund services	6,096,205	7,360,299	3,269,133	4,091,166
Asset acquisitions	28,428,370	16,844,765	4,705,624	12,139,141
Affiliated organizations	25,436,746	30,906,859	8,438,665	22,468,194
Contingencies and restrictions	67,413,243	54,694,166	---	54,694,166
Principal on Leases	---	---	281,117	(281,117)
Interest on Leases	---	---	3,211	(3,211)
Total expenditures	317,104,362	367,050,503	158,419,535	208,630,968
Excess (deficiency) of revenues over (under) expenditures	63,237,202	78,156,041	28,980,585	49,175,456
Other financing sources (uses):				
Transfers in	5,710,967	9,253,637	6,953,895	(2,299,742)
Transfers out	(70,948,782)	(86,281,876)	(29,854,124)	56,427,752
Sale of capital assets	75,000	75,000	---	(75,000)
Planned change in fund balance	1,925,613	(1,202,802)	---	1,202,802
Total other financing sources (uses)	(63,237,202)	(78,156,041)	(22,900,229)	55,255,812
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 6,080,356	\$ 6,080,356

Grants Fund
Budgetary Comparison Schedule - Summary by Department
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Revenues:			
General Government			
Chief Administrative Officer	\$ 1,602,824	\$ 1,041,033	(561,791)
Central Operations	137,711,069	29,315,462	(108,395,607)
	<u>139,313,893</u>	<u>30,356,495</u>	<u>384,647</u>
			150,066
Planning and Development			
Local Planning	30,000	---	(30,000)
Housing	8,276,685	3,011,327	(5,265,358)
Regional Services	3,096,264	1,529,461	(1,566,803)
Resilience Department	40,169,187	9,189,488	(30,979,699)
	<u>51,572,136</u>	<u>13,730,276</u>	<u>(37,841,860)</u>
Public Works			
Environmental Programs	733,106	844,510	111,404
Roads and Bridges	13,848,486	3,550,887	(10,297,599)
	<u>14,581,592</u>	<u>4,395,397</u>	<u>(10,186,195)</u>
Corrections			
Corrections Administration	1,043,313	523,419	(519,894)
	<u>1,043,313</u>	<u>523,419</u>	<u>(519,894)</u>
Health Services			
Health Services Administration and Finance	29,172,228	14,240,237	(14,931,991)
Environmental Health Services	2,093,306	647,963	(1,445,343)
Community Health	24,638,753	13,414,665	(11,224,088)
Health Planning and Promotion	800,232	647,878	(152,354)
Public Health Safety	1,590,099	1,400,587	(189,512)
Ryan White Programs	33,008,975	10,736,764	(22,272,211)
	<u>91,303,593</u>	<u>41,088,094</u>	<u>(50,215,499)</u>
Director of Community Services	81,838,708	57,144,517	(24,694,191)
Community Services Administration	32,796,194	19,614,296	(13,181,898)
Crime Victims Center	2,287,372	1,536,641	(750,731)
Pretrial Services	3,324,781	1,228,071	(2,096,710)
Aging Commission of the Mid-South	15,425,771	11,502,146	(3,923,625)
	<u>135,672,826</u>	<u>91,025,671</u>	<u>(44,647,155)</u>
Law Enforcement			
Sheriff's Office	4,514,134	1,336,026	(3,178,108)
	<u>4,514,134</u>	<u>1,336,026</u>	<u>(3,178,108)</u>

Grants Fund
Budgetary Comparison Schedule - Summary by Department (continued)
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Judicial			
General Sessions Court	1,411,380	824,524	(586,856)
Juvenile Court Judge	2,338,954	2,158,520	(180,434)
Juvenile Court Clerk	1,147,481	769,305	(378,176)
Attorney General	2,282,242	1,162,579	(1,119,663)
	<u>7,180,057</u>	<u>4,914,928</u>	<u>(2,265,129)</u>
Other Elected Officials			
Election Commission	25,000	29,814	4,814
	<u>25,000</u>	<u>29,814</u>	<u>4,814</u>
Total revenues	<u>445,206,544</u>	<u>187,400,120</u>	<u>(148,464,379)</u>
Expenditures:			
General Government			
Chief Administrative Officer	1,484,448	673,548	810,900
Central Operations	52,526,277	---	52,526,277
	<u>54,010,725</u>	<u>673,548</u>	<u>53,337,177</u>
Planning and Development			
Local Planning	31,000	---	31,000
Housing	8,420,201	3,088,036	5,332,165
Regional Services	3,450,376	1,726,183	1,724,193
Resilience Department	41,369,187	11,739,879	29,629,308
	<u>53,270,764</u>	<u>16,554,098</u>	<u>36,716,666</u>
Public Works			
Environmental Programs	1,347,716	1,265,067	82,649
Roads and Bridges	15,159,057	3,947,214	11,211,843
	<u>16,506,773</u>	<u>5,212,281</u>	<u>11,294,492</u>
Corrections			
Corrections Administration	1,912,851	1,246,676	666,175
	<u>1,912,851</u>	<u>1,246,676</u>	<u>666,175</u>
Health Services			
Health Services Administration and Finance	25,628,984	13,414,780	12,214,204
Environmental Health Services	3,583,428	1,893,404	1,690,024
Community Health	26,266,753	14,556,964	11,709,789
Health Planning and Promotion	1,018,493	599,623	418,870
Public Health Safety	1,716,889	1,138,898	577,991
Ryan White Programs	32,818,959	10,706,303	22,112,656
	<u>91,033,506</u>	<u>42,309,972</u>	<u>48,723,534</u>
Community Services			
Director of Community Services	81,838,708	51,394,433	30,444,275
Community Services Administration	32,774,329	20,149,332	12,624,997
Crime Victims Center	2,288,345	1,536,641	751,704
Pretrial Services	5,464,118	976,040	4,488,078
Aging Commission of the Mid-South	15,425,771	11,366,883	4,058,888
	<u>137,791,271</u>	<u>85,423,329</u>	<u>52,367,942</u>

Shelby County, Tennessee

Grants Fund
Budgetary Comparison Schedule - Summary by Department (continued)
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Law Enforcement			
Sheriff's Office	4,707,447	1,548,491	3,158,956
	<u>4,707,447</u>	<u>1,548,491</u>	<u>3,158,956</u>
Judicial			
General Sessions Court	1,411,380	802,153	609,227
Juvenile Court Judge	2,368,407	2,142,771	225,636
Juvenile Court Clerk	1,703,355	1,430,982	272,373
Attorney General	2,309,024	1,066,911	1,242,113
	<u>7,792,166</u>	<u>5,442,817</u>	<u>2,349,349</u>
Other Elected Officials			
Election Commission	25,000	8,323	16,677
	<u>25,000</u>	<u>8,323</u>	<u>16,677</u>
 Total expenditures	 <u>367,050,503</u>	 <u>158,419,535</u>	 <u>208,630,968</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>78,156,041</u>	 <u>28,980,585</u>	 <u>60,166,589</u>
Transfers in:			
Chief Administrative Officer	4,642	---	(4,642)
Housing	68,516	31,676	(36,840)
Regional Services	354,112	196,556	(157,556)
Resilience Department	200,000	---	(200,000)
Environmental Programs	50,000	70,348	20,348
Roads and Bridges	1,310,571	396,327	(914,244)
Corrections Administration	869,538	954,683	85,145
Health Services Administration and Finance	92,635	(370,050)	(462,685)
Environmental Health Services	1,625,452	1,525,733	(99,719)
Community Health	1,578,184	4,112,483	2,534,299
Health Planning and Promotion	8,261	---	(8,261)
Public Health Safety	126,790	15,003	(111,787)
Ryan White Programs	3,382	2,917	(465)
Crime Victims Center	973	---	(973)
Pretrial Services	2,139,337	---	(2,139,337)
Sheriff's Office	173,881	18,219	(155,662)
Juvenile Court Judge	29,453	---	(29,453)
Juvenile Court Clerk	591,128	---	(591,128)
Attorney General	26,782	---	(26,782)
	<u>9,253,637</u>	<u>6,953,895</u>	<u>(2,299,742)</u>

Shelby County, Tennessee

Grants Fund
Budgetary Comparison Schedule - Summary by Department (continued)
For the Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance
Transfers out:			
Chief Administrative Officer	(123,018)	---	123,018
Central Operations	(85,184,792)	(29,315,462)	55,869,330
Health Services Administration and Finance	(916,947)	(538,662)	378,285
Community Services Administration	(21,865)	---	21,865
Juvenile Court Clerk	(35,254)	---	35,254
	<u>(86,281,876)</u>	<u>(29,854,124)</u>	<u>56,427,752</u>
Other financing sources (uses):			
Local Planning	1,000	---	(1,000)
Housing	75,000	---	(75,000)
Resilience Department	1,000,000	---	(1,000,000)
Environmental Programs	564,610	---	(564,610)
Health Services Administration and Finance	(2,718,932)	---	2,718,932
Environmental Health Services	(135,330)	---	135,330
Community Health	49,816	---	(49,816)
Health Planning and Promotion	210,000	---	(210,000)
Ryan White Programs	(193,398)	---	193,398
Sheriff's Office	19,432	---	(19,432)
	<u>(1,127,802)</u>	<u>---</u>	<u>1,127,802</u>
Net other financing sources (uses)	<u>(78,156,041)</u>	<u>(22,900,229)</u>	<u>55,255,812</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ 6,080,356</u>	<u>\$ 115,422,401</u>

Chief Administrative Officer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 228,552	\$ 228,552	\$ 150,384	\$ (78,168)
Federal and local revenue	361,266	1,374,272	890,649	(483,623)
Total revenues	589,818	1,602,824	1,041,033	(561,791)
Expenditures:				
Salaries	215,945	330,147	213,734	116,413
Other compensation	5,496	153,126	8,808	144,318
Fringe benefits	87,429	127,225	84,899	42,326
Salary restrictions	(10,818)	(102,848)	---	(102,848)
Supplies and materials	192,814	537,545	142,709	394,836
Services and other expenditures	26,400	71,400	22,836	48,564
Rent, utilities and maintenance	18,049	77,734	19,464	58,270
Interfund services	25,000	25,000	2,703	22,297
Asset acquisitions	31,061	313,608	178,395	135,213
Contingencies and restrictions	---	(48,489)	---	(48,489)
Total expenditures	591,376	1,484,448	673,548	810,900
Excess (deficiency) of revenues over (under) expenditures	(1,558)	118,376	367,485	249,109
Other financing sources (uses):				
Transfers in	1,558	4,642	---	(4,642)
Transfers out	---	(123,018)	---	123,018
Total other financing sources (uses)	1,558	(118,376)	---	118,376
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 367,485	\$ 367,485

Central Operations

	Budgeted Amounts		Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 137,711,069	\$ 137,711,069	\$ 29,315,462	\$ (108,395,607)
Total revenues	<u>137,711,069</u>	<u>137,711,069</u>	<u>29,315,462</u>	<u>(108,395,607)</u>
Expenditures:				
Contingencies and restrictions	65,196,865	52,526,277	---	52,526,277
Total expenditures	<u>65,196,865</u>	<u>52,526,277</u>	<u>---</u>	<u>52,526,277</u>
Excess (deficiency) of revenues over (under) expenditures	<u>72,514,204</u>	<u>85,184,792</u>	<u>29,315,462</u>	<u>(55,869,330)</u>
Other financing sources (uses):				
Transfers out	(72,514,204)	(85,184,792)	(29,315,462)	55,869,330
Total other financing sources (uses)	<u>(72,514,204)</u>	<u>(85,184,792)</u>	<u>(29,315,462)</u>	<u>55,869,330</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

Local Planning

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 30,000	\$ 30,000	\$ ---	\$ (30,000)
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>---</u>	<u>(30,000)</u>
Expenditures:				
Supplies and materials	31,000	31,000	---	31,000
Total expenditures	<u>31,000</u>	<u>31,000</u>	<u>---</u>	<u>31,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,000)</u>	<u>(1,000)</u>	<u>---</u>	<u>1,000</u>
Other financing sources (uses):				
Planned change in fund balance	1,000	1,000	---	(1,000)
Total other financing sources (uses)	<u>1,000</u>	<u>1,000</u>	<u>---</u>	<u>(1,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

Housing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 600,000	\$ 600,000	\$ 119,123	\$ (480,877)
Federal and local revenue	6,187,623	7,230,609	2,425,399	(4,805,210)
Fines, fees and permits	187,076	187,076	107,008	(80,068)
Other revenue	184,000	184,000	279,587	95,587
Investment income	75,000	75,000	80,210	5,210
Total revenues	7,233,699	8,276,685	3,011,327	(5,265,358)
Expenditures:				
Salaries	691,515	690,348	586,709	103,639
Other compensation	5,904	5,904	3,506	2,398
Fringe benefits	243,767	243,450	227,272	16,178
Salary restrictions	(36,899)	(36,899)	---	(36,899)
Supplies and materials	68,618	65,344	11,990	53,354
Services and other expenditures	3,835,657	4,361,633	1,421,178	2,940,455
Professional and contracted services	2,522,137	3,022,941	812,984	2,209,957
Rent, utilities and maintenance	13,000	13,000	1,075	11,925
Interfund services	15,000	22,150	10,997	11,153
Asset acquisitions	20,000	32,330	12,325	20,005
Total expenditures	7,378,699	8,420,201	3,088,036	5,332,165
Excess (deficiency) of revenues over (under) expenditures	(145,000)	(143,516)	(76,709)	66,807
Other financing sources (uses):				
Transfers in	70,000	68,516	31,676	(36,840)
Sale of capital assets	75,000	75,000	---	(75,000)
Total other financing sources (uses)	145,000	143,516	31,676	(111,840)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (45,033)	\$ (45,033)

Regional Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,011,632	\$ 2,509,115	\$ 1,114,323	\$ (1,394,792)
Federal and local revenue	585,590	587,149	415,138	(172,011)
Total revenues	2,597,222	3,096,264	1,529,461	(1,566,803)
Expenditures:				
Salaries	817,924	814,638	574,330	240,308
Other compensation	3,336	3,336	14,136	(10,800)
Fringe benefits	285,451	288,736	213,250	75,486
Salary restrictions	(39,595)	(39,595)	---	(39,595)
Supplies and materials	18,500	25,700	8,561	17,139
Services and other expenditures	118,199	111,000	53,603	57,397
Professional and contracted services	1,569,000	2,068,042	741,588	1,326,454
Rent, utilities and maintenance	6,500	6,500	50	6,450
Interfund services	172,019	172,019	120,665	51,354
Total expenditures	2,951,334	3,450,376	1,726,183	1,724,193
Excess (deficiency) of revenues over (under) expenditures	(354,112)	(354,112)	(196,722)	157,390
Other financing sources (uses):				
Transfers in	354,112	354,112	196,556	(157,556)
Total other financing sources (uses)	354,112	354,112	196,556	(157,556)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (166)	\$ (166)

Resilience Department

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 4,707,498	\$ 70,000	\$ 64,220	\$ (5,780)
Federal and local revenue	40,925,632	39,123,297	9,088,154	(30,035,143)
Other revenue	57,000	73,890	---	(73,890)
Investment income	12,000	902,000	37,114	(864,886)
Total revenues	<u>45,702,130</u>	<u>40,169,187</u>	<u>9,189,488</u>	<u>(30,979,699)</u>
Expenditures:				
Salaries	102,233	159,824	132,747	27,077
Other compensation	78,804	5,584	478	5,106
Fringe benefits	35,786	51,416	50,047	1,369
Salary restrictions	(12,991)	(12,991)	---	(12,991)
Supplies and materials	5,000	11,500	7,635	3,865
Services and other expenditures	87,250	80,749	14,765	65,984
Professional and contracted services	4,977,377	7,343,474	2,324,707	5,018,767
Rent, utilities and maintenance	2,000	2,000	---	2,000
Interfund services	6,000	6,000	5,000	1,000
Asset acquisitions	15,983,925	2,814,772	765,835	2,048,937
Affiliated organizations	25,436,746	30,906,859	8,438,665	22,468,194
Total expenditures	<u>46,702,130</u>	<u>41,369,187</u>	<u>11,739,879</u>	<u>29,629,308</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,000,000)</u>	<u>(1,200,000)</u>	<u>(2,550,391)</u>	<u>(1,350,391)</u>
Other financing sources (uses):				
Transfers in	---	200,000	---	(200,000)
Planned change in fund balance	1,000,000	1,000,000	---	(1,000,000)
Total other financing sources (uses)	<u>1,000,000</u>	<u>1,200,000</u>	<u>---</u>	<u>(1,200,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (2,550,391)</u>	<u>\$ (2,550,391)</u>

Environmental Programs

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 538,443	\$ 538,443	\$ 673,748	\$ 135,305
Federal and local revenue	95,100	95,100	95,100	---
Fines, fees and permits	88,563	88,563	42,243	(46,320)
Other revenue	2,000	2,000	676	(1,324)
Investment income	9,000	9,000	32,743	23,743
Total revenues	733,106	733,106	844,510	111,404
Expenditures:				
Salaries	153,902	153,902	113,700	40,202
Other compensation	2,604	2,604	1,038	1,566
Fringe benefits	34,557	34,557	27,868	6,689
Salary restrictions	(11,135)	(11,135)	---	(11,135)
Supplies and materials	9,185	9,985	7,223	2,762
Services and other expenditures	2,650	12,650	9,700	2,950
Professional and contracted services	1,097,703	1,096,903	1,067,055	29,848
Rent, utilities and maintenance	55,000	26,473	18,089	8,384
Interfund services	3,250	3,250	1,867	1,383
Asset acquisitions	---	18,527	18,527	---
Total expenditures	1,347,716	1,347,716	1,265,067	82,649
Excess (deficiency) of revenues over (under) expenditures	(614,610)	(614,610)	(420,557)	194,053
Other financing sources (uses):				
Transfers in	50,000	50,000	70,348	20,348
Planned change in fund balance	564,610	564,610	---	(564,610)
Total other financing sources (uses)	614,610	614,610	70,348	(544,262)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (350,209)	\$ (350,209)

Roads and Bridges

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 10,211,423	\$ 13,258,486	\$ 3,375,657	\$ (9,882,829)
Federal and local revenue	500,000	500,000	175,230	(324,770)
Other revenue	90,000	90,000	---	(90,000)
Total revenues	10,801,423	13,848,486	3,550,887	(10,297,599)
Expenditures:				
Salaries	287,799	287,799	181,846	105,953
Other compensation	1,847	1,847	1,824	23
Fringe benefits	81,963	81,963	83,804	(1,841)
Salary restrictions	(11,016)	(11,016)	---	(11,016)
Supplies and materials	92,267	58,767	9,776	48,991
Services and other expenditures	17,500	51,000	36,248	14,752
Professional and contracted services	245,500	3,081,480	300,791	2,780,689
Interfund services	125,000	179,673	179,673	---
Asset acquisitions	10,832,747	11,427,544	3,153,252	8,274,292
Total expenditures	11,673,607	15,159,057	3,947,214	11,211,843
Excess (deficiency) of revenues over (under) expenditures	(872,184)	(1,310,571)	(396,327)	914,244
Other financing sources (uses):				
Transfers in	872,184	1,310,571	396,327	(914,244)
Transfers out	---	---	---	---
Total other financing sources (uses)	872,184	1,310,571	396,327	(914,244)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

Corrections Administration

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 265,292	\$ 265,292	\$ 160,506	\$ (104,786)
Federal and local revenue	560,877	560,877	358,696	(202,181)
Other revenue	217,144	217,144	4,217	(212,927)
Total revenues	<u>1,043,313</u>	<u>1,043,313</u>	<u>523,419</u>	<u>(519,894)</u>
Expenditures:				
Salaries	1,016,426	1,018,701	675,544	343,157
Other compensation	---	---	21,416	(21,416)
Fringe benefits	331,982	329,707	254,135	75,572
Salary restrictions	(169,405)	(169,405)	---	(169,405)
Supplies and materials	298,820	301,821	97,720	204,101
Services and other expenditures	116,248	113,248	51,151	62,097
Professional and contracted services	221,627	221,627	131,397	90,230
Rent, utilities and maintenance	51,600	57,599	6,348	51,251
Interfund services	28,150	28,150	8,965	19,185
Asset acquisitions	17,403	11,403	---	11,403
Total expenditures	<u>1,912,851</u>	<u>1,912,851</u>	<u>1,246,676</u>	<u>666,175</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(869,538)</u>	<u>(869,538)</u>	<u>(723,257)</u>	<u>146,281</u>
Other financing sources (uses):				
Transfers in	869,538	869,538	954,683	85,145
Total other financing sources (uses)	<u>869,538</u>	<u>869,538</u>	<u>954,683</u>	<u>85,145</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 231,426</u>	<u>\$ 231,426</u>

Health Services Administration and Finance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 13,014,650	\$ 13,014,650	\$ 3,432,930	\$ (9,581,720)
Federal and local revenue	4,705,111	16,157,578	10,807,307	(5,350,271)
Total revenues	17,719,761	29,172,228	14,240,237	(14,931,991)
Expenditures:				
Salaries	17,287,953	17,387,404	1,331,317	16,056,087
Other compensation	3,551,277	3,524,644	44,811	3,479,833
Fringe benefits	6,050,313	6,081,990	458,523	5,623,467
Salary restrictions	(22,029,477)	(22,197,477)	---	(22,197,477)
Supplies and materials	1,081,837	994,838	199,802	795,036
Services and other expenditures	2,380,345	1,664,845	56,315	1,608,530
Professional and contracted services	5,505,933	15,347,807	10,858,353	4,489,454
Rent, utilities and maintenance	1,339,364	579,363	14,158	565,205
Interfund services	1,213,727	1,731,393	451,501	1,279,892
Asset acquisitions	514,177	514,177	---	514,177
Total expenditures	16,895,449	25,628,984	13,414,780	12,214,204
Excess (deficiency) of revenues over (under) expenditures	824,312	3,543,244	825,457	(2,717,787)
Other financing sources (uses):				
Transfers in	92,635	92,635	(370,050)	(462,685)
Transfers out	(916,947)	(916,947)	(538,662)	378,285
Planned change in fund balance	---	(2,718,932)	---	2,718,932
Total other financing sources (uses)	(824,312)	(3,543,244)	(908,712)	2,634,532
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (83,255)	\$ (83,255)

Environmental Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 598,584	\$ 598,584	\$ 196,087	\$ (402,497)
Federal and local revenue	1,326,347	1,494,722	451,876	(1,042,846)
Total revenues	<u>1,924,931</u>	<u>2,093,306</u>	<u>647,963</u>	<u>(1,445,343)</u>
Expenditures:				
Salaries	578,829	1,635,886	991,294	644,592
Other compensation	1,207,285	13,681	25,816	(12,135)
Fringe benefits	226,327	603,022	359,972	243,050
Salary restrictions	(119,068)	(453,773)	---	(453,773)
Supplies and materials	52,620	61,766	24,303	37,463
Services and other expenditures	180,564	185,564	81,115	104,449
Professional and contracted services	690,859	632,696	97,248	535,448
Rent, utilities and maintenance	24,346	25,346	18,338	7,008
Interfund services	493,900	621,839	271,930	349,909
Asset acquisitions	181,615	257,401	23,388	234,013
Total expenditures	<u>3,517,277</u>	<u>3,583,428</u>	<u>1,893,404</u>	<u>1,690,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,592,346)</u>	<u>(1,490,122)</u>	<u>(1,245,441)</u>	<u>244,681</u>
Other financing sources (uses):				
Transfers in	1,492,158	1,625,452	1,525,733	(99,719)
Planned change in fund balance	100,188	(135,330)	---	135,330
Total other financing sources (uses)	<u>1,592,346</u>	<u>1,490,122</u>	<u>1,525,733</u>	<u>35,611</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 280,292</u>	<u>\$ 280,292</u>

Community Health

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 17,146,011	\$ 17,324,156	\$ 12,940,401	\$ (4,383,755)
Federal and local revenue	5,840,097	5,864,597	424,140	(5,440,457)
Charges for services	1,450,000	1,450,000	50,124	(1,399,876)
Total revenues	24,436,108	24,638,753	13,414,665	(11,224,088)
Expenditures:				
Salaries	14,144,312	14,318,725	9,055,645	5,263,080
Other compensation	348,719	377,740	302,262	75,478
Fringe benefits	5,479,909	5,529,943	3,519,074	2,010,869
Salary restrictions	(2,945,686)	(3,195,791)	---	(3,195,791)
Supplies and materials	2,005,673	2,070,183	535,551	1,534,632
Services and other expenditures	301,739	320,245	171,358	148,887
Professional and contracted services	5,420,748	5,639,494	371,146	5,268,348
Rent, utilities and maintenance	213,401	202,901	1,661	201,240
Interfund services	789,323	917,272	543,857	373,415
Asset acquisitions	---	9,000	---	9,000
Contingencies and restrictions	77,041	77,041	---	77,041
Principal on Leases	---	---	56,175	(56,175)
Interest on Leases	---	---	235	(235)
Total expenditures	25,835,179	26,266,753	14,556,964	11,709,789
Excess (deficiency) of revenues over (under) expenditures	(1,399,071)	(1,628,000)	(1,142,299)	485,701
Other financing sources (uses):				
Transfers in	1,349,256	1,578,184	4,112,483	2,534,299
Planned change in fund balance	49,815	49,816	---	(49,816)
Total other financing sources (uses)	1,399,071	1,628,000	4,112,483	2,484,483
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 2,970,184	\$ 2,970,184

Health Planning and Promotion

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,192,202	\$ 790,568	\$ 643,362	\$ (147,206)
Charges for services	9,664	9,664	4,516	(5,148)
Total revenues	<u>1,201,866</u>	<u>800,232</u>	<u>647,878</u>	<u>(152,354)</u>
Expenditures:				
Salaries	577,556	618,736	265,953	352,783
Other compensation	20,265	26,554	1,367	25,187
Fringe benefits	157,731	182,421	92,780	89,641
Salary restrictions	(182,299)	(246,512)	---	(246,512)
Supplies and materials	181,750	158,190	91,781	66,409
Services and other expenditures	105,147	148,790	79,991	68,799
Professional and contracted services	432,126	10,702	44,749	(34,047)
Rent, utilities and maintenance	13,400	2,900	2,231	669
Interfund services	84,451	86,712	20,771	65,941
Asset acquisitions	30,000	30,000	---	30,000
Total expenditures	<u>1,420,127</u>	<u>1,018,493</u>	<u>599,623</u>	<u>418,870</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(218,261)</u>	<u>(218,261)</u>	<u>48,255</u>	<u>266,516</u>
Other financing sources (uses):				
Transfers in	8,261	8,261	---	(8,261)
Planned change in fund balance	210,000	210,000	---	(210,000)
Total other financing sources (uses)	<u>218,261</u>	<u>218,261</u>	<u>---</u>	<u>(218,261)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 48,255</u>	<u>\$ 48,255</u>

Public Health Safety

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,559,310	\$ 1,559,310	\$ 1,375,587	\$ (183,723)
Federal and local revenue	7,500	30,789	25,000	(5,789)
Total revenues	1,566,810	1,590,099	1,400,587	(189,512)
Expenditures:				
Salaries	734,448	737,164	481,924	255,240
Other compensation	---	---	6,166	(6,166)
Fringe benefits	269,726	271,803	178,378	93,425
Salary restrictions	(96,157)	(102,657)	---	(102,657)
Supplies and materials	174,461	216,980	76,228	140,752
Services and other expenditures	28,231	56,441	26,882	29,559
Professional and contracted services	445,740	437,008	315,718	121,290
Rent, utilities and maintenance	15,893	8,892	373	8,519
Interfund services	121,258	91,258	53,229	38,029
Total expenditures	1,693,600	1,716,889	1,138,898	577,991
Excess (deficiency) of revenues over (under) expenditures	(126,790)	(126,790)	261,689	388,479
Other financing sources (uses):				
Transfers in	126,790	126,790	15,003	(111,787)
Total other financing sources (uses)	126,790	126,790	15,003	(111,787)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 276,692	\$ 276,692

Ryan White Programs

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 3,246,711	\$ 3,246,711	\$ 978,981	\$ (2,267,730)
Federal and local revenue	29,786,764	29,762,264	9,757,783	(20,004,481)
Total revenues	<u>33,033,475</u>	<u>33,008,975</u>	<u>10,736,764</u>	<u>(22,272,211)</u>
Expenditures:				
Salaries	1,308,020	1,365,770	808,995	556,775
Other compensation	1,411,724	1,330,261	4,350	1,325,911
Fringe benefits	452,064	475,778	289,072	186,706
Salary restrictions	(217,644)	(217,645)	---	(217,645)
Supplies and materials	672,800	582,800	93,737	489,063
Services and other expenditures	664,725	737,509	192,108	545,401
Professional and contracted services	27,046,200	26,845,517	9,201,521	17,643,996
Rent, utilities and maintenance	181,500	181,501	9,716	171,785
Interfund services	1,511,759	1,511,759	106,804	1,404,955
Asset acquisitions	5,709	5,709	---	5,709
Total expenditures	<u>33,036,857</u>	<u>32,818,959</u>	<u>10,706,303</u>	<u>22,112,656</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,382)</u>	<u>190,016</u>	<u>30,461</u>	<u>(159,555)</u>
Other financing sources (uses):				
Transfers in	3,382	3,382	2,917	(465)
Planned change in fund balance	---	(193,398)	---	193,398
Total other financing sources (uses)	<u>3,382</u>	<u>(190,016)</u>	<u>2,917</u>	<u>192,933</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 33,378</u>	<u>\$ 33,378</u>

Director of Community Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 3,878,744	\$ 3,878,744	\$ 2,322,361	\$ (1,556,383)
Federal and local revenue	46,297,954	77,959,964	54,822,156	(23,137,808)
Total revenues	<u>50,176,698</u>	<u>81,838,708</u>	<u>57,144,517</u>	<u>(24,694,191)</u>
Expenditures:				
Salaries	2,867,659	2,867,659	1,835,396	1,032,263
Other compensation	2,550,607	2,138,464	130,612	2,007,852
Fringe benefits	975,418	975,418	649,361	326,057
Salary restrictions	(79,691)	(126,414)	---	(126,414)
Supplies and materials	216,974	168,773	23,299	145,474
Services and other expenditures	42,151,486	72,658,839	46,720,452	25,938,387
Professional and contracted services	1,088,729	2,436,653	1,499,057	937,596
Rent, utilities and maintenance	4,065	4,065	600	3,465
Interfund services	401,451	715,251	535,656	179,595
Total expenditures	<u>50,176,698</u>	<u>81,838,708</u>	<u>51,394,433</u>	<u>30,444,275</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>---</u>	<u>5,750,084</u>	<u>5,750,084</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 5,750,084</u>	<u>\$ 5,750,084</u>

Community Services Administration

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 17,920,557	\$ 32,786,194	\$ 19,614,296	\$ (13,171,898)
Other revenue	10,000	10,000	---	(10,000)
Total revenues	17,930,557	32,796,194	19,614,296	(13,181,898)
Expenditures:				
Salaries	2,525,130	2,522,543	1,741,373	781,170
Other compensation	23,249	23,249	23,683	(434)
Fringe benefits	866,542	869,130	608,960	260,170
Salary restrictions	(128,204)	(128,204)	---	(128,204)
Supplies and materials	139,375	172,841	23,217	149,624
Services and other expenditures	13,687,786	27,841,046	17,127,643	10,713,403
Professional and contracted services	84,369	431,157	140,378	290,779
Rent, utilities and maintenance	441,495	642,895	39,796	603,099
Interfund services	268,950	399,672	216,364	183,308
Principal on Leases	---	---	224,942	(224,942)
Interest on Leases	---	---	2,976	(2,976)
Total expenditures	17,908,692	32,774,329	20,149,332	12,624,997
Excess (deficiency) of revenues over (under) expenditures	<u>21,865</u>	<u>21,865</u>	<u>(535,036)</u>	<u>(556,901)</u>
Other financing sources (uses):				
Transfers out	(21,865)	(21,865)	---	21,865
Total other financing sources (uses)	(21,865)	(21,865)	---	21,865
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (535,036)</u>	<u>\$ (535,036)</u>

Crime Victims Center

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,087,262	\$ 1,617,524	\$ 1,323,128	\$ (294,396)
Federal and local revenue	563,644	666,648	211,954	(454,694)
Other revenue	---	3,200	1,559	(1,641)
Total revenues	1,650,906	2,287,372	1,536,641	(750,731)
Expenditures:				
Salaries	1,228,484	1,428,444	1,000,224	428,220
Other compensation	211,265	130,184	12,064	118,120
Fringe benefits	473,508	533,695	363,489	170,206
Salary restrictions	(167,755)	(35,072)	---	(35,072)
Supplies and materials	14,390	76,745	61,810	14,935
Services and other expenditures	(183,986)	34,767	20,889	13,878
Professional and contracted services	75,000	119,082	78,165	40,917
Interfund services	---	500	---	500
Total expenditures	1,650,906	2,288,345	1,536,641	751,704
Excess (deficiency) of revenues over (under) expenditures	---	(973)	---	973
Other financing sources (uses):				
Transfers in	---	973	---	(973)
Total other financing sources (uses)	---	973	---	(973)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

Pretrial Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 314,308	\$ 314,308	\$ 260,446	\$ (53,862)
Federal and local revenue	3,010,473	3,010,473	967,625	(2,042,848)
Total revenues	<u>3,324,781</u>	<u>3,324,781</u>	<u>1,228,071</u>	<u>(2,096,710)</u>
Expenditures:				
Salaries	305,532	390,792	179,143	211,649
Other compensation	3,023	3,023	819	2,204
Fringe benefits	85,993	120,077	61,390	58,687
Salary restrictions	104,802	(13,333)	---	(13,333)
Supplies and materials	43,643	41,643	7,431	34,212
Services and other expenditures	297,382	313,173	116,118	197,055
Professional and contracted services	2,382,986	2,367,986	555,215	1,812,771
Interfund services	101,420	101,420	55,924	45,496
Contingencies and restrictions	2,139,337	2,139,337	---	2,139,337
Total expenditures	<u>5,464,118</u>	<u>5,464,118</u>	<u>976,040</u>	<u>4,488,078</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,139,337)</u>	<u>(2,139,337)</u>	<u>252,031</u>	<u>2,391,368</u>
Other financing sources (uses):				
Transfers in	2,139,337	2,139,337	---	(2,139,337)
Total other financing sources (uses)	<u>2,139,337</u>	<u>2,139,337</u>	<u>---</u>	<u>(2,139,337)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 252,031</u>	<u>\$ 252,031</u>

Aging Commission of the Mid-South

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 11,377,117	\$ 15,128,369	\$ 11,228,086	\$ (3,900,283)
Federal and local revenue	158,000	158,000	160,575	2,575
Charges for services	20,000	20,000	49,015	29,015
Other revenue	119,402	119,402	64,470	(54,932)
Total revenues	<u>11,674,519</u>	<u>15,425,771</u>	<u>11,502,146</u>	<u>(3,923,625)</u>
Expenditures:				
Salaries	2,558,309	2,697,821	1,777,127	920,694
Other compensation	112,651	112,651	9,807	102,844
Fringe benefits	906,329	981,329	689,950	291,379
Salary restrictions	(198,520)	(278,930)	---	(278,930)
Supplies and materials	135,246	159,246	45,065	114,181
Services and other expenditures	333,391	340,641	113,957	226,684
Professional and contracted services	7,318,987	10,893,701	8,292,529	2,601,172
Rent, utilities and maintenance	19,499	19,500	11,950	7,550
Interfund services	468,627	479,812	426,498	53,314
Asset acquisitions	20,000	20,000	---	20,000
Total expenditures	<u>11,674,519</u>	<u>15,425,771</u>	<u>11,366,883</u>	<u>4,058,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>---</u>	<u>135,263</u>	<u>135,263</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 135,263</u>	<u>\$ 135,263</u>

Sheriff's Office

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 725,720	\$ 1,288,758	\$ 490,264	\$ (798,494)
Federal and local revenue	1,738,852	2,585,487	831,793	(1,753,694)
Other revenue	41,013	639,889	13,969	(625,920)
Total revenues	2,505,585	4,514,134	1,336,026	(3,178,108)
Expenditures:				
Salaries	57,876	57,876	57,876	---
Other compensation	440,448	1,011,375	456,576	554,799
Fringe benefits	15,000	15,000	15,000	---
Supplies and materials	156,158	256,648	186,754	69,894
Services and other expenditures	64,497	91,661	16,996	74,665
Professional and contracted services	1,209,160	1,939,997	249,555	1,690,442
Rent, utilities and maintenance	14,791	14,793	11,832	2,961
Asset acquisitions	721,536	1,320,097	553,902	766,195
Total expenditures	2,679,466	4,707,447	1,548,491	3,158,956
Excess (deficiency) of revenues over (under) expenditures	(173,881)	(193,313)	(212,465)	(19,152)
Other financing sources (uses):				
Transfers in	173,881	173,881	18,219	(155,662)
Planned change in fund balance	---	19,432	---	(19,432)
Total other financing sources (uses)	173,881	193,313	18,219	(175,094)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (194,246)	\$ (194,246)

General Sessions Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 550,000	\$ 550,000	\$ 481,314	\$ (68,686)
Federal and local revenue	861,380	861,380	343,210	(518,170)
Total revenues	<u>1,411,380</u>	<u>1,411,380</u>	<u>824,524</u>	<u>(586,856)</u>
Expenditures:				
Salaries	174,078	174,078	164,443	9,635
Other compensation	666	666	912	(246)
Fringe benefits	69,022	69,022	56,965	12,057
Salary restrictions	(9,474)	(9,474)	---	(9,474)
Supplies and materials	2,500	8,000	1,485	6,515
Services and other expenditures	264,313	274,313	56,800	217,513
Professional and contracted services	909,275	893,525	520,610	372,915
Interfund services	1,000	1,250	938	312
Total expenditures	<u>1,411,380</u>	<u>1,411,380</u>	<u>802,153</u>	<u>609,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>---</u>	<u>22,371</u>	<u>22,371</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 22,371</u>	<u>\$ 22,371</u>

Juvenile Court Judge

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,248,380	\$ 2,248,380	\$ 2,138,357	\$ (110,023)
Other revenue	90,574	90,574	20,163	(70,411)
Total revenues	<u>2,338,954</u>	<u>2,338,954</u>	<u>2,158,520</u>	<u>(180,434)</u>
Expenditures:				
Salaries	1,512,986	1,513,227	1,390,538	122,689
Other compensation	65,438	65,131	20,537	44,594
Fringe benefits	507,532	507,597	482,487	25,110
Salary restrictions	(15,759)	(15,759)	---	(15,759)
Supplies and materials	19,218	19,218	10,189	9,029
Services and other expenditures	93,771	93,772	71,264	22,508
Professional and contracted services	10,565	10,565	300	10,265
Interfund services	174,656	174,656	167,456	7,200
Total expenditures	<u>2,368,407</u>	<u>2,368,407</u>	<u>2,142,771</u>	<u>225,636</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,453)</u>	<u>(29,453)</u>	<u>15,749</u>	<u>45,202</u>
Other financing sources (uses):				
Transfers in	29,453	29,453	---	(29,453)
Total other financing sources (uses)	<u>29,453</u>	<u>29,453</u>	<u>---</u>	<u>(29,453)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 15,749</u>	<u>\$ 15,749</u>

Juvenile Court Clerk

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,147,481	\$ 1,147,481	\$ 769,305	\$ (378,176)
Total revenues	<u>1,147,481</u>	<u>1,147,481</u>	<u>769,305</u>	<u>(378,176)</u>
Expenditures:				
Salaries	1,132,630	1,140,630	889,398	251,232
Other compensation	130,737	120,566	27,677	92,889
Fringe benefits	473,372	475,543	361,559	113,984
Salary restrictions	(152,859)	(152,859)	---	(152,859)
Supplies and materials	7,750	9,584	10,694	(1,110)
Services and other expenditures	18,627	18,627	53,316	(34,689)
Rent, utilities and maintenance	1,834	---	---	---
Interfund services	91,264	91,264	88,338	2,926
Total expenditures	<u>1,703,355</u>	<u>1,703,355</u>	<u>1,430,982</u>	<u>272,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(555,874)</u>	<u>(555,874)</u>	<u>(661,677)</u>	<u>(105,803)</u>
Other financing sources (uses):				
Transfers in	591,128	591,128	---	(591,128)
Transfers out	(35,254)	(35,254)	---	35,254
Total other financing sources (uses)	<u>555,874</u>	<u>555,874</u>	<u>---</u>	<u>(555,874)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (661,677)</u>	<u>\$ (661,677)</u>

Attorney General

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 475,885	\$ 490,885	\$ 894,367	\$ 403,482
Federal and local revenue	1,002,490	1,453,760	268,207	(1,185,553)
Other revenue	352,597	337,597	5	(337,592)
Total revenues	1,830,972	2,282,242	1,162,579	(1,119,663)
Expenditures:				
Salaries	1,101,914	1,228,914	744,116	484,798
Other compensation	167,493	167,493	44,685	122,808
Fringe benefits	349,203	399,751	236,443	163,308
Salary restrictions	(111,401)	(111,401)	---	(111,401)
Supplies and materials	164,283	162,907	6,242	156,665
Services and other expenditures	6,915	15,886	1,378	14,508
Professional and contracted services	109,150	375,277	34,047	341,230
Asset acquisitions	70,197	70,197	---	70,197
Total expenditures	1,857,754	2,309,024	1,066,911	1,242,113
Excess (deficiency) of revenues over (under) expenditures	(26,782)	(26,782)	95,668	122,450
Other financing sources (uses):				
Transfers in	26,782	26,782	---	(26,782)
Total other financing sources (uses)	26,782	26,782	---	(26,782)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 95,668	\$ 95,668

Election Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 25,000	\$ 25,000	\$ 29,814	\$ 4,814
Total revenues	25,000	25,000	29,814	4,814
Expenditures:				
Supplies and materials	25,000	25,000	8,323	16,677
Total expenditures	25,000	25,000	8,323	16,677
Excess (deficiency) of revenues over (under) expenditures	---	---	21,491	21,491
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 21,491	\$ 21,491

Shelby County, Tennessee

Statistical Section Index For the Year Ended June 30, 2023

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

Page

Financial Trends Information

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

G-2

Revenue Capacity Information

These schedules contain information to help the reader assess the County's most significant local revenue sources, including property taxes and non-ad valorem taxes

G-8

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt.

G-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

G-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

G-17

Schedule of Salaries and Fidelity Bonds

This schedule provides information on the salaries and fidelity bonds of selected County officials.

G-21

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant year.

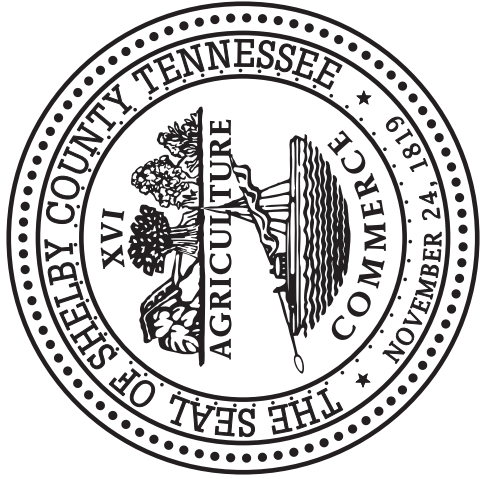
Shelby County, Tennessee

**Financial Trends Information
Net Position by Component
Last Ten Fiscal Years (accrual basis of accounting)**

	2014	2015 (a)	2016	2017	2018 (b)	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	\$ 382,856,247	\$ 328,439,765	\$ 412,812,239	\$ 441,217,120	\$ 463,208,433	\$ 438,746,068	\$ 490,338,207	\$ 501,918,373	\$ 465,189,594	\$ 444,727,197
Restricted	42,862,828	42,020,008	40,532,614	43,196,013	50,984,968	61,282,891	(1,076,235,716)	92,832,077	166,057,875	151,046,026
Unrestricted	(930,057,071)	(1,010,487,540)	(1,000,519,548)	(936,955,060)	(1,020,867,393)	(1,002,229,235)	(1,154,750,069)	(1,124,765,130)	(1,042,545,535)	(889,151,811)
Total governmental activities net position	\$ (504,357,996)	\$ (640,027,767)	\$ (547,174,695)	\$ (452,541,927)	\$ (506,673,992)	\$ (502,200,276)	\$ (1,740,647,578)	\$ (530,014,680)	\$ (411,298,066)	\$ (293,378,587)
Business-type activities:										
Net investment in capital assets	\$ 24,169,229	\$ 23,583,102	\$ 24,878,501	\$ 23,335,305	\$ 24,381,097	\$ 23,382,271	\$ 22,900,656	\$ 23,354,126	\$ 24,124,543	\$ 24,727,893
Restricted	---	---	---	---	---	---	(62,951,968)	6,450,863	39,246,140	12,637,102
Unrestricted	18,447,979	(27,498,232)	(24,556,121)	(35,276,622)	(53,622,096)	(53,599,486)	(62,407,950)	(64,811,281)	(77,205,205)	(51,167,195)
Total business-type activities net position	\$ 42,617,208	\$ (3,915,130)	\$ 322,380	\$ (11,941,317)	\$ (29,240,999)	\$ (30,217,215)	\$ (102,459,263)	\$ (35,006,292)	\$ (13,834,522)	\$ (13,802,200)
Total Shelby County Government:										
Net investment in capital assets	\$ 407,005,476	\$ 352,022,867	\$ 437,690,740	\$ 464,552,425	\$ 487,589,530	\$ 462,128,339	\$ 513,238,863	\$ 525,272,499	\$ 489,314,137	\$ 469,455,090
Restricted	42,862,828	42,020,008	40,532,614	43,196,013	50,984,968	61,282,891	(1,139,187,684)	99,282,940	205,304,015	163,683,128
Unrestricted	(911,609,092)	(1,037,985,772)	(1,025,075,669)	(972,231,682)	(1,074,489,489)	(1,055,828,721)	(1,217,158,019)	(1,189,576,411)	(1,119,750,740)	(940,319,006)
Total Shelby County Government net position	\$ (461,740,788)	\$ (643,942,897)	\$ (546,852,315)	\$ (464,483,244)	\$ (535,914,991)	\$ (532,417,491)	\$ (1,843,106,841)	\$ (565,020,972)	\$ (425,132,588)	\$ (307,180,787)

(a) In fiscal year 2015 the County implemented GASB 68 - Accounting and Financial Reporting for Pensions. The cumulative effect of change in accounting principle resulted in a reduction of unrestricted net

(b) In fiscal year 2018 the County implemented GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The cumulative effect of change in accounting principle



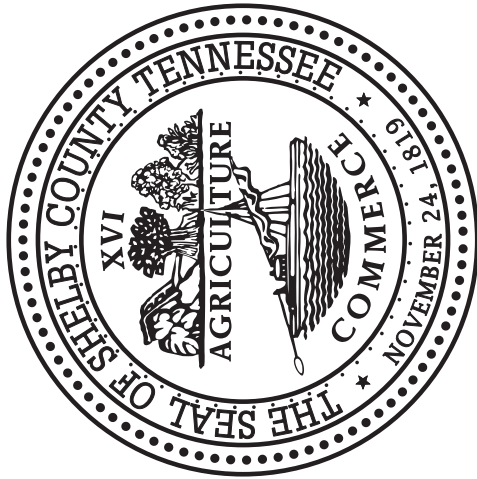
**Financial Trends Information
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General Government	\$ 46,824,367	\$ 43,713,313	\$ 49,498,317	\$ 58,915,452	\$ 60,449,802	\$ 75,605,990	\$ 84,600,396	\$ 69,057,908	\$ 84,215,151	\$ 100,256,305
Hospital	26,815,406	26,816,000	27,408,000	28,408,000	35,408,000	36,408,000	36,408,000	29,408,000	48,508,000	11,592,721
Planning and Development	8,468,651	7,907,742	8,161,874	6,584,020	8,692,185	8,377,801	7,450,739	5,970,280	12,008,807	15,930,136
Public Works	42,948,647	43,737,574	42,627,074	40,891,577	52,392,536	50,926,800	48,683,402	56,470,593	56,021,988	68,867,623
Corrections	1,041,443	1,058,422	861,727	1,009,258	1,191,335	196,751	1,804,873	1,732,179	1,155,671	1,548,205
Health Services	59,947,148	58,498,176	62,064,078	68,082,132	65,251,552	60,421,019	65,499,846	79,052,332	76,419,130	77,420,211
Community Services	62,901,061	33,009,703	29,189,066	30,233,011	27,309,368	32,893,511	37,693,694	61,674,447	111,927,117	100,876,117
Law Enforcement	162,063,175	156,314,046	166,408,318	191,292,866	190,921,619	185,631,854	196,241,792	190,389,433	166,365,613	178,443,427
Judicial	72,191,634	69,221,549	69,577,458	77,119,835	80,096,606	87,164,377	81,961,965	78,986,959	64,368,235	82,048,061
Other Elected Officials	29,052,577	28,753,179	31,238,977	34,686,605	32,882,982	36,655,499	40,840,345	43,599,906	44,660,232	42,234,424
Education	387,263,290	385,396,412	428,358,249	442,353,584	474,284,405	497,127,218	558,881,777	451,350,512	466,384,834	465,821,369
Interest on debt	66,185,593	76,735,064	63,166,615	47,567,862	46,880,271	44,930,200	46,160,581	45,710,159	44,204,881	44,044,766
Total governmental activities expenses	965,702,992	931,161,180	978,559,753	1,027,144,202	1,075,760,661	1,116,339,020	1,206,227,410	1,113,402,708	1,176,239,651	1,189,083,365
Business-type activities:										
Codes Enforcement	9,209,429	8,729,775	9,747,174	10,942,221	10,848,381	11,008,423	14,259,995	13,234,168	11,726,529	13,431,918
Fire Services	17,940,652	17,783,763	18,170,987	22,714,271	26,318,287	27,444,936	27,091,315	32,709,740	28,986,565	34,143,931
Corrections Center	59,111,101	57,480,542	56,957,843	56,725,927	53,562,419	55,294,974	62,487,784	52,136,720	43,918,460	58,400,129
Total business-type activities expenses	86,261,182	83,994,080	84,876,004	90,382,419	90,729,087	93,748,333	103,839,094	98,080,628	84,631,554	105,975,978
Total Shelby County Government expenses	\$ 1,051,964,174	\$ 1,015,155,260	\$ 1,063,435,757	\$ 1,117,526,621	\$ 1,166,489,748	\$ 1,210,087,353	\$ 1,310,066,504	\$ 1,211,483,336	\$ 1,260,871,205	\$ 1,295,059,343
Program Revenues										
Governmental activities:										
Charges for services	\$ 24,825,384	\$ 24,726,512	\$ 25,909,720	\$ 27,502,089	\$ 23,349,442	\$ 23,464,831	\$ 23,396,856	\$ 23,262,227	\$ 20,516,012	\$ 22,448,697
General Government	10,061,350	10,017,842	10,709,606	10,823,283	8,819,127	9,202,488	7,926,232	8,349,922	8,035,481	8,761,857
Health Services	28,801,146	27,986,043	27,845,080	24,987,093	23,979,206	26,311,931	22,630,903	25,969,290	25,079,459	22,594,561
Judicial	39,677,738	38,801,366	41,261,947	40,562,249	42,072,752	41,569,157	43,861,176	46,639,632	44,845,592	47,521,683
Other Elected Officials	14,516,272	15,967,192	14,701,441	16,535,007	9,821,069	13,162,632	13,832,374	14,845,948	15,392,025	12,018,079
Other governmental activities	97,596,210	62,656,592	64,477,734	65,387,691	65,797,135	70,842,884	83,495,633	126,575,944	216,861,932	196,335,592
Operating grants and contributions	5,126,100	10,340,712	16,598,389	49,320,234	11,748,750	2,710,020	6,075,120	5,731,778	533,183	4,705,624
Capital grants and contributions										
Total governmental activities program revenues	220,604,200	190,496,259	201,503,917	235,117,646	185,587,481	187,263,943	201,218,294	251,374,741	331,263,684	314,386,093

**Financial Trends Information
Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund	\$ 23,247	\$ 32,508	\$ 30,702	\$ 48,612	\$ 64,492	\$ 71,851	\$ ---	\$ 37,246	\$ 101,768	237,935
Restricted	81,307	61,811	9,138,061	4,331,110	9,062,102	7,550,456	11,269,335	4,787,623	22,292,121	21,488,215
Committed	813,270	876,297	634,321	1,376,907	2,346,261	1,773,419	2,127,553	891,476	2,751,791	9,868,795
Assigned (a)	102,469,929	107,772,795	105,793,431	109,849,713	100,490,374	92,475,715	77,702,067	96,009,133	81,621,515	82,419,770
Unassigned										
Total General Fund	\$ 103,387,753	\$ 108,743,411	\$ 115,596,515	\$ 115,606,342	\$ 111,963,229	\$ 101,871,441	\$ 91,098,955	\$ 101,725,478	\$ 106,767,195	\$ 114,014,715
All other governmental funds										
Restricted, reported in:										
Debt Service Fund	7,605,692	8,359,523	5,998,600	3,203,200	405,600	---	---	---	2,521,177	2,606,632
Capital Projects Fund	84,515	85,001	84,587	85,939	88,123	199,121	203,055	203,055	203,055	204,300
Grants Fund	16,459,728	16,180,606	16,065,012	16,300,785	16,349,480	17,792,648	15,569,559	19,166,176	15,554,962	21,635,318
Nonmajor Governmental Funds	16,167,849	17,914,849	18,487,829	23,744,991	34,678,684	44,834,889	43,548,176	39,258,411	49,514,876	66,407,944
Committed, reported in:										
Debt Service Fund	79,665,910	83,053,923	57,214,357	57,528,284	64,648,954	62,238,810	50,961,243	41,946,028	41,210,599	45,239,140
Capital Projects Fund	34,098,546	38,625,488	22,104,293	33,954,124	10,843,800	56,575,429	(2,947,535)	80,564,230	11,406,588	112,448,252
Education Fund	---	---	---	---	6,472,908	---	---	4,636,978	9,989,518	12,689,542
Nonmajor Governmental Funds	5,674,041	5,648,544	5,675,371	4,781,932	4,619,749	2,658,304	2,334,071	2,763,275	1,872,972	4,487,906
Total all other governmental funds	\$ 159,756,281	\$ 169,867,934	\$ 125,630,049	\$ 139,599,255	\$ 138,107,298	\$ 184,299,201	\$ 109,668,569	\$ 188,538,153	\$ 132,273,747	\$ 265,719,034

(a) Assigned Fund Balance refers to amounts that are intended to be used for a specific purpose as defined by GASB Statement No. 54.



Financial Trends Information
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property taxes	\$ 748,889,804	\$ 762,162,261	\$ 757,532,261	\$ 764,259,944	\$ 795,913,270	\$ 795,509,323	\$ 788,401,024	\$ 805,710,005	\$ 825,337,374	\$ 832,380,360
Other local taxes	106,044,536	105,964,977	106,717,882	109,137,254	117,780,091	121,626,719	118,619,150	119,517,281	132,237,369	137,681,604
State revenue	82,818,413	83,885,594	96,423,644	95,452,238	87,348,011	94,451,611	102,820,192	104,079,590	106,902,968	114,450,505
Federal and local revenue	54,343,494	28,004,291	26,417,894	23,531,327	30,115,174	24,143,804	33,373,648	77,986,826	157,484,393	129,664,733
Charges for services	5,873,744	5,855,441	5,290,216	5,329,134	4,189,764	4,229,234	3,123,415	2,792,905	2,715,505	2,803,490
Fines, fees and permits	70,956,345	70,730,668	72,374,710	70,662,534	67,469,274	72,708,325	67,397,144	73,733,169	73,377,854	72,089,150
Other revenue	9,576,155	4,749,892	6,197,341	5,350,482	5,186,442	7,597,142	4,673,235	3,273,032	4,006,229	2,902,581
Investment income	1,753,731	1,958,630	2,648,473	2,175,339	5,282,946	5,312,433	6,700,524	2,107,238	1,687,175	15,398,505
Total revenues	1,080,256,222	1,063,311,754	1,073,622,421	1,075,898,252	1,113,284,972	1,125,578,591	1,125,108,332	1,189,200,046	1,303,748,867	1,307,370,928
Expenditures (a)										
General Government	42,784,442	43,744,271	48,171,327	47,536,504	54,940,250	68,616,702	75,187,214	70,070,330	93,166,803	80,157,059
Hospital	26,816,000	26,816,000	27,408,000	28,408,000	28,408,000	29,408,000	29,408,000	29,408,000	48,508,000	29,408,000
Planning and Development	7,796,219	7,719,866	7,841,671	5,549,679	8,328,688	8,180,624	7,052,072	6,235,946	11,757,082	16,892,376
Public Works	35,252,458	39,313,866	45,789,381	46,966,954	45,915,540	40,886,687	45,535,688	40,787,784	37,976,745	45,603,156
Corrections	971,686	1,380,175	809,010	412,503	592,013	873,732	1,589,149	1,523,087	899,246	1,328,879
Health Services	60,122,721	60,168,441	61,685,932	63,430,661	62,680,090	63,974,679	61,168,646	72,126,902	77,271,685	81,813,485
Community Services	62,740,198	28,895,467	28,977,653	28,871,000	28,157,676	32,521,455	35,884,662	59,455,965	111,899,139	99,269,164
Law Enforcement	159,541,072	160,189,601	165,545,266	167,884,145	181,020,311	188,516,790	181,155,426	179,535,954	185,141,262	185,924,764
Judicial	71,016,743	72,573,972	66,623,266	68,337,084	71,820,260	74,891,395	74,206,313	72,462,494	71,809,819	76,580,446
Other Elected Officials	28,556,139	29,457,449	29,853,015	31,106,260	30,211,812	34,359,209	34,101,648	41,249,721	39,560,663	40,278,146
Education	384,764,432	383,088,000	391,288,000	417,010,516	419,471,000	433,718,319	437,959,000	435,759,000	435,759,000	436,299,000
Debt service:										
Interest	67,196,324	63,634,917	63,475,437	55,771,165	46,991,998	47,602,101	47,837,199	44,451,407	45,277,094	43,288,232
Principal	98,339,316	95,094,887	95,423,925	92,084,052	100,066,842	94,606,321	97,387,940	249,855,989	102,131,328	102,219,042
Administrative Costs	1,906,813	2,997,953	1,784,728	1,720,900	1,000,091	1,994,694	1,115,949	1,661,007	965,265	1,394,478
Capital outlay	19,352,761	26,545,178	56,800,345	47,739,224	83,654,719	102,856,299	183,801,379	41,524,902	71,758,682	73,170,696
Total expenditures	1,067,157,323	1,041,620,043	1,091,476,956	1,102,828,647	1,163,259,290	1,223,007,007	1,313,390,285	1,346,108,488	1,333,881,813	1,313,626,923
Excess (deficiency) of revenues over (under) expenditures	13,098,899	21,691,711	(17,854,535)	(26,930,395)	(49,974,318)	(97,428,416)	(188,281,953)	(156,908,442)	(30,132,946)	(6,255,995)

Shelby County, Tennessee

Revenue Capacity Information Assessed and Estimated Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Tax Year	Residential Property (b)	Commercial Property (b)	Personal Property (b)	Public Utilities (a)	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value		Assessed Value as a Percentage of Actual Value (c)
								Value	Value	
2013	2012	10,649,905,970	5,660,543,555	1,438,945,120	1,098,465,902	18,847,860,547	4.02	63,834,911,731	29.53%	
2014 (d)	2013	9,588,110,655	5,919,308,700	1,533,153,805	1,125,314,171	18,165,887,331	4.38	60,586,935,365	29.98%	
2015	2014	9,553,959,920	5,650,054,415	1,473,774,000	1,289,100,925	17,966,889,260	4.37	59,884,233,964	30.00%	
2016	2015	9,595,800,610	5,701,519,115	1,426,582,015	1,215,978,130	17,939,879,870	4.37	59,897,289,027	29.95%	
2017	2016	9,658,521,795	5,751,939,895	1,461,401,325	1,230,992,434	18,102,855,449	4.37	60,418,966,162	29.96%	
2018 (d)	2017	10,678,297,610	6,763,926,870	1,521,169,795	1,284,144,752	20,247,539,027	4.11	67,338,526,740	30.07%	
2019	2018	10,746,690,380	6,775,006,250	1,569,997,235	1,279,368,476	20,371,062,341	4.05	67,794,202,302	30.05%	
2020	2019	10,854,705,952	6,853,808,465	1,491,687,060	1,205,125,763	20,405,327,240	4.05	68,050,683,051	29.99%	
2021	2020	10,937,574,967	6,829,477,860	1,527,218,650	1,294,911,983	20,589,183,460	4.05	68,491,786,924	30.06%	
2022 (d)	2021	14,073,220,564	8,078,959,390	1,790,947,875	1,566,421,453	25,509,549,282	3.45	85,606,262,905	29.80%	

(a) Public Utilities information is based on information received from the State of Tennessee Comptroller of the Treasury assessments.

(b) Assessed value is the most current tax year value prepared by the County Assessor of Property as of April 20 prior to the beginning of each fiscal year.

(c) The State of Tennessee tax statutes classify property as follows for computing assessed valuations:
 Real Estate-Residential and Farms 25% of actual value
 Real Estate-Commercial and Industrial 40% of actual value
 Personal Property-Commercial and Industrial 30% of actual value
 Public Utilities 55% of actual value

(d) The effect of property reappraisals are reflected in FY 2014, 2018 and 2022 amounts.

Shelby County, Tennessee

**Revenue Capacity Information
Property Tax Rates-Direct and Overlapping Governments
Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County Direct Rates										
General Fund	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.43	\$ 1.49	\$ 1.47	\$ 1.47	\$ 1.24	\$ 1.25
Education (a)	2.14	2.14	2.14	2.14	1.99	1.94	1.96	1.96	1.64	1.59
Debt Service	0.79	0.78	0.78	0.78	0.69	0.62	0.62	0.62	0.57	0.55
Total Direct Rate	4.38	4.37	4.37	4.37	4.11	4.05	4.05	4.05	3.45	3.39
Rural School Bonds (b)	0.04	---	---	---	---	---	---	---	---	---
City & Town Rates										
Memphis (c)	3.40	3.40	3.40	3.40	3.27	3.20	3.20	3.20	2.71	2.70
Arlington	1.15	1.15	1.15	1.15	1.15	1.15	1.37	1.37	1.28	1.28
Bartlett	1.62	1.62	1.62	1.62	1.83	1.83	1.83	1.83	1.75	1.73
Collierville	1.53	1.53	1.78	1.78	1.63	1.83	1.83	1.83	1.72	1.72
Germantown	1.93	1.93	1.93	1.93	1.97	1.95	1.95	1.95	1.68	1.67
Lakeland	0.85	0.85	1.40	1.40	1.25	1.25	1.24	1.24	1.04	1.04
Millington	1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.40	1.40

Rates are applicable to fiscal years ending June 30.

(a) The portion of property taxes designated for education is allocated among the Shelby County Board of Education and the municipal school districts based on the average daily attendance.

(b) Beginning in calendar year 2003 an additional tax rate was established to fund Rural School Bonds and is applied only to taxpayers living outside the City of Memphis. As of fiscal year 2015, this additional tax is repealed.

(c) Over two-thirds (67.78%) of the County's population resides in the City of Memphis.

Shelby County, Tennessee

**Revenue Capacity Information
Principal Property Tax Payers - Current and Nine Years Ago
June 30, 2023**

Name of Taxpayer	Fiscal 2023 Assessments			Fiscal 2014 Assessments		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
FedEx Express Corporation (and related divs)	\$ 908,964,823	1	3.58%	\$ 662,911,806	1	3.43%
Exeter Property Group	119,965,920	2	0.47%			
G&I VII Retail Carriage LLC (and related divs)	90,565,910	3	0.36%	59,254,960	6	0.33%
AT&T Mobility LLC	89,331,089	4	0.35%	66,859,445	3	0.37%
Kroger Companies	72,836,880	5	0.29%	56,429,080	8	0.31%
AMAZON.COM	71,557,590	6	0.28%			
AMISUB (SFH) Inc.	71,557,590	7	0.28%	64,234,085	5	0.35%
The Premcor Refining Group LLC	68,581,770	8	0.27%			
BNSF Railway Company	67,895,402	9	0.27%			
Lightman Michael A (and Affiliated LPs)	65,331,670	10	0.26%	54,608,625	9	0.30%
Galleria at Wolfchase, LLC				58,318,190	7	0.32%
Bellsouth Telecommunications Inc.				112,025,698	2	0.62%
Belz Investco GP				64,356,640	4	0.35%
Boyle Investment Co.				47,973,495	10	0.26%
Total Assessed Valuation of Top Ten Taxpayers	1,626,588,644		6.40%	1,206,972,024		6.64%
Balance of Assessed Valuation	23,793,045,783		93.60%	16,958,915,307		93.36%
Total Assessed Valuation	\$ 25,419,634,427		100.00%	\$ 18,165,887,331		100.00%

Source: Shelby County Assessor and Trustee Offices

Shelby County, Tennessee

Revenue Capacity Information Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Year	Original Taxes Levied for the Fiscal Year	Collected within the			Collections in Subsequent Years	Adjusted Tax Levy	Total Collections to Date	
			Fiscal Year of the Levy		Amount			Percentage of Adjusted Levy	Percentage of Original Levy
			Amount	Percentage of Original Levy					
2014	(a) 2013	798,327,814	741,958,610	92.94%	25,322,425	775,676,738	767,281,036	98.92%	96.11%
2015	2014	783,507,158	750,097,124	95.74%	21,300,241	778,641,703	771,397,365	99.07%	98.45%
2016	2015	784,554,974	754,081,040	96.12%	20,593,546	780,513,345	774,674,586	99.25%	98.74%
2017	2016	791,094,783	761,608,732	96.27%	20,944,851	787,557,182	782,553,583	99.36%	98.92%
2018	(a) 2017	832,173,142	797,712,672	95.86%	18,987,166	823,187,542	816,699,838	99.21%	98.14%
2019	2018	825,220,824	797,867,575	96.69%	13,347,155	821,656,618	811,214,730	98.73%	98.30%
2020	2019	826,294,724	793,923,127	96.08%	16,368,925	821,373,075	810,292,052	98.65%	98.06%
2021	2020	833,862,400	811,347,150	97.30%	17,747,295	832,869,240	829,094,445	99.55%	99.43%
2022	(a) 2021	880,079,917	843,818,286	95.88%	17,531,959	864,226,442	861,350,245	99.67%	97.87%
2023	2022	861,725,438	839,377,860	97.41%	N/A	860,980,737	839,377,860	97.49%	97.41%

(a) The effect of property reappraisals are reflected in FY2014, 2018 and 2022 amounts.
Source: Shelby County Trustee Offices.

Shelby County, Tennessee

Revenue Capacity Information General Fund Non-Ad Valorem Revenues Last Ten Fiscal Years (modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual local taxes	\$ 34,048,774	\$ 32,350,888	\$ 32,605,263	\$ 32,530,119	\$ 31,430,273	\$ 33,339,212	\$ 38,348,070	\$ 38,558,245	\$ 37,204,790	\$ 41,388,218
Annual local revenue	14,631,502	11,011,637	12,284,914	10,403,246	12,299,150	9,125,216	9,857,604	8,577,579	13,573,553	8,534,856
Annual State revenues	19,588,987	20,557,390	23,143,769	23,874,375	22,424,187	25,836,771	25,589,365	30,792,702	25,648,087	27,723,256
Annual fees of elected officials	64,612,993	64,200,149	65,979,565	64,529,688	61,188,448	65,722,059	60,965,872	66,663,912	66,049,202	64,235,613
Other revenues	644,093	1,197,991	2,441,336	2,558,854	2,875,001	3,699,743	3,886,000	927,175	635,700	9,148,382
Total non-ad valorem revenues	\$ 133,526,349	\$ 129,318,055	\$ 136,454,847	\$ 133,896,282	\$ 130,217,059	\$ 137,723,001	\$ 138,646,911	\$ 145,519,613	\$ 143,111,332	\$151,030,325

Non-Ad Valorem Revenues of the County are considered all General Fund revenue other than property taxes and include the following:

Interest and Penalties. Consists of late penalties and interest earned from late payment of real property taxes throughout the County.

Other Payments in Lieu of Taxes. Payments in lieu of ad valorem property taxes by a tax-exempt or governmental entity in an amount not to exceed the taxes payable on privately owned property of a similar nature.

Alcohol Revenues. Alcohol revenues consist of beer sales taxes, mixed drink tax and liquor by the drink sales tax.

Business Revenues. Business revenues consist of County general sales tax and gross receipts tax.

Fees for services provided including fees of the various court clerks and other elected officials.

Shelby County, Tennessee

**Debt Capacity Information
Schedule of Direct and Overlapping Debt
June 30, 2023**

	Net Debt Outstanding	Estimated Percentage Applicable (d)	Estimated Share of Overlapping Debt
Direct Debt (a)			
<u>Governmental Activities</u>			
General obligation debt	\$923,186,106	100.00%	\$923,186,106
Premium on general obligation debt	70,994,038	100.00%	70,994,038
		Total direct bonded debt (b)	994,180,144
Notes payable	3,297,100	100.00%	3,297,100
Lease obligations	742,380	100.00%	742,380
Subscription based information technology arrangements	5,810,467	100.00%	5,810,467
		Total debt of governmental activities	1,004,030,091
Overlapping Debt (c)			
City of Memphis	2,163,352,873	100.00%	2,163,352,873
City of Germantown	55,353,000	100.00%	55,353,000
City of Bartlett	89,540,431	100.00%	89,540,431
City of Collierville	101,165,000	100.00%	101,165,000
City of Lakeland	62,320,966	100.00%	62,320,966
Town of Arlington	4,183,218	100.00%	4,183,218
City of Millington	13,450,604	100.00%	13,450,604
		Total overlapping debt	2,489,366,092
		Total direct and overlapping debt	\$ 3,493,396,183

- (a) The County has the power to levy ad valorem taxes without limitation as to rate or amount and is obligated to levy taxes sufficient to pay bonded debt.
- (b) The total bonded debt amount corresponds with all Shelby County assessed property.
- (c) The tax base within each city corresponds with that city's debt.
- (d) The percentage of overlapping debt applicable is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by each unit's total taxable assessed value.

Shelby County, Tennessee

**Debt Capacity Information
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-type Activities		Total Government Debt	Accumulated Restricted Resources for Debt Repayment	Net G.O. Bonded Debt	Net G.O. Bonded Debt Percent Of Actual Value (b)	Net G.O. Bonded Debt Per Capita (b)	Total Government Debt Per Capita (b)	Total Government Debt Percent of Personal Income(c)
	Tax Year	General Obligation Bonds & Loans (a)	Leases	Leases	Leases								
2014	2013	1,285,056,456	6,505,735	135,206	1,291,697,397	10,006,059	1,275,050,397	2.00%	1,355	1,373	3.24%		
2015	2014	1,243,750,510	6,131,862	69,152	1,249,951,523	8,410,624	1,235,339,886	2.04%	1,315	1,330	3.08%		
2016	2015	1,123,495,190	5,762,440	-	1,129,257,630	6,016,320	1,117,478,870	1.87%	1,190	1,203	2.69%		
2017	2016	1,057,871,012	5,397,468	-	1,063,268,480	3,203,200	1,054,667,812	1.76%	1,124	1,133	2.51%		
2018	2017	942,197,548	5,036,947	-	947,234,495	405,600	941,791,948	1.56%	1,008	1,014	2.19%		
2019	2018	1,033,952,178	4,680,878	-	1,038,633,056	2,427,433	1,031,524,745	1.53%	1,101	1,109	2.33%		
2020	2019	923,158,505	4,329,258	-	927,487,764	2,427,433	920,731,072	1.36%	984	991	2.00%		
2021	2020	1,058,475,733	3,982,090	-	1,062,457,823	2,484,008	1,055,991,725	1.54%	1,128	1,135	2.11%		
2022	2021	942,862,793	4,967,273	-	947,830,067	2,521,177	940,341,616	1.10%	1,017	1,025	1.73%		
2023	2022	995,172,722	7,478,926	-	1,002,651,649	2,606,631	992,566,091	1.16%	1,083	1,094	1.86%		

(a) The full faith, credit, and unlimited taxing power of the County are pledged for payment of the Bonds without limitation as to rate or amount.

(b) See page G-10 for Estimated Actual and Assessed Property Values and page G-17 for Population Amounts and Personal Income Values.

(c) Personal Income Data not available for FY2023. Data for FY2022 was substituted for the calculation.

Shelby County, Tennessee

Demographic and Economic Information Demographic and Economic Statistics Last Ten Calendar Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2013	939,465	40,594,551	43,210	9.7%
2014	938,803	41,968,752	44,705	7.9%
2015	938,069	42,356,302	45,153	6.6%
2016	934,603	43,210,184	46,234	5.5%
2017	936,961	44,650,627	47,655	3.7%
2018	935,764	46,287,828	49,465	3.5%
2019	937,166	47,555,669	50,744	2.8%
2020	936,017	50,409,283	53,855	8.4%
2021	924,454	54,738,720	59,212	4.7%
2022	916,371	53,823,833	58,736	N/A

Sources:

Population and personal income data provided by the U.S. Bureau of the Census through Bureau of Economic Analysis (BEA).
Unemployment rates provided by Tennessee Department of Labor and Workforce Development.

Note:

Population data are midyear estimates. Personal income amounts are totals for each calendar year. Per capita personal income amounts are computed on the basis of the mid-year population estimates given at left. Unemployment rates are calendar year average rates for the civilian workforce. BEA released the population and personal income data shown here in November 2023. Unemployment rate for 2022 has not been released by Tennessee of Labor workforce and development.

Shelby County, Tennessee

**Demographic and Economic Information
Principal Employers
Current Year and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
FedEx Corp	35,000	1	5.56%	32,000	1	5.82%
United States Government	14,400	2	2.29%	13,900	4	2.53%
Tennessee State Government	14,000	3	2.25%	14,400	3	2.62%
Methodist Le Bonheur Healthcare	11,415	4	1.83%	10,175	5	1.85%
Memphis-Shelby County Schools	11,318	5	1.80%	16,000	2	2.91%
Baptist Memorial Health Care Corp.	8,019	6	1.29%	8,587	6	1.56%
City of Memphis	7,900	7	1.26%	6,848	7	1.25%
Naval Support Activity Mid-South	6,500	8	1.04%	4,600	10	0.84%
Wal-Mart Stores Inc.	6,000	9	0.95%	6,000	8	1.09%
St. Jude Children's Research Hospital	5,769	10	0.92%			
Shelby County Government				5,662	9	1.03%
Total	120,321		19.18%	118,172		21.50%

Sources:

Largest employer data for 2014 and 2023 comes from Memphis Business Journal Book of Lists for each year. The largest employer numbers are for the Memphis area as defined by the Memphis Business Journal and are as of the survey period January and February of the year reported. Total employment from the TN Department of Labor & Workforce Development-Employment Security Division are for the Memphis Metropolitan Statistical Area. Total employment for 2022, from the TN Department of Labor & Workforce Development-Employment Security Division, is used as a surrogate for the 2023 figure, which is not expected to be available until 2024.*

* Total Employment: 2023 629,481
2014 584,780

Shelby County, Tennessee

**Operating Information
Full-time Equivalent Government Employees-By Function (a)
Last Ten Fiscal Years**

Function/Program:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	287	248	243	241	258	265	315	247	244	313
Planning and Development	139	133	132	130	133	131	155	139	144	151
Public Works	423	422	408	448	482	481	486	497	533	541
Corrections	682	639	622	514	502	519	539	512	440	429
Health Services	501	483	479	472	469	468	475	536	434	478
Community Services (b)	514	190	187	182	196	197	260	226	261	241
Law Enforcement	1,927	1,944	1,922	1,865	1,902	1,867	1,854	1,748	1,559	1,536
Judicial	899	780	789	886	854	857	902	850	796	907
Other Elected Officials	360	353	351	252	362	526	419	372	496	543
Total Full-time Equivalent Employees	5,732	5,192	5,133	4,990	5,158	5,311	5,405	5,127	4,907	5,139

(a) This schedule shows filled positions as of January 1, within each fiscal year.

(b) The Head Start program was not renewed by Shelby County Government at the end of calendar year 2014. The Head Start operations transitioned to Shelby County Board of Education, a component unit.

Data source: Shelby County Human Resource Department.

Shelby County, Tennessee

**Operating Information
Capital Assets Statistics - By Function
Last Ten Fiscal Years**

Function/Program:	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>General Government:</u>										
Election Commission Polling Locations (a)	220	166	166	166	166	166	166	166	143	142
Assessor Offices	2	2	2	2	1	2	2	2	2	2
Public Works Bridges (b)	179	178	179	182	182	182	182	178	178	184
Health Services Public Health Clinics (f)	8	8	8	8	7	7	7	7	7	6
Law Enforcement Jail Capacity										
Male	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Female	381	381	381	381	381	381	381	381	381	381
Average daily population	2,456	2,391	2,562	2,607	2,863	2,869	2,475	2,137	2,137	2,369
Judicial Courts (c)	41	41	41	41	41	42	42	42	42	42
<u>Enterprise Funds:</u>										
Fire Services Engine Companies	9	9	9	9	9	9	11	13	13	13
Ambulances (d)				12	12	12	11	14	15	16
Corrections Center Facility Capacity (e)	3,706	3,706	3,706	3,401	3,401	3,169	3,169	2,665	2,665	2,665
Average daily population	2,257	2,156	2,050	1,888	1,992	1,964	1,823	1,274	1,303	1,295

(a) The number of polling locations was reduced in 2015 by county resolution to improve efficiency, make all locations similar in size, better utilize staff, and eliminate problem polling locations

(b) The number of bridges has declined due to annexations by municipalities.

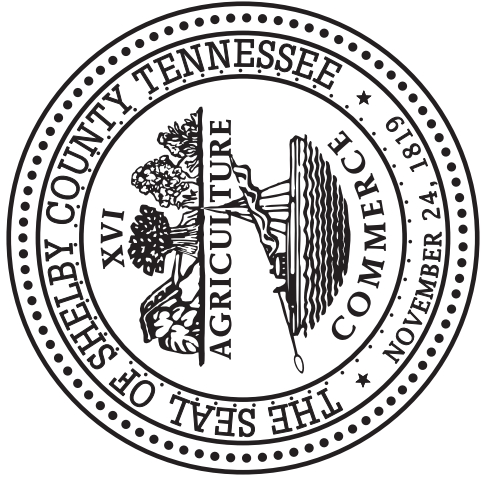
(c) Veteran Court was added and runs in conjunction with Drug Treatment program.

(d) Ambulance services were incorporated into Fire Department operations in FY17, eliminating the contracted services used in previous years.

(e) The daily inmate capacity of facility has declined due to close of the W building for repair.

(f) The number of Public Health Clinics decreased in 2023 by the Town of Collierville.

Data Sources: Shelby County Election Commission, Assessor's Office, County Engineer, Health Services Division, Sheriff's Jail Operations, Judicial Division, Fire Services, and Department of Corrections.



Shelby County, Tennessee

**Operating Information
Operating Indicators - By Function
Last Ten Fiscal Years**

Function/Program:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Pretrial Services	21,273	16,773	17,076	16,550	14,176	12,058	9,649	8,557	7,921	7,388
Misdemeanor interviews	95,554	73,308	81,133	77,570	70,580	80,061	20,495	9,329	7,828	7,379
Misdemeanor arraignments	11,327	8,792	10,637	10,906	10,443	9,303	8,754	8,184	9,938	9,451
Felony interviews	13,153	7,841	10,864	9,508	9,807	7,398	8,568	9,839	10,374	9,851
Felony arraignments										
Election Commission										
Number of elections	5	3	4	5	2	4	4	---	1	5
Public Works (f):										
Linear road miles	750	750	779	780	783	784	784	831	833	835
Public buildings	7	7	7	7	7	7	7	7	7	7
Community Services (g):										
Head Start	4,030	---	---	---	---	---	---	---	---	---
Students (a)										
Housing	1,085	1,200	1,289	1,465	1,518	1,306	1,114	967	850	1,039
Loans outstanding										
Ryan White Program	3,914	4,236	4,791	4,752	5,121	4,704	4,469	4,790	4,815	5,268
Unduplicated clients served										
Law Enforcement (h):										
Sheriff's Office Inmate days	896,504	872,831	941,800	959,286	1,024,189	1,047,312	909,315	911,996	860,376	870,490
Average daily population	2,456	2,391	2,562	2,629	2,801	2,869	2,491	2,137	2,358	2,369
Judicial (b):										
Chancery Court										
Filings	2,229	2,206	2,228	1,955	2,029	2,091	1,753	2,342	2,710	2,322
Dispositions	1,316	2,077	2,886	1,793	2,975	3,066	2,570	2,101	3,032	3,593
Circuit Court										
Filings	5,704	5,770	5,241	5,425	5,456	5,735	5,357	5,419	5,159	8,380
Dispositions	6,157	6,238	6,274	7,618	5,463	5,612	6,065	5,181	5,284	5,874
Criminal Court										
Filings	21,535	26,383	24,331	19,885	20,739	29,068	18,339	18,145	20,215	19,785
Dispositions	21,402	24,824	27,180	34,884	19,613	27,588	25,350	18,338	20,445	19,677
General Sessions Criminal Court										
Filings	226,389	193,293	189,578	140,661	165,060	101,877	95,238	104,121	85,257	104,289
Dispositions	219,865	198,679	194,735	174,335	145,799	106,944	101,264	47,720	71,900	80,243

Shelby County, Tennessee

Schedule of Salaries and Fidelity Bonds

June 30, 2023

Official	Designation	Base Salary Amounts	Bond Expiration Date	Bond Amount
Mayor and Staff				
Lee Harris	Mayor	\$ 210,000	09/01/26	\$ 100,000
Harold Collins	Chief Administrative Officer	176,980	07/12/26	100,000
Audrey Tipton	Director of Administration and Finance	178,449	09/01/26	100,000
Cliff Norville	Director of Public Works	165,022	09/01/26	100,000
Dorcas Young Griffin	Director of Community Services	165,022	09/01/26	100,000
Anthony Alexander	Director of Corrections	165,022	09/01/26	100,000
John Zeanah	Director of Planning and Development	165,022	09/01/26	100,000
Dr. Michelle Taylor	Director of Health Services	178,449	09/01/26	100,000
Glenda Pearson	Purchasing Agent	115,000	05/01/27	100,000
Court Clerks				
Aaron Hall	Chancery Court Clerk and Master	157,275	01/03/24	1,060,000
Jamita Swarengren	Circuit Court Clerk	157,275	09/01/26	110,000
Heidi Kuhn	Criminal Court Clerk	157,275	09/01/26	110,000
Joe Brown	General Sessions Court Clerk	157,275	09/01/24	110,000
Eddie S. Jones Jr.	Probate Court Clerk	157,275	09/01/26	110,000
Jancen R. Gordon	Juvenile Court Clerk	157,275	09/01/26	110,000
Others				
Floyd Bonner, Jr.	Sheriff	199,500	09/01/26	100,000
Wanda Halbert	County Clerk	157,275	09/01/26	110,000
Willie F. Brooks Jr.	Register	157,275	09/01/26	100,000
Regina Morrison Newman	Trustee	157,275	09/01/26	52,653,390
Melvin Burgess	Assessor	157,275	09/01/26	50,000
Scott B. Peatross	Public Administrator	(a)	06/06/25	500,000
All Employees	Crime insurance		11/01/23	1,000,000 per loss

(a) Compensated from assigned cases.

**INDEPENDENT AUDITORS' 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 Chairman and Members of the
Shelby County Board of Commissioners and
Mayor of Shelby County, Tennessee

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the statements of budgetary comparison for the general fund, education fund, grants fund, and the aggregate remaining fund information of Shelby County, Tennessee, (the "County") as of and for the year June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 29, 2024. Our report includes a reference to other auditors who audited the financial statements of the Shelby County Health Care Corporation, Agricenter International, Inc., and Emergency Communications District of Shelby County, Tennessee, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2023-004.

Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying Management's Corrective Action Plans. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Watkins Mikusall, PLLC Bantz, Jorley, White & Co.

Memphis, Tennessee
February 29, 2024

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

To the Chairperson and Members of the
Shelby County Board of Commissioners and
Mayor of Shelby County, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Shelby County, Tennessee (the "County")'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Shelby County Health Care Corporation and the Shelby County Board of Education (component units of the County), which expended \$5,223,376 and \$553,381,675 in federal awards, respectively, which are not included in the schedule of expenditures of federal awards and state financial assistance for the year ended June 30, 2023. Our audit, described below, did not include the operations of the Shelby County Health Care Corporation because the entity engaged another auditor to perform an audit in accordance with the Uniform Guidance. The results of our audit for the Shelby County Board of Education are included in a separate report.

In our opinion, Shelby County, 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 year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 County'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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-005. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying

schedule of findings and questioned costs. The County's response and corrective action plan was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-005 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Memphis, Tennessee
February 29, 2024



SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
Department of Agriculture					
TN Department of Health	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	Multiple	\$ -	\$ 6,017,171
<i>SNAP Cluster</i>					
TN Department of Health	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	31602-19038	-	48,587
Total Department of Agriculture				-	6,065,758
Department of Housing and Urban Development					
<i>CDBG - Entitlement Grants Cluster</i>					
Direct Award	Community Development Block Grants / Entitlement Grants	14.218	Multiple	1,507,342	2,483,271
Direct Award	Emergency Solutions Grants Program	14.231	68817	-	323,023
Direct Award	Home Investment Partnerships Program	14.239	M18UC47002	-	167,502
<i>CDBG Disaster Recovery Grants Pub. L. No. 113-2 Cluster</i>					
Direct Award	National Disaster Resilience Competition (CDBG-NDR)	14.272		-	8,488,154
Direct Award	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	TNLHD0445-20	-	741,887
Total Department of Housing and Urban Development				1,507,342	12,203,837
Department of Justice					
TN Office of Violence Against Women	Sexual Assault Services Formula Program	16.017	CA2200666	-	141,378
TN Office of Violence Against Women	Crime Victim Assistance	16.575	Multiple	-	1,740,367
Direct Award	Drug Court Discretionary Grant Program	16.585		-	115,574
TN Office of Violence Against Women	Violence Against Women Formula Grants	16.588	35492	-	54,657
Direct Award	Project Safe Neighborhoods	16.609	Multiple	1,187	42,931
Direct Award	Edward Byrne Memorial Justice Assistance Grant Program	16.738	Multiple	137,017	1,327,032
Direct Award	Second Chance Act Reentry Initiative	16.812	Multiple	-	15,225

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

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)
For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
Direct Award	National Sexual Assault Kit Initiative	16.833	Multiple	\$ -	\$ 119,129
Direct Award	Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838		12,160	101,316
Total Department of Justice				150,364	3,657,609
Department of Transportation					
TN Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	Multiple	-	1,698,771
<i>Federal Transit Cluster</i>					
Direct Award	Bus and Bus Facilities Formula & Discretionary Programs (Bus Program)	20.526		-	10,794
<i>Highway Safety Cluster</i>					
TN Department of Transportation	State and Community Highway Safety	20.600	Multiple	-	138,773
Direct Award	Alcohol Open Container Requirements	20.607	Multiple	-	198,159
Direct Award	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	20.614	DTNH-22-004	-	37,451
Total Department of Transportation				-	2,083,948
Department of the Treasury					
Direct Award	COVID-19 Emergency Rental Assistance Program	21.023	CA2100062-1	-	53,742,168
Direct Award	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		256,293	29,315,462
Total Department of the Treasury				256,293	83,057,630
Environmental Protection Agency					
Direct Award	Air Pollution Control Program Support	66.001	A004082-15	-	389,332
Direct Award	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	Multiple	-	136,699

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

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)
For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
Direct Award	Environmental Justice Government-to-Government (EJG2G) Program	66.312		\$ -	\$ 200,000
Total Environmental Protection Agency				-	726,031
Department of Energy					
Direct Award	Conservation Research and Development	81.086	DE-EE0009222	-	175,230
Total Department of Energy				-	175,230
Election Assistance Commission					
Direct Award	HAVA Election Security Grants	90.404		-	29,814
Total Election Assistance Commission				-	29,814
Department of Health and Human Services					
TN Commission on Aging and Disability	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041		148,709	184,643
TN Commission on Aging and Disability	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042		90,556	90,556
TN Commission on Aging and Disability	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043		54,500	121,190
<i>Aging Cluster</i>					
TN Commission on Aging and Disability	Special Programs for the Aging- Title III, Part B—Grants for Supportive Services and Senior Centers, CARES Act for Supportive Services Under Title III-B of the Older Americans Act, and American Rescue Plan for Supportive Services Under Title III-B of the Older Americans Act	93.044		1,005,142	1,289,476
TN Commission on Aging and Disability	Nutrition Services and CARES Act for Nutrition Services under Title III-C of the Older Americans Act, CARES Act for Nutrition Services Under Title III-C of the Older Americans Act, and American Rescue Plan for Nutrition Services Under Title III-C of the Older Americans Act	93.045		3,704,294	4,323,924

See independent auditor’s report and accompanying notes to schedule.

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)
For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
TN Commission on Aging and Disability	Nutrition Services Incentive Program	93.053		\$ 191,980	\$ 191,980
<i>Total Aging Cluster</i>				<u>4,901,416</u>	<u>5,805,380</u>
TN Commission on Aging and Disability	National Family Caregiver Support, Title III, Part E	93.052		813,593	1,211,247
TN Department of Health	Medicare Enrollment Assistance Program	93.071	CA221049	-	11,266
TN Department of Health	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	GG-18-54814-00	-	672,490
TN Department of Health	Health Marriage Promotion and Responsible Fatherhood Grants	93.086		-	262,651
TN Department of Health	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	GG-21-67309-00	-	1,410,061
TN Department of Health	Injury Prevention and Control Research and State and Community Based Programs	93.136	GG-2068031	39,186	391,962
TN Department of Health	Community Programs to Improve Minority Health Grant Program	93.137	CA2200594-7	561,522	1,999,337
TN Department of Health	Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM082390-01	515,035	784,751
TN Department of Health	Advanced Nursing Education Workforce Grant Program	93.247		-	15,000
TN Department of Health	Immunization Cooperative Agreements	93.268	GG-19-60281-01	-	2,722,187
TN Department of Health	Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	Multiple	-	176,156
TN Department of Health	State Health Insurance Assistance Program	93.324	CA221049-2	-	90,528

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

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)

For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
TN Department of Health	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	68949	\$ -	\$ 29,365
TN Department of Health	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	CA2100238-1	1,105,544	2,063,973
TN Department of Health	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	GG-2064504-00	-	20,857
TN Department of Human Services	Child Support Enforcement	93.563	Multiple	-	1,411,086
TN Department of Human Services	Low-Income Home Energy Assistance	93.568	Multiple	-	16,771,274
TN Department of Human Services	Community Services Block Grant	93.569	Z 18-49115A	-	2,817,972
<i>CCDF Cluster</i>					
TN Department of Human Services	Child Care Development Block Grant	93.575	Multiple	-	161,432
Direct Award	Family Violence Prevention and Services Act	93.671	47710	-	19,512
Direct Award	Ending the HIV Epidemic: A Plan for America	93.686	1-UT8HA33960-01-00	1,500,633	1,885,145
Direct Award	Elder Abuse Prevention Interventions Program	93.747	34549-80622	20,576	52,768
TN Department of Health	Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817	EG-19-59649-00	-	917,800
Direct Award	HIV Emergency Relief Project Grants (Ryan White HIV/AIDS Program Part A)	93.914	CA191064	6,730,015	8,151,924
TN Department of Health	HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B)	93.917	Multiple	808,232	1,082,643

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

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)

For the Year Ended June 30, 2023

Federal Grantor/Pass-through or Cluster Title	Program Name	Assistance Listing Number	Contract Number	Passed to Subrecipients	Total Federal Expenditures
TN Department of Health	HIV Prevention Activities - Health Department Based	93.940	Multiple	\$ -	\$ 1,908,342
TN Department of Health	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	GU-19-60937-00	-	10,500
Direct Award	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	1 NE110E000078-01-00	8,739,721	8,743,334
TN Department of Health	Sexually Transmitted Diseases (STD) Prevention Control Grants	93.977		-	75,889
TN Department of Health	Preventive Health and Health Services Block Grant	93.991	GG-19-58257-00	-	147,340
TN Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	Multiple	-	387,274
Total Department of Health and Human Services				<u>26,029,238</u>	<u>62,607,835</u>
Office of National Drug Control Policy					
Direct Award	High Intensity Drug Trafficking Areas Program	95.001	Multiple	72,995	195,167
Department of Homeland Security					
TN Emergency Management Agency	Disaster Grants-Public Assistance	97.036		-	2,475
TN Emergency Management Agency	Emergency Management Performance Grants	97.042		-	150,384
TN Emergency Management Agency	Port Security Grant Program	97.056		-	95,420
TN Emergency Management Agency	Homeland Security Grant Program (HSGP)	97.067	34101-22021	-	890,649
Total Department of Homeland Security				<u>-</u>	<u>1,138,928</u>
Total federal awards				<u>\$ 28,016,232</u>	<u>\$ 171,941,787</u>

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

SHELBY COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(Continued)
For the Year Ended June 30, 2023

Grantor Agency	Program Name	Contract Number	Total Expenditures
<i>State Financial Assistance:</i>			
TN Commission on Aging & Disability	Aging Program		\$ 3,511,551
TN Department of Children's Services	Court Appointed Spec Advocates	61347	348
TN Department of Corrections	Evidence Based Jail Program		50,506
TN Department of Corrections	Offender Re-Entry Program	32901-31258	110,000
TN Department of Corrections	TCI Training Equipment		7,500
TN Department of Environment and Conservation	ARP State Water Infrastructure		289,261
TN Department of Environment and Conservation	Tire Recycling	CA1720561	673,748
TN Department of Health	Advocacy Services	CA-187843	115,545
TN Department of Health	BCS Enrollments and Deferrals	GG-18-54862-00	8,600
TN Department of Health	Community Health Access in Tennessee	GG-21-66047	1,662,007
TN Department of Health	Childhood Lead Poisoning	34360-83622	63,946
TN Department of Health	Child Support Services	CA-1820853	611,378
TN Department of Health	Fetal Infant Mortality Review	GG-21-65894-01	293,405
TN Department of Health	Family Planning	GG-15-472210-00	231,520
TN Department of Health	HIV	Multiple	79,377
TN Department of Health	NACCHO Medical Reserve Corps	MRC-RISE22-0150	25,000
TN Department of Health	Prenatal Presumptive Eligibility Expansion	GG-20-63147-01	44,000
TN Department of Health	Residential Drug Treatment	CA204499	481,314
TN Department of Health	Resilience Grant		64,219
TN Department of Health	TennCare Dental Prevention	GG-19-58576-00	653,006
TN Department of Health	Title IV-D Process Paper Grant		769,305
TN Department of Housing and Urban Development	Down Payment Assistance		119,122
TN Department of Labor and Workforce Development	Direct Appropriation	LWGMF181ADULT18	25,050
TN Department of Mental Health	Mental Health Court	CA-2119656	117,593
TN Department of Mental Health	Mentally Ill Inmate Services	54916	142,853
TN Department of Transportation	Roadside Grant	Z19LIT079	228,009
TN Department of Transportation	State Aid Road and Bridge Maintenance		2,811,010
TN District of Finance & Administration	Victim Coordinator Grant	30158	126,584
TN District of Finance & Administration	VOCA DAG Gang and Hispanic Victims	DAGVOC30VW	56,872
TN Secretary of State	State Voting Systems		5,739,755
Total state financial assistance			19,112,384
Total federal awards and state financial assistance			\$ 191,054,171

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

SHELBY COUNTY, TENNESSEE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) includes the federal and state grant activity of Shelby County, Tennessee (the “County”) under programs of the federal and state government for the year ended June 30, 2023 (the Shelby County Health Care Corporation and the Shelby County Board of Education, component units of the County, issue separate financial reports and are not included in the Schedule). The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 1) The Schedule is presented on the modified accrual basis of accounting, consistent with accounting for governmental type funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”), which is generally when the allowable program expenditures are incurred. Expenditures and transfers out are recorded when the related program liability is incurred, except for certain compensated absences. Such expenditures are recognized following the cost principles contained in the OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, or the Uniform Guidance, as applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts reflected in the schedule represent adjustments or credits resulting from the normal course of business to amounts reported as expenditures in prior years.
- 2) Pass-through entity identifying numbers are presented where available.
- 3) The County has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE TO THE FINANCIAL STATEMENTS

The following is a reconciliation of expenditures per the schedule of expenditures of federal awards and state financial assistance to the revenues in the grant fund, per the County’s financial statements:

Totals per schedule of expenditures	\$ 191,054,171
Less: Grant revenues in non-grant funds	(5,757,230)
Add: Local grants not shown on this schedule	1,315,560
Add: Other revenues in grant fund	787,619
Total grant fund revenues	\$ 187,400,120

SHELBY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report, dated February 29, 2024, expresses an unmodified opinion on whether the financial statements of Shelby County, Tennessee, were prepared in accordance with accounting principles generally accepted in the United States of America.
2. Three significant deficiencies and no material weaknesses relating to the audit of the financial statements are reported in the *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*.
3. No instances of noncompliance material to the financial statements of Shelby County, Tennessee, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. A significant deficiency in internal control over major federal award programs is reported in the *Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses in internal control over major federal award programs are reported.
5. The auditors' report on compliance for the major federal award programs for Shelby County, Tennessee expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
 - AL 21.023 - Emergency Rental Assistance Program
 - AL 21.027 - Coronavirus State and Local Fiscal Recovery Funds
 - AL 93.914 - HIV Emergency Relief Project Grants (Ryan White HIV/AIDS Program Part A)
 - AL 93.967 - Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health
8. The threshold for distinguishing between Type A and B programs was \$3,000,000.
9. Shelby County, Tennessee does not qualify as a low-risk auditee as there were three material weaknesses relating to the audit of the financial statements for the year ended June 30, 2021 reported in the *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*, dated January 28, 2022. Shelby County, Tennessee also does not qualify as a low-risk auditee as the data collection form and the reporting package were not submitted to the Federal Audit Clearinghouse (FAC) by the due date of March 31, 2023, for the year ended June 30, 2022, which were subsequently submitted by April 28, 2023.

SHELBY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

Significant Deficiencies

2023-001 General Sessions Civil Court: Unable to produce accurate subledgers for accounts payable and incorrect balances recorded as owed for Clerk commissions.

Criteria: *The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Objectives:*

- C1029: Accounts payable aging/subledger is reviewed and reconciled to the general ledger.
- C1000: Management reviews the entity’s financial statements on a periodic basis and investigates significant variances from budgets and expected results.

Condition: The accounts payable subledger did not reconcile with the amount reported on the trial balance and incorrect balances were recorded as owed for clerk commissions.

Cause: The data entry clerk incorrectly keyed amounts and payments were not properly coded in the general ledger.

Effect: Incorrect payments could be made to other entities, and it could result in misstatement of balances in the financial statements.

Recommendation: As a part of the monthly close process, management should review and reconcile the accounts payable clearing account and review the general ledger for unusual amounts that differ from budgets or expected results.

View of Responsible Officials: See management’s corrective action plan.

2023-002 General Sessions Criminal Court: Cash bond support detail does not agree with the trial balance report.

Criteria: *The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Objectives:*

- C8037: Unusual items and exceptions in analyses and reconciliations are documented, resolved, and received by management on a timely basis.
- C8042: Management has a process in place to ensure that the trial balance used in the financial statement preparation process is final, contains all valid journal entries made, and is in balance.

Condition: The detailed support for cash bonds did not agree with the trial balance report.

Cause: Previous system conversion and significant time being needed to manually convert information.

Effect: Information related to cash bonds could go missing resulting in improper treatment of funds and misstatement of balances in the financial statements.

SHELBY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended June 30, 2023

Recommendation: Management should update the general ledger to agree with supporting documentation as soon as feasibly possible so that trial balance reports are correct going forward and agree to the detailed supporting documentation.

View of Responsible Officials: See management's corrective action plan.

2023-003 County Clerk: Monthly bank reconciliations over cash accounts not performed.

Criteria: In accordance with Tennessee Code Annotated 9-2-138(a), administrative officers and employees shall reconcile their respective fund accounts with the records of the county trustee and shall make a report at the end of each month showing the condition of the respective fund accounts. As to each fund, the report shall include the balance at the beginning of the month, receipts and expenditures for the month, and the balance at the end of the month. The monthly reports shall also include a reconciliation of the trustee's balances with the balances of the department, office, board, commission, or agency. The reports shall be retained in the permanent files of the department, office, board, commission, or agency.

Condition: No monthly bank reconciliations were performed resulting in unreconciled balances.

Cause: There was significant turnover in accounting personnel leading to a lack of proper review and reconciliation of financial information on a regular basis.

Effect: Noncompliance with state law, misstatements in the financial statements, and funds may not be remitted to appropriate parties timely.

Recommendation: Management of the Shelby County Clerk's Office should hire an outside consultant to review processes and help with the set up and implementation of new processes around cash and account reconciliation. The consultant should also be utilized to train appropriate staff on procedures and document the processes for retention in County Clerk files for future use.

Views of Responsible Officials: See management's corrective action plan.

Other Matter

2023-004 County Clerk: Appropriate information not turned over to the County finance department timely.

Criteria: In accordance with Tennessee Code Annotated 9-2-122(4), the county clerk shall, on demand, furnish to the county mayor: all necessary documents and vouchers, showing any receipt or disbursement of the county moneys.

Condition: Monthly reporting information was not provided timely or routinely to the county finance department which is an extension of the mayor's administration.

Cause: There was significant turnover in accounting personnel leading to a delay in preparation and transmission of financial information.

SHELBY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended June 30, 2023

Effect: Noncompliance with state law and specific activities of the County may not receive funds from its designated fundings source timely enough to operate as intended.

Recommendation: Management should provide detailed financial information monthly to both the Trustee's office and County finance department by the 10th day following the previous month. Such information should include the monthly fee report summarizing collections and commissions by type on a cash basis and a bank reconciliation proving complete reconciliation of the activity for the month to the general ledger and monthly fee report. Any follow up requests from the Trustee's office or County finance department should be responded to timely to ensure funds are accounted for appropriately for financial reporting.

Views of Responsible Officials: See management's corrective action plan.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Significant Deficiency

2023-005 Department of Health and Human Services: HIV Emergency Relief Project Grants (Ryan White HIV/AIDS Program Part A) – Assistance Listing No. 93.914; Contract No. CA191064

Criteria: RWHAP Part A legislation, sections 2601-2610 of title XXVI of the Public Health Service Act, 42 U.S.C. 300ff-11-300ff-20. PCN 16-02.

Condition: Per the site visit report issued by the Health Resources and Services Administration (HRSA) covering the visit from August 1, 2022 to August 5, 2022, the Shelby County Ryan White HIV/AIDS program (assistance listing number 93.914) was not in compliance with aligning services with the definitions for service categories during the budget period covering March 1, 2021 to February 28, 2022. As the report has not been closed, the issue still exists. No additional compliance issues were identified in the audit of compliance with each major program and on internal control over compliance required by the Uniform Guidance.

Cause: Significant turnover within the Shelby County Health Department since the last time this program was audited. The findings are from 2021 and prior, which proceeded Dr. Michelle Taylor (Director-Health Officer), Tammy Winston (Finance Administrator), and Travis Green (Deputy Division Director).

Effect: Continued noncompliance with recommendations from the HRSA could lead to potential decreases in funds received.

Recommendation: We recommend working with the HRSA to implement appropriate corrective action to remedy their concerns with the allocation of activity to specific service categories.

View of Responsible Officials: See management's corrective action plan.

SHELBY COUNTY, TENNESSEE
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2023

PRIOR YEAR AUDIT FINDINGS – FINANCIAL STATEMENT AUDIT

Prior Year Finding Number	Finding Title	Status
2022-01	Accounting records not closed within two months of fiscal year end.	Corrected
2022-02	Inadequate evidence room controls – Criminal Court	Corrected

PRIOR YEAR FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None



**Joe W. Brown, Clerk
General Sessions Civil Court Division
Shelby County Government**

December 19, 2023

Mr. Carpenter, Senior Accountant
Banks, Finley, White & Co.--Certified Public Accountant
1450 Poplar Avenue
Memphis, TN 38104

Regards: Civil Operations Support Detail Information for Trial Balance Report

Dear Mr. Carpenter:

General Sessions Civil Operations continues to work on operational deficiencies which have affected overall operations and the financial balances. We found checks dated prior to June 30th were found at staff members' work areas.

It was determined some work processes were not being completed. Continuous staff turnovers and training caused a backlog of checks delaying them being processed in a timely manner. Because the balance of funds within the General Sessions Civil account continued to increase, an investigation was launched to determine the cause. For corrective action, we did the following:

- A. Offered staff members comp-time to get those identified checks processed.
- B. For outdated checks, attorneys were contacted and requested new checks.
- C. All staff members were directed to associate all fees to the cases at the time of filing.

Secondly, General Sessions Error Reports revealed that numerous case fees had not been pulled to allocate and distribute correctly to pay out cases. A team composed of staff members from General Sessions Civil, Finance, and Criminal were partnered to address this issue. They received training on how to evaluate reports and determine the breakdown of how accessed fees should be extracted. Currently this is being performed daily.

General Sessions Civil Operations & Finance Management teams provided training for current and new staff members. This will help to ensure case fees and proper codes are being utilized to alleviate this ongoing issue of mis-assigned fees. The current SOPs are being reassessed for errors and are being edited accordingly.

Thirdly, General Sessions Mental Health Department had not invoiced the State of Tennessee since December of 2022. The state of Tennessee had moved all invoicing to their AOC ACAP System. We lost the individual to retirement that had been trained in that system. There was a failure on

management's behalf to ensure training was relayed properly to current staff. Training was immediately set up with the AOC, training was completed, the invoicing has been completed and General Sessions is currently awaiting payments for cases from December 14, 2022- July 3, 2023.

Lastly, dates in the computer system need to reflect the date-time stamps at the time of filing brought into the Clerk's Office for statute of limitation and record keeping purposes. This requires the Civil Operations staff to back date case filing information placed in the court management system. With a staffing shortage along with high volumes of cases being filed daily, operations often cannot process matters on the day in which they are filed due to the previous reasons.

If additional information is needed, please let me know.

Respectfully,

A handwritten signature in cursive script that reads "Tavia L. Tate".

Tavia L Tate, Civil Administrator
General Sessions Court



Joe W. Brown, Clerk
General Sessions Criminal Court Division
Shelby County Government

December 19, 2023

Mr. Curtis Carpenter, Senior Accountant
Banks, Finley, White & Co.--Certified Public Accountant
1450 Poplar Avenue
Memphis, TN 38104

Dear Mr. Carpenter:

Re: Cash Bond support detail does not agree with the Trial Balance Report.

The sub-ledger detail for cash bonds does not agree with the Trail Balance because, in part, there are remaining cases where the disposition status were not accurately captured at the time of a system conversion that occurred in November 2016. Our office maintains on file physical cash bond books and payments received. This information is recorded in chronological order and includes payments received for the release of defendants, case numbers, receipts and disbursements totals, dates of transactions, and affected accounts. Additionally, there are pre-system conversion records on file that have assisted with identifying affected cases.

Corrective action includes continuing to use the physical cash bond books and pre-system conversion data to update the status in our database for those cases identified. This is a manual process that is ongoing. We do not anticipate another system conversion that would impact said operations.

For subsequent cash bond payments and receipts, General Sessions Finance performs a monthly reconciliation and works closely with General Sessions IT department to monitor approval for selected system access. All variances discovered are researched and feasible recommendations are made to the Criminal Operations Administrator to help safeguard funds and enhance overall operational effectiveness.

Corrective action includes General Sessions Finance continuing to perform monthly reconciliations for cash bond payments and monitoring authorized approval to selected system access. General Session Criminal Operations is currently experiencing an internal restructuring and the management team will work closely with the newly appointed Criminal Operations Administrator to implement controls that should help to ensure the sub-ledger detail and the trial balance agree for cash bonds.

Sincerely,

Phyllis A. Williams
Manager B, General Sessions Criminal Court



Shelby County Government

Wanda Halbert
Shelby County Clerk

Below, please find the Shelby County Clerk responses to the Audit Findings:

Audit Finding 2023-01 Monthly bank reconciliations over cash accounts not performed.

Response – Historically it appears the Office of the County Clerk has rarely if ever performed regular reconciliations. The team has begun the monthly reconciliation process, however, turnover within the Accounting Department continues to be a challenge due to recruitment and compensation of potential candidates and retention of qualified employees. Additionally, the Clerk's Office currently has begun the process of selecting outside consultant(s) to assist with the implementation of the cash and account reconciliation processes. We continue to work with Robert Half consultants to finalize internal operations/processes and reporting systems which has greatly assisted our team.

Auditing Finding 2023-2 Appropriate information not turned over to the County Finance Department timely.

Response – As instructed, the County Clerk's Office has historically turned over financials to the Trustee, not the Finance Department. Moving forward, we will include both organizations. We have also implemented a process that reports financial activity conducted within all office locations. However, the size of and turnover within the Accounting Department continues to be a challenge due to recruitment and severely low compensation as well as retention of qualified employees. When necessary, some Monthly Fee Report amounts will be identified as zero (\$0) as the Clerk's Office awaits final confirmation of financial documentation. However, the Monthly Fee Report will be submitted to County Finance and the Trustee by the 10th of each month.

Available Meeting Days/Times:

Wednesday, March 6 or 7th, 2024 -- 2:00 p.m.

Wanda Halbert,
Shelby County Clerk
Phone: 901-222-3068

150 Washington Avenue, Memphis, TN 38103, 901-222-3068



LEE HARRIS
MAYOR

SHELBY COUNTY HEALTH DEPARTMENT



Public Health
Prevent. Promote. Protect.
Shelby County Health Department

MICHELLE A. TAYLOR, MD DRPH, MPA
DIRECTOR-HEALTH OFFICER

February 20, 2024

Nate Rupiper, CPA
Audit Senior Manager
Watkins Uiberall, PLLC | Certified Public Accountants
1661 Aaron Brenner Drive, Suite 300
Memphis, TN 38120

Mr. Rupiper:

Attached you will find SCHD Ryan White program's response to the audit finding. As the Deputy Administrator for the Ryan White program, I am responsible for the implementation of the corrective action plan (CAP). The anticipated completion date for the CAP is Friday July 12, 2024

Sincerely,

Rosita Timmons
Deputy Administrator
Ryan White Program
rosita.timmons@shelbycountyttn.gov

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February 20, 2024

Response to Corrective Action Plan Ryan White Program- Shelby County Government

Finding Category: Administrative

Finding: Administrative Structure and Management

Description: Contract Language: Based on medical case managers' client chart notes, personnel job descriptions, and care plans, it appears that many of the services provided are that of assisting eligible clients in accessing public and private programs, such as Medicare, Medicaid, as well as access to RWHAP Part A network of medical and support services. While this is allowable, medical case managers should have as their primary objective improving health care outcomes. Additionally, the housing service standard states that the client's medical case manager is responsible for developing long-term housing placement plans, which again is not the role of a medical case manager.

Recommendation from PO: The recipient must ensure medical case management services primarily focus on improving health outcomes through the development and monitoring of a care plan focused on health outcomes in support of the HIV care continuum. The recipient, in collaboration with the planning body, must proceed to fund those case management activities that primarily provide guidance and assistance in improving access to needed services under non-medical case management and those that focus improving healthcare outcomes under medical case management. The recipient must keep in mind that both categories can perform similar activities, but it is the emphasis on the amount of time spent assisting the client with access to services versus performing activities that impact a client's health care outcomes. Example: The referral of a client to a food pantry to assure the client has enough food to eat (non-medical case management) vs. referring the client to a food program that can meet the dietary needs of a diabetic (medical case management).

Persons Responsible: Rosita Timmons, Deputy Administrator; Denford Galloway, Planning Council Manager; Shirley Terry-Lewis, Part A & MAI Program and Quality Manager; PC Body

Anticipated Completion date: July 2024

Action Taken: Rosita Timmons, Deputy Administrator, is currently working with the Project Office, Jenifer Gray, to gain a better understanding of the finding and the changes

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LEE HARRIS
MAYOR

SHELBY COUNTY HEALTH DEPARTMENT



Public Health
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Shelby County Health Department

MICHELLE A. TAYLOR, MD DRPH, MPA
DIRECTOR-HEALTH OFFICER

necessary to comply with the site visit report. In previous conversations with Melody Berry, former project officer, during 2023, the changes were considered acceptable. The department was moving forward with the plan to update duties. After discussing the logistics of adding Non-Medical Case Management, it was determined by the Planning Council Evaluation and Assessment Committee which consist of sub- recipients and clients that it is not feasible to add a non-medical case management because it would create a barrier for the clients due to having to see multiple staff and make multiple appointments, which is something the clients and provider agreed would cause a barrier. The Evaluation Committee agreed that EIS workers could take some of those non- medical case management duties from the medical case managers which will give them more time to focus on the client's healthcare outcomes. Final approval and acceptance of the corrective action taken is still pending. Upon final approval from the HRSA, this finding will be considered addressed and closed.

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