



ANNUAL FINANCIAL REPORT

Haywood County, Tennessee

For the Year Ended June 30, 2021

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT
HAYWOOD COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2021**

***COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER***

***DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director***

***LEE ANN WEST, CPA, CGFM
Audit Manager***

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

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Summary of Audit Findings

Annual Financial Report
Haywood County, Tennessee
For the Year Ended June 30, 2021

Scope

We have audited the basic financial statements of Haywood County as of and for the year ended June 30, 2021.

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2021.
 - ◆ The office had deficiencies in budget operations.
 - ◆ General ledger payroll deduction accounts were not reconciled with payroll reports and payments.
 - ◆ The Community Development/Industrial Park and the Education Capital Projects funds had deficits in unassigned fund balances at June 30, 2021.
 - ◆ Purchase orders were not always issued properly.
 - ◆ Drug court fees were not remitted to the state in accordance with state statute.
-



OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The office had deficiencies in budget operations.
-

HAYWOOD COUNTY

- ◆ Allegations related to the former budget director are currently under investigation.
- ◆ An investigation of the Elma Ross Public Library disclosed fraudulent checks drawn on the library's bank account resulting in a theft of \$32,367.



INTRODUCTORY SECTION

Haywood County Officials

June 30, 2021

Officials

David Livingston, County Mayor
Perry Davis, Chief Administrative Highway Officer
Joey Hassell, Director of Schools
William Howse, Trustee
Gwen Watson, Assessor of Property
Sonya Castellaw, County Clerk
Mary Lonon, Circuit, General Sessions, and Juvenile Courts Clerk
Sarah Levy, Clerk and Master
Steve Smith, Register of Deeds
Billy Garrett, Jr., Sheriff

Board of County Commissioners

David Livingston, County Mayor, Chairman	John King
Becky Booth	Steven King
Ronald Bruce	Alan O'Quin
Christian Byars	Dell Phillips
James Carlton	Chris Richards
James Duke, Jr.	Jeffrey Richmond
Wally Eubanks	Janice Rogers
James Farrington	Mary Ann Sharpe
Sheronda Green	Larry Stanley
Sharon Hayes	Joe Stephens
Leonard Jones, Jr.	

Highway Commission

Robert English, Jr., Chairman
Bradley Booth
James Boyd
George Floyd
Charles Lonon

Board of Education

Allen Currie, Chairman
Gem Bell
Olivia Farrington
Betsy Reid
Greg Vanstory

Audit Committee

Ronald Bruce, Chairman
Christian Byers
John King
Charlie Tripp

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haywood County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Haywood County Utility District, a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Haywood County Utility District, is based solely on the report of the other auditors. We were unable to determine Haywood County Utility District's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Haywood County Emergency Communications District, a component unit requiring discrete presentation, was not included in the county's financial statements. We also did not audit the financial statements of the Internal School Fund of the Haywood County School Department, a discretely presented component unit, which represent 1.5 percent, 1.9 percent, and 1.5 percent, respectively, of the assets, net position, and revenues of the discretely presented school department. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Haywood County School Department

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

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

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

Opinions

In our opinion, based on our audit and the reports of 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, and the aggregate remaining fund information of Haywood County, Tennessee, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note V.B., Haywood County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. GASB 84 defines what is meant by fiduciary activities. It establishes the four types of fiduciary funds for reporting purposes. In addition, GASB 84 changes the title of "Agency" Funds to "Custodial" Funds and requires that Custodial Funds, unlike Agency Funds, should present fund net position. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.9. to the financial statements, which describes a restatement to the beginning Custodial Funds net position totaling \$601,788 on the Statement of Changes in Net Position – Fiduciary Funds and a restatement to the discretely presented Haywood County School Department's net position totaling \$434,408 on the Government-wide Statement of Activities. These restatements were necessary because of the transitional

requirements of GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Haywood County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Haywood County School Department (a discretely presented component unit), miscellaneous schedules, and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Haywood County School Department (a

discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and by other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Haywood County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2022, on our consideration of Haywood County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Haywood County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Haywood County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 12, 2022

JEM/sl

BASIC FINANCIAL STATEMENTS

Exhibit A

Haywood County, Tennessee
Statement of Net Position
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Haywood County School Department	Haywood County Utility District
<u>ASSETS</u>					
Cash	\$ 53,147	\$ 0	\$ 53,147	\$ 451,865	\$ 883,390
Equity in Pooled Cash and Investments	16,484,009	321,432	16,805,441	5,639,687	0
Accounts Receivable	2,340,678	762,228	3,102,906	10,608	36,145
Allowance for Uncollectibles	(1,986,579)	(228,668)	(2,215,247)	0	0
Due from Other Governments	769,812	5,250	775,062	959,220	0
Due from Other Funds	43,529	9,899	53,428	0	0
Due from Component Unit	116,454	0	116,454	0	0
Property Taxes Receivable	8,367,751	0	8,367,751	4,190,254	0
Allowance for Uncollectible Property Taxes	(213,092)	0	(213,092)	(106,708)	0
Net Pension Asset - Agent Plan	1,302,294	29,431	1,331,725	964,749	0
Net Pension Asset - Teacher Retirement Plan	0	0	0	167,201	0
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	2,132,531	0
Restricted Assets:					
Amounts Accumulated for Pension Benefits	0	0	0	269,319	0
Capital Assets:					
Assets Not Depreciated:					
Land	4,374,111	235,000	4,609,111	143,868	0
Construction in Progress	0	0	0	49,675	0
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	10,290,822	66,769	10,357,591	13,604,481	2,624,157
Infrastructure	9,614,929	0	9,614,929	0	0
Other Capital Assets	3,908,915	117,567	4,026,482	1,752,617	0
Total Assets	\$ 55,466,780	\$ 1,318,908	\$ 56,785,688	\$ 30,229,367	\$ 3,543,692
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred Amount on Refunding	\$ 129,240	\$ 0	\$ 129,240	\$ 0	\$ 0
Pension Changes in Experience	0	0	0	87,281	0
Pension Changes in Investment Earnings	184,558	4,171	188,729	626,622	0
Pension Changes in Assumptions	110,595	2,499	113,094	280,903	0
Pension Changes in Proportion	0	0	0	48,659	0
Pension Contributions After Measurement Date	583,931	13,525	597,456	1,522,282	0
OPEB Changes in Experience	0	0	0	419,458	0
OPEB Changes in Assumptions	0	0	0	277,718	0
OPEB Changes in Proportion	0	0	0	51,430	0
OPEB Contributions After Measurement Date	0	0	0	67,579	0
Total Deferred Outflows of Resources	\$ 1,008,324	\$ 20,195	\$ 1,028,519	\$ 3,381,932	\$ 0
<u>LIABILITIES</u>					
Accounts Payable	\$ 274,234	\$ 80,325	\$ 354,559	\$ 42,440	\$ 19,465
Accrued Payroll	7,850	0	7,850	796,199	0
Payroll Deductions Payable	4,187	60	4,247	584,861	0
Due to Other Funds	11,969	959	12,928	0	0
Retainage Payable	55	0	55	1,328	0
Due to Primary Government	0	0	0	116,454	0
Due to State of Tennessee	40,194	0	40,194	0	0
Due to Other Governments	1,680,549	0	1,680,549	0	1,211
Accrued Interest Payable	41,077	0	41,077	0	0
Noncurrent Liabilities:					
Due Within One Year - Debt	1,615,194	12,132	1,627,326	0	0
Due Within One Year - Other	25,311	40,948	66,259	0	0
Due in More Than One Year - Debt	13,410,367	0	13,410,367	0	0
Due in More Than One Year - Other	46,467	1,659,248	1,705,715	2,270,092	0
Total Liabilities	\$ 17,157,454	\$ 1,793,672	\$ 18,951,126	\$ 3,811,374	\$ 20,676

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Haywood County School Department	Haywood County Utility District
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 8,016,339	\$ 0	\$ 8,016,339	\$ 4,014,281	\$ 0
Pension Changes in Experience	319,207	7,214	326,421	1,303,654	0
Pension Changes in Proportion	0	0	0	40,346	0
OPEB Changes in Experience	0	0	0	533,466	0
OPEB Changes in Assumptions	0	0	0	170,679	0
OPEB Changes in Proportions	0	0	0	9,129	0
Total Deferred Inflows of Resources	\$ 8,335,546	\$ 7,214	\$ 8,342,760	\$ 6,071,555	\$ 0
NET POSITION					
Net Investment in Capital Assets	\$ 19,628,337	\$ 407,204	\$ 20,035,541	\$ 15,550,641	\$ 2,624,157
Restricted for:					
General Government	180,876	0	180,876	0	0
Finance	29,638	0	29,638	0	0
Administration of Justice	343,036	0	343,036	0	0
Public Safety	77,427	0	77,427	0	0
Social, Cultural, and Recreational Services	12,737	0	12,737	0	0
Highway/Public Works	2,364,050	0	2,364,050	0	0
Capital Projects	40,161	0	40,161	0	0
Debt Service	94,493	0	94,493	0	0
Education	0	0	0	1,625,707	0
Operation of Non-instructional Services	0	0	0	855,584	0
Hybrid Retirement Stabilization Funds	0	0	0	269,319	0
Pensions	1,302,294	29,431	1,331,725	3,264,481	0
Unrestricted	6,909,055	(898,418)	6,010,637	2,162,638	898,859
Total Net Position	\$ 30,982,104	\$ (461,783)	\$ 30,520,321	\$ 23,728,370	\$ 3,523,016

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

Exhibit B

Haywood County, Tennessee
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Expenses	Program Revenues			Primary Government			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Haywood County School Department	Haywood County Utility District
Primary Government:									
Governmental Activities:									
General Government	\$ 1,895,200	\$ 161,475	\$ 27,299	\$ 10,000	\$ (1,696,426)	\$ 0	\$ (1,696,426)	\$ 0	\$ 0
Finance	773,038	469,487	403,223	0	99,672	0	99,672	0	0
Administration of Justice	1,194,185	531,140	13,545	0	(649,500)	0	(649,500)	0	0
Public Safety	4,580,654	832,510	51,111	0	(3,697,033)	0	(3,697,033)	0	0
Public Health and Welfare	3,275,287	2,026,683	144,670	840,516	(263,418)	0	(263,418)	0	0
Social, Cultural, and Recreational Services	973,794	22,442	84,656	0	(866,696)	0	(866,696)	0	0
Agriculture and Natural Resources	211,200	0	0	0	(211,200)	0	(211,200)	0	0
Highways/Public Works	3,567,594	156,186	2,477,095	534,653	(399,660)	0	(399,660)	0	0
Education	158,288	0	522,033	0	363,745	0	363,745	0	0
Interest on Long-term Debt	434,416	0	39,789	0	(394,627)	0	(394,627)	0	0
Total Governmental Activities	\$ 17,063,656	\$ 4,199,923	\$ 3,763,421	\$ 1,385,169	\$ (7,715,143)	\$ 0	\$ (7,715,143)	\$ 0	\$ 0
Business-type Activities:									
Solid Waste Disposal	\$ 907,116	\$ 699,084	\$ 39,964	\$ 0	\$ 0	\$ (168,068)	\$ (168,068)	\$ 0	\$ 0
Total Primary Government	\$ 17,970,772	\$ 4,899,007	\$ 3,803,385	\$ 1,385,169	\$ (7,715,143)	\$ (168,068)	\$ (7,883,211)	\$ 0	\$ 0
Component Units:									
Haywood County School Department	\$ 33,812,114	\$ 19,435	\$ 9,854,400	\$ 140,675	\$ 0	\$ 0	\$ 0	\$ (23,797,604)	\$ 0
Haywood County Utility District	376,604	459,070	0	0	0	0	0	0	82,466
Total Component Units	\$ 34,188,718	\$ 478,505	\$ 9,854,400	\$ 140,675	\$ 0	\$ 0	\$ 0	\$ (23,797,604)	\$ 82,466

(Continued)

Exhibit B

Haywood County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business- type Activities	Total	Haywood County School Department	Haywood County Utility District
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 6,998,751	\$ 0	\$ 6,998,751	\$ 3,977,998	\$ 0
Property Taxes Levied for Debt Service					945,082	0	945,082	0	0
Local Option Sales Taxes					283,003	0	283,003	2,314,440	0
Hotel/Motel Tax					46,248	0	46,248	0	0
Wheel Tax					1,011,517	0	1,011,517	291,078	0
Litigation Taxes					220,290	0	220,290	0	0
Business Tax					171,489	0	171,489	0	0
Wholesale Beer Tax					57,905	0	57,905	0	0
Other Local Taxes					38,927	0	38,927	24,263	0
Grants and Contributions Not Restricted to Specific Programs					1,760,445	0	1,760,445	17,017,463	0
Unrestricted Investment Income					25,960	0	25,960	0	4,865
Miscellaneous					85,188	48,178	133,366	23,848	0
Total General Revenues					\$ 11,644,805	\$ 48,178	\$ 11,692,983	\$ 23,649,090	\$ 4,865
Transfers					\$ (190,000)	\$ 190,000	\$ 0	\$ 0	\$ 0
Change in Net Position					\$ 3,739,662	\$ 70,110	\$ 3,809,772	\$ (148,514)	\$ 87,331
Net Position, July 1, 2020					27,242,442	(531,893)	26,710,549	23,442,476	3,435,685
Restatement - See Note I.D.9.					0	0	0	434,408	0
Net Position, June 30, 2021					\$ 30,982,104	\$ (461,783)	\$ 30,520,321	\$ 23,728,370	\$ 3,523,016

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

Exhibit C-1

Haywood County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2021

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,147	\$ 53,147
Equity in Pooled Cash and Investments	6,990,063	1,680,724	5,193,935	1,654,547	959,137	16,478,406
Accounts Receivable	2,281,467	0	5,482	2,520	51,209	2,340,678
Allowance for Uncollectibles	(1,986,579)	0	0	0	0	(1,986,579)
Due from Other Governments	313,329	0	455,958	0	525	769,812
Due from Other Funds	74,062	0	16,093	52,000	61,067	203,222
Property Taxes Receivable	6,856,490	0	515,751	995,510	0	8,367,751
Allowance for Uncollectible Property Taxes	(174,606)	0	(13,134)	(25,352)	0	(213,092)
Total Assets	\$ 14,354,226	\$ 1,680,724	\$ 6,174,085	\$ 2,679,225	\$ 1,125,085	\$ 26,013,345
<u>LIABILITIES</u>						
Accounts Payable	\$ 244,334	\$ 0	\$ 22,266	\$ 0	\$ 7,634	\$ 274,234
Accrued Payroll	7,850	0	0	0	0	7,850
Payroll Deductions Payable	3,944	0	0	0	243	4,187
Retainage Payable	0	0	0	0	55	55
Due to Other Funds	5,101	0	0	0	160,958	166,059
Due to State of Tennessee	0	0	0	0	45	45
Due to Other Governments	0	1,680,549	0	0	0	1,680,549
Other Funds Due to State	40,149	0	0	0	0	40,149
Total Liabilities	\$ 301,378	\$ 1,680,549	\$ 22,266	\$ 0	\$ 168,935	\$ 2,173,128
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 6,568,545	\$ 0	\$ 494,092	\$ 953,702	\$ 0	\$ 8,016,339

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	General Debt Service	Other Governmental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Deferred Delinquent Property Taxes	\$ 43,598	\$ 0	\$ 3,279	\$ 6,330	\$ 0	\$ 53,207
Other Deferred/Unavailable Revenue	248,061	0	231,158	0	0	479,219
Total Deferred Inflows of Resources	\$ 6,860,204	\$ 0	\$ 728,529	\$ 960,032	\$ 0	\$ 8,548,765

FUND BALANCES

Restricted:

Restricted for General Government	\$ 110,416	\$ 0	\$ 0	\$ 0	\$ 0	\$ 110,416
Restricted for General Government - American Rescue Plan Act	0	175	0	0	0	175
Restricted for Finance	29,463	0	0	0	0	29,463
Restricted for Administration of Justice	343,036	0	0	0	0	343,036
Restricted for Public Safety	15,898	0	0	0	61,529	77,427
Restricted for Social, Cultural, and Recreational Services	12,737	0	0	0	0	12,737
Restricted for Highways/Public Works	0	0	2,201,390	0	0	2,201,390
Restricted for Capital Projects	0	0	0	0	40,161	40,161
Restricted for Other Purposes	62,957	0	0	0	7,503	70,460

Committed:

Committed for General Government	69,563	0	0	0	0	69,563
Committed for Finance	0	0	0	0	35,917	35,917
Committed for Public Safety	9,823	0	0	0	0	9,823
Committed for Public Health and Welfare	23,541	0	0	0	315,984	339,525
Committed for Highways/Public Works	0	0	3,221,900	0	0	3,221,900
Committed for Capital Outlay	0	0	0	0	88,969	88,969
Committed for Debt Service	0	0	0	1,719,193	0	1,719,193
Committed for Capital Projects	0	0	0	0	555,795	555,795
Committed for Other Purposes	15,000	0	0	0	0	15,000

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Other Special Revenue	Highway / Public Works	General Debt Service	Funds Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>						
Unassigned	\$ 6,500,210	\$ 0	\$ 0	\$ 0	\$ (149,708)	\$ 6,350,502
Total Fund Balances	\$ 7,192,644	\$ 175	\$ 5,423,290	\$ 1,719,193	\$ 956,150	\$ 15,291,452
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 14,354,226	\$ 1,680,724	\$ 6,174,085	\$ 2,679,225	\$ 1,125,085	\$ 26,013,345

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

Exhibit C-2

Haywood County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 15,291,452
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 4,374,111	
Add: buildings and improvements net of accumulated depreciation	10,290,822	
Add: infrastructure net of accumulated depreciation	9,614,929	
Add: other capital assets net of accumulated depreciation	<u>3,908,915</u>	28,188,777
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: note payable	\$ (119,000)	
Less: capital leases payable	(597,583)	
Less: other loans payable	(2,928,864)	
Less: bonds payable	(10,970,000)	
Add: debt to be contributed by the school department	116,454	
Less: compensated absences payable	(71,778)	
Less: accrued interest payable	(41,077)	
Add: deferred amount on refunding	129,240	
Less: unamortized premium on debt	<u>(410,114)</u>	(14,892,722)
(3) 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.		
Add: deferred outflows of resources related to pensions	\$ 879,084	
Less: deferred inflows of resources related to pensions	<u>(319,207)</u>	559,877
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		1,302,294
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>532,426</u>
Net position of governmental activities (Exhibit A)		<u>\$ 30,982,104</u>

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

Exhibit C-3

Haywood County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 8,305,815	\$ 0	\$ 667,562	\$ 1,423,551	\$ 0	\$ 10,396,928
Licenses and Permits	28,058	0	0	0	0	28,058
Fines, Forfeitures, and Penalties	151,475	0	0	0	42,122	193,597
Charges for Current Services	1,389,641	0	0	0	706,648	2,096,289
Other Local Revenues	144,958	175	159,019	25,489	89,827	419,468
Fees Received From County Officials	903,082	0	0	0	0	903,082
State of Tennessee	1,688,144	0	3,022,844	54,182	44,380	4,809,550
Federal Government	406,677	0	0	0	807,086	1,213,763
Other Governments and Citizens Groups	657,520	0	0	636,214	10,000	1,303,734
Total Revenues	\$ 13,675,370	\$ 175	\$ 3,849,425	\$ 2,139,436	\$ 1,700,063	\$ 21,364,469
<u>Expenditures</u>						
Current:						
General Government	\$ 1,531,342	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,531,342
Finance	752,581	0	0	0	3,327	755,908
Administration of Justice	1,080,530	0	0	0	0	1,080,530
Public Safety	3,992,379	0	0	0	11,893	4,004,272
Public Health and Welfare	1,867,168	0	0	0	691,558	2,558,726
Social, Cultural, and Recreational Services	898,800	0	0	0	0	898,800
Agriculture and Natural Resources	197,996	0	0	0	0	197,996
Other Operations	1,021,690	0	0	0	76,830	1,098,520
Highways	0	0	3,412,775	0	0	3,412,775
Debt Service:						
Principal on Debt	6,895	0	0	1,815,666	29,710	1,852,271
Interest on Debt	662	0	0	395,334	8,461	404,457
Other Debt Service	0	0	0	24,510	0	24,510

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	1,010,775	\$ 1,010,775
Total Expenditures	\$ 11,350,043	\$ 0	\$ 3,412,775	\$ 2,235,510	\$ 1,832,554	\$ 18,830,882
<u>Excess (Deficiency) of Revenues Over Expenditures</u>						
	\$ 2,325,327	\$ 175	\$ 436,650	\$ (96,074)	\$ (132,491)	\$ 2,533,587
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	285,000	\$ 285,000
Insurance Recovery	21,548	0	12,596	0	9,802	43,946
Transfers In	0	0	0	0	659,788	659,788
Transfers Out	(500,000)	0	0	0	(349,788)	(849,788)
Total Other Financing Sources (Uses)	\$ (478,452)	\$ 0	\$ 12,596	\$ 0	\$ 604,802	\$ 138,946
<u>Net Change in Fund Balances</u>						
Fund Balance, July 1, 2020	\$ 1,846,875	\$ 175	\$ 449,246	\$ (96,074)	\$ 472,311	\$ 2,672,533
	5,345,769	0	4,974,044	1,815,267	483,839	12,618,919
<u>Fund Balance, June 30, 2021</u>						
	\$ 7,192,644	\$ 175	\$ 5,423,290	\$ 1,719,193	\$ 956,150	\$ 15,291,452

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

Exhibit C-4

Haywood County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 2,672,533
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,773,757	
Less: current-year depreciation expense	<u>(2,162,666)</u>	(388,909)
(2) The net effect of various miscellaneous transactions involving capital assets (Sales, trade-ins, and donations) is to decrease net position.		
Less: proceeds received from the disposal of capital assets		(31,512)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2021	\$ 532,426	
Less: deferred delinquent property taxes and other deferred June 30, 2020	<u>(797,673)</u>	(265,247)
(4) The issuance of long-term debt (e.g., bonds, notes, capital leases, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Less: capital lease proceeds	\$ (285,000)	
Less: change in deferred amount on refunding debt	(34,624)	
Add: principal payments on capital leases	150,786	
Add: principal payments on note	38,000	
Add: principal payments on other loans	390,039	
Add: principal payments on bonds	1,273,446	
Less: contributions from the school department for capital lease	(114,181)	
Add: change in premium on debt issued	<u>39,789</u>	1,458,255
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 4,665	
Change in compensated absences payable	(4,070)	
Change in net pension asset - agent plan	(72,247)	
Change in deferred outflows related to pensions	90,811	
Change in deferred inflows related to pensions	<u>275,383</u>	<u>294,542</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,739,662</u>

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

Exhibit C-5

Haywood County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,305,815	\$ 7,642,897	\$ 7,642,897	\$ 662,918
Licenses and Permits	28,058	20,150	20,150	7,908
Fines, Forfeitures, and Penalties	151,475	131,120	131,120	20,355
Charges for Current Services	1,389,641	1,131,580	1,131,580	258,061
Other Local Revenues	144,958	107,700	107,700	37,258
Fees Received From County Officials	903,082	1,047,000	843,055	60,027
State of Tennessee	1,688,144	1,679,800	1,713,230	(25,086)
Federal Government	406,677	63,000	167,439	239,238
Other Governments and Citizens Groups	657,520	530,000	530,000	127,520
Total Revenues	\$ 13,675,370	\$ 12,353,247	\$ 12,287,171	\$ 1,388,199
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 208,394	\$ 69,100	\$ 246,400	\$ 38,006
Beer Board	270	1,400	1,400	1,130
County Mayor/Executive	307,689	347,640	352,990	45,301
County Attorney	59,707	49,380	59,530	(177)
Election Commission	161,225	170,810	162,559	1,334
Register of Deeds	143,888	139,447	147,703	3,815
Development	68,130	85,585	85,585	17,455
Codes Compliance	0	15,000	15,000	15,000
County Buildings	582,039	719,935	704,935	122,896
<u>Finance</u>				
Accounting and Budgeting	10,352	10,500	10,500	148
Property Assessor's Office	298,157	337,696	338,496	40,339
Reappraisal Program	13,318	35,310	35,310	21,992
County Trustee's Office	86,996	302,851	100,506	13,510
County Clerk's Office	297,983	297,116	297,116	(867)
Data Processing	45,775	57,578	57,578	11,803
<u>Administration of Justice</u>				
Circuit Court	444,501	447,577	450,177	5,676
General Sessions Judge	267,924	275,888	275,888	7,964
General Sessions Court Clerk	2,820	4,000	4,000	1,180
Chancery Court	196,319	204,930	205,730	9,411
Juvenile Court	85,486	98,081	98,181	12,695
Other Administration of Justice	0	60,000	60,000	60,000
Courtroom Security	83,480	77,200	83,844	364
<u>Public Safety</u>				
Sheriff's Department	1,445,822	1,727,277	1,579,051	133,229
Jail	1,871,304	2,278,780	2,272,141	400,837
Workhouse	36,216	74,219	66,662	30,446
Fire Prevention and Control	409,616	382,440	426,680	17,064
Civil Defense	12,553	23,352	23,352	10,799
Rescue Squad	5,600	13,550	13,550	7,950
County Coroner/Medical Examiner	4,888	4,800	4,800	(88)
Other Public Safety	206,380	202,218	202,218	(4,162)
<u>Public Health and Welfare</u>				
Local Health Center	60,902	65,484	65,484	4,582

(Continued)

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Health and Welfare (Cont.)</u>				
Rabies and Animal Control	\$ 72,377	\$ 85,872	\$ 85,872	\$ 13,495
Ambulance/Emergency Medical Services	1,624,550	1,741,883	1,650,627	26,077
Appropriation to State	109,339	147,800	147,800	38,461
<u>Social, Cultural, and Recreational Services</u>				
Libraries	161,444	166,324	168,124	6,680
Parks and Fair Boards	737,356	751,347	751,347	13,991
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	148,481	158,681	158,681	10,200
Soil Conservation	49,515	48,704	49,309	(206)
<u>Other Operations</u>				
Industrial Development	70,171	128,500	128,500	58,329
Veterans' Services	24,400	25,210	25,360	960
Contributions to Other Agencies	77,225	57,180	57,180	(20,045)
COVID-19 Grant #1	11,051	0	11,051	0
COVID-19 Grant #2	133,720	0	133,720	0
COVID-19 Grant A	260,026	0	260,026	0
Miscellaneous	445,097	449,115	449,115	4,018
<u>Principal on Debt</u>				
General Government	6,895	0	6,895	0
<u>Interest on Debt</u>				
General Government	662	0	662	0
Total Expenditures	\$ 11,350,043	\$ 12,339,760	\$ 12,531,635	\$ 1,181,592
Excess (Deficiency) of Revenues Over Expenditures				
	\$ 2,325,327	\$ 13,487	\$ (244,464)	\$ 2,569,791
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 21,548	\$ 0	\$ 0	\$ 21,548
Transfers Out	(500,000)	0	0	(500,000)
Total Other Financing Sources	\$ (478,452)	\$ 0	\$ 0	\$ (478,452)
Net Change in Fund Balance				
	\$ 1,846,875	\$ 13,487	\$ (244,464)	\$ 2,091,339
Fund Balance, July 1, 2020	5,345,769	4,936,988	4,936,988	408,781
Fund Balance, June 30, 2021	\$ 7,192,644	\$ 4,950,475	\$ 4,692,524	\$ 2,500,120

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

Exhibit C-6

Haywood County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 667,562	\$ 639,325	\$ 639,325	\$ 28,237
Other Local Revenues	159,019	193,153	193,153	(34,134)
State of Tennessee	3,022,844	2,442,621	2,977,860	44,984
Total Revenues	<u>\$ 3,849,425</u>	<u>\$ 3,275,099</u>	<u>\$ 3,810,338</u>	<u>\$ 39,087</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 217,917	\$ 226,369	\$ 229,369	\$ 11,452
Highway and Bridge Maintenance	1,385,346	1,444,948	1,457,946	72,600
Operation and Maintenance of Equipment	533,894	729,092	731,092	197,198
Other Charges	106,702	124,664	124,664	17,962
Employee Benefits	291,673	330,525	330,525	38,852
Capital Outlay	877,243	400,000	935,239	57,996
Total Expenditures	<u>\$ 3,412,775</u>	<u>\$ 3,255,598</u>	<u>\$ 3,808,835</u>	<u>\$ 396,060</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 436,650</u>	<u>\$ 19,501</u>	<u>\$ 1,503</u>	<u>\$ 435,147</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 12,596	\$ 0	\$ 0	\$ 12,596
Total Other Financing Sources	<u>\$ 12,596</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,596</u>
Net Change in Fund Balance	\$ 449,246	\$ 19,501	\$ 1,503	\$ 447,743
Fund Balance, July 1, 2020	4,974,044	4,567,394	4,567,394	406,650
Fund Balance, June 30, 2021	<u>\$ 5,423,290</u>	<u>\$ 4,586,895</u>	<u>\$ 4,568,897</u>	<u>\$ 854,393</u>

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

Exhibit D-1

Haywood County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2021

	<u>Major Fund</u> <u>Business-type</u> <u>Activities -</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal</u> <u>Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash with Trustee	\$ 321,432
Accounts Receivable	762,228
Allowance for Uncollectibles	(228,668)
Due from Other Governments	5,250
Due from Other Funds	9,899
Total Current Assets	<u>\$ 870,141</u>
Noncurrent Assets:	
Net Pension Asset	\$ 29,431
Capital Assets:	
Assets Not Depreciated:	
Land	235,000
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	66,769
Machinery and Equipment	117,567
Total Noncurrent Assets	<u>\$ 448,767</u>
Total Assets	<u>\$ 1,318,908</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred Outflows of Resources:	
Pension Changes in Investment Earnings	\$ 4,171
Pension Changes in Assumptions	2,499
Pension Contributions After Measurement Date	13,525
Total Deferred Outflows of Resources	<u>\$ 20,195</u>

(Continued)

Exhibit D-1

Haywood County, Tennessee
Statement of Net Position
Proprietary Fund (Cont.)

Major Fund
Business-type
Activities -
Enterprise
Fund
Solid
Waste
Disposal
Fund

LIABILITIES

Current Liabilities:	
Accounts Payable	\$ 80,325
Payroll Deductions Payable	60
Due to Other Funds	959
Capital Leases Payable - Current	12,132
Accrued Liability for Landfill Closure/Postclosure Care Costs - Current	40,948
Total Current Liabilities	<u>\$ 134,424</u>
Noncurrent Liabilities:	
Accrued Liability for Landfill Closure/Postclosure Care Costs	\$ 1,659,248
Total Noncurrent Liabilities	<u>\$ 1,659,248</u>
Total Liabilities	<u>\$ 1,793,672</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources:	
Pension Changes in Experience	\$ 7,214
Total Deferred Inflows of Resources	<u>\$ 7,214</u>

NET POSITION

Net Investment in Capital Assets	\$ 407,204
Restricted for Pensions	29,431
Unrestricted	<u>(898,418)</u>
Total Net Position	<u>\$ (461,783)</u>

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

Exhibit D-2

Haywood County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2021

	<u>Major Fund</u>
	Business-type
	Activities -
	Enterprise
	<u>Fund</u>
	Solid
	Waste
	Disposal
	<u>Fund</u>
<u>Operating Revenues</u>	
Tipping Fees	\$ 683,719
Sale of Materials and Supplies	13,297
Miscellaneous Refunds	2,068
Total Operating Revenues	<u>\$ 699,084</u>
<u>Operating Expenses</u>	
Supervisor/Director	\$ 20,759
Equipment Operators	80,089
Part-time Personnel	3,177
Overtime Pay	6,662
Social Security	8,137
Pensions	3,553
Employee and Dependent Insurance	5,881
Life Insurance	765
Unemployment Compensation	142
Other Fringe Benefits	7,013
Communication	2,363
Contracts with Government Agencies	5,827
Contracts with Private Agencies	466,343
Engineering Services	1,430
Licenses	5,650
Maintenance and Repair Services - Office Equipment	500
Printing, Stationery, and Forms	192
Rentals	42,000
Crushed Stone	3,492
Diesel Fuel	5,492
Electricity	5,375
Equipment and Machinery Parts	102,313
Fertilizer, Lime, and Seed	116

(Continued)

Exhibit D-2

Haywood County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund (Cont.)

	<u>Major Fund</u> <u>Business-type</u> <u>Activities -</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal</u> <u>Fund</u>
<u>Operating Expenses (Cont.)</u>	
Gasoline	\$ 13,335
Lubricants	1,244
Office Supplies	1,339
Tires and Tubes	8,937
Other Supplies and Materials	1,676
Building and Contents Insurance	949
Liability Insurance	710
Premiums on Corporate Surety Bonds	225
Trustee's Commission	7,090
Workers' Compensation Insurance	6,372
Depreciation	41,836
Landfill Closure/Postclosure Care Costs	40,948
Other Charges	3,925
Maintenance Equipment	341
Other Construction	221
Total Operating Expenses	<u>\$ 906,419</u>
Operating Income (Loss)	<u>\$ (207,335)</u>
<u>Nonoperating Revenues (Expenses)</u>	
State Tire Tax	\$ 13,964
Lease/Rentals	5,000
Contributions	21,000
Insurance Recovery	48,178
Interest on Capital Leases	(697)
Total Nonoperating Revenues (Expenses)	<u>\$ 87,445</u>
Income(Loss) Before Transfers	\$ (119,890)
Transfers In	<u>190,000</u>
Change in Net Position	\$ 70,110
Net Position, July 1, 2020	<u>(531,893)</u>
Net Position, June 30, 2021	<u><u>\$ (461,783)</u></u>

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

Exhibit D-3

Haywood County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2021

	<u>Major Fund</u> <u>Business-</u> <u>Activities -</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal</u> <u>Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers and Users	\$ 729,960
Receipts from Others	15,365
Payments for Waste Collections and Disposal Activity	(869,699)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (124,374)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Acquisition of Capital Assets	\$ (26,285)
Interest on Capital Leases	(697)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (26,982)</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Receipts from State Tire Tax	\$ 13,964
Receipts from Farmland Rental	5,000
Contributions	21,000
Insurance Recovery	48,178
Transfers from Other Funds	190,000
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 278,142</u>
Net Increase (Decrease) in Cash	\$ 126,786
Cash, July 1, 2020	<u>194,646</u>
Cash, June 30, 2021	<u>\$ 321,432</u>
<u>Reconciliation of Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (207,335)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	41,836
Change in Assets and Liabilities:	
Decrease in Accounts Receivable	58,582
(Increase) in Allowance for Uncollectibles	(17,575)
(Increase) in Net Pension Asset - Agent Plan	2,928
Decrease in Deferred Outflows Related to Pensions	(2,148)
Decrease in Due from Other Governments	5,233
(Increase) in Due from Other Funds	(5,338)
Increase in Accounts Payable	43,124
(Decrease) in Payroll Deductions Payable	(153)
Increase in Due to Other Funds	959
(Decrease) in Due to State of Tennessee	(27)
(Decrease) in Accrued Liability for Landfill Postclosure Care Costs	(19,958)
(Decrease) in Long-term Debt	(17,719)
(Decrease) in Deferred Inflows Related to Pensions	<u>(6,783)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (124,374)</u>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Equity in Pooled Cash and Investments	<u>\$ 321,432</u>
Cash, June 30, 2021	<u>\$ 321,432</u>

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

Exhibit E-1

Haywood County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2021

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 801,032
Equity in Pooled Cash and Investments	93,109
Accounts Receivable	20,870
Due from Other Governments	352,631
Due from Other Funds	<u>2,070</u>
Total Assets	<u>\$ 1,269,712</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 4,453
Due to Other Funds	2,491
Due to Other Taxing Units	<u>352,631</u>
Total Liabilities	<u>\$ 359,575</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 910,137</u>
Total Net Position	<u><u>\$ 910,137</u></u>

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

Haywood County, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 2,031,439
Joint Venture Collections	187,945
Fines/Fees and Other Collections	<u>5,167,523</u>
Total Additions	<u>\$ 7,386,907</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 2,031,439
Payment of Emergency Management Agency Expenses	111,420
Payments to State	1,986,737
Payments to Cities, Individuals, and Others	<u>2,948,962</u>
Total Deductions	<u>\$ 7,078,558</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 308,349
Net Position, July 1, 2020	0
Restatement - See Note I.D.9.	<u>601,788</u>
Net Position, June 30, 2021	<u><u>\$ 910,137</u></u>

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

HAYWOOD COUNTY, TENNESSEE
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HAYWOOD COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

Haywood County is a public municipal corporation governed by an elected 20-member board. As required by GAAP, these financial statements present Haywood County (the primary government) and its component units. The financial statements of the Haywood County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Haywood County Utility District provides water services to customers within the district, and the Haywood County Commission appoints its three-member governing body. The district is funded primarily from charges to customers for water services and grants. Before the issuance of most debt instruments, the district must obtain the county commission's approval.

The Haywood County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Haywood County, and the Haywood County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's

approval. The financial statements of the Haywood County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Offices:

Haywood County Utility District
25 North Lafayette
Brownsville, TN 38012

Haywood County Emergency Communications District
100 S. Dupree Avenue
Brownsville, TN 38012

B. Government-wide and Fund Financial Statements

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

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

Haywood County issues all debt for the discretely presented Haywood County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2021.

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

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

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

Fund financial statements of Haywood County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Haywood County only reports one proprietary fund, a major enterprise fund.

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

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

available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Haywood County reports the following major governmental funds:

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

Other Special Revenue Fund – This special revenue fund accounts for proceeds received from the American Rescue Plan.

Highway/Public Works Fund – This special revenue fund accounts for transactions of the county’s highway department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

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

Haywood County reports the following major proprietary fund:

Solid Waste Disposal Fund – This fund accounts for the county’s solid waste landfill operations.

Additionally, Haywood County reports the following fund types:

Capital Projects Funds – These funds account for financial resources to be used for the acquisition or construction of major capital facilities.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, amounts collected for a joint venture emergency management agency, and local sales taxes received by the state to be forwarded to the various cities in Haywood County.

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

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

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

Additionally, the Haywood County School Department reports the following fund type:

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an enterprise fund, to account for the operations of the county's landfill. Operating revenues and expenses generally result from providing services in connection with the fund's

principal ongoing operations. The principal operating revenues of the county's enterprise fund are tipping fees.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash includes funds held by the county trustee as Equity in Pooled Cash and Investments.

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

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

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

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

All other investments are reported at fair value.

2. Receivables and Payables

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

All ambulance, solid waste disposal, and property taxes receivable are shown with an allowance for uncollectibles. Ambulance and solid waste disposal receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 1.31 percent of total taxes levied.

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

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

for collection are not included in taxes receivable since they are neither measurable nor available.

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

Retainage payable in the primary government's and discretely presented school department's nonmajor governmental funds represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the nonmajor governmental funds.

3. Restricted Assets

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25
Other Capital Assets	5 - 10
Infrastructure	8 - 30

Property, plant, and equipment of the Solid Waste Disposal Fund (enterprise fund) are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	30
Machinery and Equipment	5 - 30

5. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following

sources: current and delinquent property taxes, pension and OPEB changes in experience and proportion, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

The general policy of Haywood County (with the exception of sick and vacation leave for employees of the highway department) does not allow employees to accumulate sick and vacation days beyond year end.

It is the policy of the highway department to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the highway department does not have a policy to pay any amounts when employees separate from service with the government. A liability for the vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

It is the policy of the discretely presented school department to permit the unlimited accumulation of unused sick leave for professional personnel (teachers). Nonprofessional personnel are allowed to accumulate a limited amount of sick leave. There is no liability for unpaid accumulated sick leave since the school department does not have a policy to pay any amounts when employees separate from service with the school department.

7. Long-term Debt and Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as

other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

8. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2021, Haywood County had \$6,389,197 in outstanding debt issued for capital purposes of the discretely presented Haywood County School Department. This debt is a liability of Haywood County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Haywood County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's budget committee to make assignments for the general government. The board of education makes assignments for the school department.

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

9. Restatements

Due to the implementation of GASB Statement 84, a special revenue fund (Internal School Fund) is reflected in the financial statements of the discretely presented Haywood County School Department. A restatement of \$434,408 has been presented to reflect the beginning balance of this fund.

In prior years, the custodial funds had no measurement focus. However, due to the implementation of GASB Statement 84, the beginning balance of these funds has been restated by \$601,788 using the economic measurement focus and the accrual basis of accounting.

E. Pension Plans

Primary Government

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

Discretely Presented Haywood County School Department

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

F. Other Postemployment Benefit (OPEB) Plan

Discretely Presented Haywood County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Haywood County School Department

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

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

Primary Government

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

Discretely Presented Haywood County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Beer Board, County Mayor/Executive, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

At June 30, 2021, Haywood County School Department had outstanding encumbrances in the General Purpose School and Central Cafeteria funds of \$179,594 and \$5,500, respectively.

B. Fund Deficits and Net Position Deficit

The primary government's Community Development/Industrial Park and Education Capital Projects funds had deficit unassigned fund balances of \$58,958 and \$90,750, respectively, at June 30, 2021. These deficit unassigned fund balances resulted from expenditures exceeding restricted, committed, and assigned balances.

The Solid Waste Disposal Fund had a deficit of \$898,418 in unrestricted net position and a total net position deficit of \$461,783 at June 30, 2021. This deficit primarily resulted from the recognition of a liability totaling \$1,700,196 for costs associated with closing the county's landfill and monitoring the landfill for 30 years after closure.

C. Expenditures Exceeded Appropriations

Expenditures exceeded total appropriations approved by the county commission in the Solid Waste/Sanitation Fund by \$7,788.

Expenditures exceeded appropriations approved by the county commission in the following major appropriation categories (the level of control) of the following funds:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General Fund:	
General Government - County Attorney	\$ 177
Finance - County Clerk's Office	867
Public Safety - County Coroner/Medical Examiner	88
Public Safety - Other Public Safety	4,162
Agriculture and Natural Resources - Soil Conservation	206
Other Operations - Contributions to Other Agencies	20,045
Other Financing Uses - Transfers Out	500,000
General Purpose School Fund:	
Instruction - COVID-19 Expenditures	283,747

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the General and General Purpose School funds.

D. Investigations

An investigation report dated December 17, 2021, by the Comptroller's Division of Investigations of the Elma Ross Public Library, a joint venture of Haywood County, disclosed fraudulent checks drawn on the library's bank account resulting in a theft of \$32,367. The investigation also reported findings related to internal control deficiencies and a lack of oversight by the library board. Details of the findings and recommendations related to the investigation can be found in a report released by the Comptroller's Division of Investigations at www.comptroller.tn.gov/ia.

The Comptroller's Division of Investigations is currently reviewing allegations related to the former budget director of the County Mayor's Office. Findings, if any, resulting from this review will be included in subsequent reports.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2021, Haywood County had the following investments carried at amortized cost using a stable net asset value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Haywood County and the discretely presented Haywood County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Weighted Average Maturity</u>	<u>Amortized Cost</u>
State Treasurer's Investment Pool	1 to 68 days	\$ 7,563,663

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Haywood County has no investment policy that would further limit its investment choices. As of June 30, 2021, Haywood County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

TCRS Stabilization Trust

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

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

On June 30, 2021, the Haywood County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 83,490
Developed Market International Equity	N/A	N/A	37,705
Emerging Market International Equity	N/A	N/A	10,773
U.S. Fixed Income	N/A	N/A	53,863
Real Estate	N/A	N/A	26,932
Short-term Securities	N/A	N/A	2,693
NAV - Private Equity and Strategic Lending	N/A	N/A	53,863
 Total			 \$ 269,319

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

B. Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

Primary Government - Governmental Activities:

	Balance 7-1-20	Increases	Decreases	Balance 6-30-21
Capital Assets Not Depreciated:				
Land	\$ 4,374,111	\$ 0	\$ 0	\$ 4,374,111
Construction in Progress	1,759,869	0	(1,759,869)	0
Total Capital Assets Not Depreciated	<u>\$ 6,133,980</u>	<u>\$ 0</u>	<u>\$ (1,759,869)</u>	<u>\$ 4,374,111</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 19,453,235	\$ 2,327,953	\$ 0	\$ 21,781,188
Infrastructure	58,444,227	535,239	0	58,979,466
Other Capital Assets	13,844,393	670,434	(208,883)	14,305,944
Total Capital Assets Depreciated	<u>\$ 91,741,855</u>	<u>\$ 3,533,626</u>	<u>\$ (208,883)</u>	<u>\$ 95,066,598</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 10,831,731	\$ 658,635	\$ 0	\$ 11,490,366
Infrastructure	48,640,929	723,608	0	49,364,537
Other Capital Assets	9,793,977	780,423	(177,371)	10,397,029
Total Accumulated Depreciation	<u>\$ 69,266,637</u>	<u>\$ 2,162,666</u>	<u>\$ (177,371)</u>	<u>\$ 71,251,932</u>
Total Capital Assets Depreciated, Net	<u>\$ 22,475,218</u>	<u>\$ 1,370,960</u>	<u>\$ (31,512)</u>	<u>\$ 23,814,666</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,609,198</u>	<u>\$ 1,370,960</u>	<u>\$ (1,791,381)</u>	<u>\$ 28,188,777</u>

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

Governmental Activities:

General Government	\$ 170,892
Finance	28,016
Administration of Justice	56,009
Public Safety	607,194
Public Health and Welfare	247,740
Social, Cultural, and Recreational Services	50,600
Highway Department	<u>1,002,215</u>

Total Depreciation Expense - Governmental Activities \$ 2,162,666

Primary Government - Business-type Activities:

	Balance 7-1-20	Increases	Balance 6-30-21
Capital Assets			
Not Depreciated:			
Land	\$ 235,000	\$ 0	\$ 235,000
Total Capital Assets Not Depreciated	<u>\$ 235,000</u>	<u>\$ 0</u>	<u>\$ 235,000</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 215,300	\$ 26,285	\$ 241,585
Other Capital Assets	819,172	0	819,172
Total Capital Assets Depreciated	<u>\$ 1,034,472</u>	<u>\$ 26,285</u>	<u>\$ 1,060,757</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 167,193	\$ 7,623	\$ 174,816
Other Capital Assets	667,392	34,213	701,605
Total Accumulated Depreciation	<u>\$ 834,585</u>	<u>\$ 41,836</u>	<u>\$ 876,421</u>
Total Capital Assets Depreciated, Net	<u>\$ 199,887</u>	<u>\$ (15,551)</u>	<u>\$ 184,336</u>
Business-type Activities Capital Assets, Net	<u>\$ 434,887</u>	<u>\$ (15,551)</u>	<u>\$ 419,336</u>

There were no decreases in capital assets to report during the year ended June 30, 2021. Depreciation expense was charged to functions of the primary government as follows:

Business-type Activities:

Public Health and Welfare	<u>\$ 41,836</u>
Total Depreciation Expense - Business-type Activities	<u><u>\$ 41,836</u></u>

**Discretely Presented Haywood County School Department -
Governmental Activities:**

	Balance 7-1-20	Increases	Decreases	Balance 6-30-21
Capital Assets Not Depreciated:				
Land	\$ 414,268	\$ 0	\$ (270,400)	\$ 143,868
Construction in Progress	0	49,675	0	49,675
Total Capital Assets Not Depreciated	<u>\$ 414,268</u>	<u>\$ 49,675</u>	<u>\$ (270,400)</u>	<u>\$ 193,543</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 33,867,775	\$ 133,395	\$ (887,800)	\$ 33,113,370
Other Capital Assets	7,988,719	372,570	0	8,361,289
Total Capital Assets Depreciated	<u>\$ 41,856,494</u>	<u>\$ 505,965</u>	<u>\$ (887,800)</u>	<u>\$ 41,474,659</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 18,610,521	\$ 936,840	\$ (38,472)	\$ 19,508,889
Other Capital Assets	6,324,545	284,127	0	6,608,672
Total Accumulated Depreciation	<u>\$ 24,935,066</u>	<u>\$ 1,220,967</u>	<u>\$ (38,472)</u>	<u>\$ 26,117,561</u>
Total Capital Assets Depreciated, Net	<u>\$ 16,921,428</u>	<u>\$ (715,002)</u>	<u>\$ (849,328)</u>	<u>\$ 15,357,098</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 17,335,696</u></u>	<u><u>\$ (665,327)</u></u>	<u><u>\$ (1,119,728)</u></u>	<u><u>\$ 15,550,641</u></u>

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

Governmental Activities:

Instruction	\$ 465,011
Support Services	732,661
Operation of Non-instructional Services	<u>23,295</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,220,967</u>

C. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 71,571
"	Custodial - Joint Venture	2,491
Highway/Public Works	General	6,523
"	Nonmajor governmental	9,492
"	Custodial - Joint Venture	78
General Debt Service	Nonmajor governmental	52,000
Nonmajor Governmental	"	20,000
"	General	107
Nonmajor Governmental	Solid Waste Disposal	40,960
Solid Waste Disposal	General	2,004
"	Nonmajor governmental	7,895
Custodial - Joint Venture	General	2,070

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

The receivables in Highway/Public Works Fund totaling \$5,603 and \$78 were in transit from the General and Joint Venture funds, respectively, at June 30, 2021. The receivable in the nonmajor governmental funds totaling \$40,001 was in transit from the Solid Waste Disposal Fund at June 30, 2021.

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
	Component Unit:	
Primary Government:	School Department:	
Governmental Activities	Governmental Activities	\$ 116,454

The amount reflected in governmental activities as Due to the Primary Government from the discretely presented school department is the balance of a capital lease issued by the county for the school department as discussed in Notes IV.D. and IV.E. The school department has agreed to contribute the funds necessary to retire the debt.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2021, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In		Purpose
	Solid Waste Disposal Fund	Nonmajor Governmental Fund	
General Fund	\$ 0	\$ 500,000	Capital outlay
Nonmajor Governmental Fund	190,000	0	Operations
"	0	159,788	Capital outlay

Discretely Presented Haywood County School Department

Transfer Out	Transfer In	Purpose
	General Purpose School Fund	
School Federal Projects Fund	\$ 184,109	Indirect costs

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

D. Capital Leases

Governmental Activities

On October 3, 2016, Haywood County entered into a five-year lease-purchase agreement for a tractor. The terms of the agreement require

total lease payments of \$32,999 plus interest of 4.69 percent. Title to the equipment transfers to Haywood County at the end of the lease period. The General Fund is making the lease payments.

On July 15, 2018, Haywood County entered into a three-year lease-purchase agreement for Apple computers. The terms of the agreement require total lease payments of \$460,581 plus 1.99 percent interest. Ownership of the equipment transfers to Haywood County at the end of the lease period. Payments are made from the General Debt Service Fund by contributions from the General Purpose School Fund.

On May 19, 2019, Haywood County entered into a five-year lease-purchase agreement for a garbage truck. The terms of the agreement require total lease payments of \$246,390 plus 4.14 percent interest. Title to the equipment transfers to Haywood County at the end of the lease period. Payments are made from the Solid Waste/Sanitation Fund.

On June 29, 2021, Haywood County entered into a five-year lease-purchase agreement for a garbage truck. The terms of the agreement require total lease payments of \$285,000 plus 2.41 percent interest. Title to the equipment transfers to Haywood County at the end of the lease period. Payments are made from the Solid Waste/Sanitation Fund.

Business-type Activities

On February 18, 2016, Haywood County entered into a six-year lease-purchase agreement for a bulldozer. The terms of the agreement require total lease payments of \$100,413 plus interest of 3.2 percent. Title to the equipment transfers to Haywood County at the end of the lease period. The Solid Waste Disposal Fund is making the lease payments.

The assets acquired through capital leases are as follows:

Asset	Governmental Activities	Business- type Activities
Other Capital Assets	\$ 1,024,970	\$ 100,413
Less: Accumulated Depreciation	(398,792)	(74,837)
Total Book Value	\$ 626,178	\$ 25,576

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

Year Ending June 30	Governmental Activities	Business- type Activities
2022	\$ 202,134	\$ 12,278
2023	79,364	0
2024	176,307	0
2025	42,699	0
2026	42,698	0
2027	98,558	0
Total Minimum Lease Payments	\$ 641,760	\$ 12,278
Less: Amount Representing Interest	(44,177)	(146)
Present Value of Minimum Lease Payments	<u>\$ 597,583</u>	<u>\$ 12,132</u>

E. Long-term Debt

Primary Government

General Obligation Bonds, Note, and Other Loans

General Obligation Bonds - Haywood County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Haywood County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of seven years for the note and up to 16 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The note and other loans included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund.

General obligation bonds, the capital outlay note, other loans, and capital leases outstanding as of June 30, 2021, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-21
General Obligation Bonds	3 to 4%	3-1-38	\$ 1,730,000	\$ 1,730,000
General Obligation Bonds - Refunding	2 to 5	6-1-32	13,741,134	9,240,000
Direct Borrowing and Direct Placement:				
Note Payable	2.5	6-1-24	245,000	119,000
Other Loans Payable	0 to 1	3-1-34	5,019,439	2,928,864
Capital Leases	1.99 to 4.69	8-1-26	1,024,970	597,583

During the 2011-12 year, Haywood County entered into an agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient School Initiative program. Under this agreement, the program made \$2,000,000 available for loan to Haywood County to increase energy efficiency in the Haywood County school system. This is an interest-free loan.

During the 2018-19 year, Haywood County entered into an agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient School Initiative program. Under this agreement, the program loaned Haywood County \$3,019,439 to fund a project to increase energy efficiency in the Haywood County school system. This loan has an interest rate of one percent.

The annual requirements to amortize all general obligation bonds, the note, and other loans outstanding as of June 30, 2021, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 998,000	\$ 332,560	\$ 1,330,560
2023	1,038,000	298,273	1,336,273
2024	1,082,000	262,689	1,344,689
2025	1,131,000	225,201	1,356,201
2026	1,155,000	185,894	1,340,894
2027-2031	4,191,000	480,339	4,671,339
2032-2036	1,120,000	117,756	1,237,756
2037-2038	255,000	12,994	267,994
Total	\$ 10,970,000	\$ 1,915,706	\$ 12,885,706

Year Ending June 30	Note - Direct Placement		
	Principal	Interest	Total
2022	\$ 39,000	\$ 2,975	\$ 41,975
2023	40,000	2,000	42,000
2024	40,000	1,000	41,000
Total	<u>\$ 119,000</u>	<u>\$ 5,975</u>	<u>\$ 124,975</u>

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2022	\$ 391,948	\$ 24,908	\$ 416,856
2023	343,829	22,986	366,815
2024	195,812	21,040	216,852
2025	197,782	19,070	216,852
2026	199,775	17,077	216,852
2027-2031	1,029,369	54,891	1,084,260
2032-2034	570,349	7,955	578,304
Total	<u>\$ 2,928,864</u>	<u>\$ 167,927</u>	<u>\$ 3,096,791</u>

There is \$1,719,193 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$614, based on the 2020 federal census. Total debt per capita, including bonds, the note, other loans, capital leases, and unamortized debt premiums, totaled \$841, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. The capital lease debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-21
<u>Other Loans - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient School Initiative	\$ 349,967
Energy Efficient School Initiative	2,578,897
<u>Capital Leases - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Apple Computers	<u>116,454</u>
Total	<u>\$ 3,045,318</u>

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2021, was as follows:

Governmental Activities:	Bonds	Note - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2020	\$ 12,243,446	\$ 157,000	\$ 3,318,903
Reductions	(1,273,446)	(38,000)	(390,039)
Balance, June 30, 2021	<u>\$ 10,970,000</u>	<u>\$ 119,000</u>	<u>\$ 2,928,864</u>
Balance Due Within One Year	<u>\$ 998,000</u>	<u>\$ 39,000</u>	<u>\$ 391,948</u>

	Capital Leases - Direct Placement
Balance, July 1, 2020	\$ 463,369
Additions	285,000
Reductions	<u>(150,786)</u>
Balance, June 30, 2021	<u>\$ 597,583</u>
Balance Due Within One Year	<u>\$ 186,246</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2021	\$ 14,615,447
Less: Balance Due Within One Year - Debt	(1,615,194)
Add: Unamortized Premium on Debt	410,114
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 13,410,367</u>

Haywood County Solid Waste Disposal Fund (enterprise fund)

Capital Lease

The capital lease outstanding as of June 30, 2021, for business-type activities is as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-21
Direct Borrowing and Direct Placements:				
Capital Lease	3.2%	2-18-22	\$ 100,413	\$ 12,132

Changes in Long-term Debt

Long-term debt activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2021, was as follows:

Business-type Activities:	<u>Capital Lease - Direct Placement</u>
Balance, July 1, 2020	\$ 29,851
Reductions	<u>(17,719)</u>
Balance, June 30, 2021	<u>\$ 12,132</u>
Balance Due Within One Year	<u>\$ 12,132</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2021	\$ 12,132
Less: Balance Due Within One Year - Debt	<u>(12,132)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 0</u>

F. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2021, was as follows:

Governmental Activities:	<u>Compensated Absences</u>
Balance, July 1, 2020	\$ 67,708
Additions	45,731
Reductions	<u>(41,661)</u>
Balance, June 30, 2021	<u>\$ 71,778</u>
Balance Due Within One Year	<u>\$ 25,311</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2021	\$ 71,778
Less: Balance Due Within One Year - Other	<u>(25,311)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 46,467</u>

Compensated absences will be paid from the employing fund, the Highway/Public Works Fund.

Solid Waste Disposal (Enterprise) Fund

Changes in Long-term Obligations

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2021, was as follows:

Business-type Activities:	<u>Postclosure Care Costs</u>
Balance, July 1, 2020	\$ 1,720,154
Additions	20,990
Reductions	<u>(40,948)</u>
Balance, June 30, 2021	<u>\$ 1,700,196</u>
Balance Due Within One Year	<u>\$ 40,948</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2021	\$ 1,700,196
Less: Balance Due Within One Year - Other	<u>(40,948)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,659,248</u>

Discretely Presented Haywood County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Haywood County School Department for the year ended June 30, 2021, was as follows:

Governmental Activities:

	<u>Net OPEB Liability</u>
Balance, July 1, 2020	\$ 1,723,672
Additions	624,936
Reductions	<u>(78,516)</u>
Balance, June 30, 2021	<u>\$ 2,270,092</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2021	\$ 2,270,092
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,270,092</u>

The net OPEB liability will be paid from the employing funds, primarily the General Purpose School Fund.

G. On-Behalf Payments - Discretely Presented Haywood County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Haywood County School Department. These payments are made by the state to the Local Education Group Insurance. This plan is administered by the State of Tennessee and reported in the state's Annual

Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2021, were \$39,202. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. **OTHER INFORMATION**

A. **Risk Management**

Primary Government

Employee Health Insurance

It is the policy of the county to purchase commercial insurance for its employees' health coverage. Retirees are not allowed to continue coverage. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

Workers' Compensation Insurance

Haywood County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under provisions of Section 29-20-401, *Tennessee Code Annotated*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Liability, Property, and Casualty

Haywood County is exposed to various risks related to general liability, property, and casualty losses. The county participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

Discretely Presented Haywood County School Department

Employee Health Insurance

The Haywood County School Department participates in the Local Education Group Insurance Fund (LEGIF), which is a public entity risk pool established

to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *TCA*, all local education agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

Liability, Property, Casualty, and Workers' Compensation Insurance

The school department participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The school department pays annual premiums to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of TN-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Changes

GASB Statement No. 84, *Fiduciary Activities* establishes additional guidance for the identification, accounting, and reporting of fiduciary activities. The statement clarifies the four types of fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

GASB Statement No. 90, *Majority Equity Interest* modifies previous guidance and provides guidance for the measurement and reporting of majority equity interest in a legally separate organization. This statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit.

Paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* became effective during the year. Paragraph 4 establishes certain component unit criteria for a legally separate entity by the primary government in the absence of a governing board. Paragraph 5 clarifies that the financial benefit burden in paragraph 7 of GASB Statement 84 is applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through certain trusts.

C. Contingent Liabilities

The county has received various federal and state grants and other assistance for specific purposes that are subject to review and audit by grantor agencies. Such audits could result in reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. County management

is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

The county and school department are involved in several pending lawsuits. Management advised that any potential claims not covered by insurance resulting from such litigation should not materially affect the county or school department's financial statements.

D. Landfill Closure/Postclosure Care Costs

Haywood County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Haywood County closed its sanitary landfill in 1998. The \$1,700,196, reported as postclosure care liability at June 30, 2021, represents amounts based on what it would cost to perform all postclosure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Brownsville - Haywood County Emergency Management Agency is a joint venture between Haywood County and the city of Brownsville. The agency's three-member board includes the county mayor, the mayor of the city of Brownsville, and one member who is jointly selected by the county mayor and the city mayor. The agency is jointly funded by the county and the city of Brownsville with additional revenues received from the State of Tennessee, the federal government, and private contributions. During the year ended June 30, 2021, the county provided financial assistance of \$12,553 to the agency.

The Brownsville - Haywood County Rescue Squad is a joint venture between Haywood County and the city of Brownsville. The agency's six-member board includes the county mayor, the mayor of the city of Brownsville, and four other members. The purpose of the rescue squad is to provide assistance in search and rescue, drowning, flooding, evacuations, and road clearing from storms. The agency is jointly funded by the county and the city of Brownsville with additional revenues received from the private contributions. During the year ended June 30, 2021, the county contributed \$5,600 to the rescue squad.

The HTL Advantage is a joint venture between Haywood, Tipton, and Lauderdale counties and the cities of Brownsville, Ripley, and Covington. The board comprises ten members and consists of the mayors from each of the counties and cities, and one member from the Southwest Tennessee Electric Cooperative, the Covington Electric System, Ripley Power and Light, and the Brownsville Electric System. The purpose of the board is to establish and operate an office that markets the entire defined region for economic development and to bring the region attention of prospective industrial and commercial interests, which would be beneficial for the common good of all entities involved herein. The counties, cities, and electric systems provide the funding for the board. Haywood County contributed \$50,000 to HTL Advantage during the year.

The Elma Ross Public Library is a joint venture between Haywood County and the city of Brownsville. It is operated by an appointed board. The board comprises seven members, four of whom are appointed by the Haywood County Commission. The remaining three members are appointed by the city of Brownsville. Haywood County has control over budgeting and financing the joint venture only to the extent of representation by the four board members appointed. Haywood County contributed \$76,821 to the operations of the library during the year ended June 30, 2021.

Haywood County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Brownsville - Haywood County Emergency Management Agency, Brownsville - Haywood County Rescue Squad, HTL Advantage, and the Elma Ross Public Library can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Brownsville – Haywood County
Emergency Management Agency
City Hall
Brownsville, TN 38012

Brownsville – Haywood County
Rescue Squad
P.O. Box 668
111 N. Washington
Brownsville, TN 38012

HTL Advantage
1469 South Main Street
Covington, TN 38019

Elma Ross Public Library
1011 East Main Street
Brownsville, TN 38012

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Haywood County and non-certified employees of the discretely presented Haywood County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 57.99 percent and the non-certified employees of the discretely presented school department comprised 42.01 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the

CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	269
Inactive Employees Entitled to But Not Yet Receiving Benefits	324
Active Employees	337
Total	930

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are noncontributory. Haywood County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2021, the employer contribution for Haywood County was \$1,052,514 based on a rate of 9.81 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Haywood County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Haywood County’s net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
			100	%
Total				

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2019	\$ 43,324,684	\$ 45,731,286	\$ (2,406,602)
Changes for the Year:			
Service Cost	\$ 764,840	\$ 0	\$ 764,840
Interest	3,124,683	0	3,124,683
Differences Between Expected and Actual Experience	(574,587)	0	(574,587)
Contributions-Employer	0	988,673	(988,673)
Net Investment Income	0	2,243,038	(2,243,038)
Benefit Payments, Including Refunds of Employee Contributions	(1,980,896)	(1,980,896)	0
Administrative Expense	0	(26,903)	26,903
Net Changes	\$ 1,334,040	\$ 1,223,912	\$ 110,128
Balance, June 30, 2020	\$ 44,658,724	\$ 46,955,198	\$ (2,296,474)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	57.99%	\$ 25,897,594	\$ 27,229,319	\$ (1,331,725)
School Department	42.01%	18,761,130	19,725,879	(964,749)
Total		\$ 44,658,724	\$ 46,955,198	\$ (2,296,474)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Haywood County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

Haywood County	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
----------------	-------------------------	--------------------------------------	-------------------------

Net Pension Liability (Asset) \$ 3,192,749 \$ (2,296,474) \$ (6,896,758)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, Haywood County recognized pension expense of \$490,232.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, Haywood County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 562,892
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	325,451	0
Changes in Assumptions	195,023	0
Contributions Subsequent to the Measurement Date of June 30, 2020 (1)	1,052,514	N/A
Total	\$ 1,572,988	\$ 562,892

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2020,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 899,279	\$ 326,421
School Department	673,709	236,471
Total	<u>\$ 1,572,988</u>	<u>\$ 562,892</u>

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

Year Ending June 30	Amount
2022	\$ (154,818)
2023	(38,592)
2024	58,810
2025	92,182
2026	0
Thereafter	0

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

Discretely Presented Haywood County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Haywood County and non-certified employees of the discretely presented Haywood County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 57.99 percent and the non-certified employees of the discretely presented school department comprised 42.01 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2021, to the Teacher Retirement Plan were \$95,287, which is 2.02 percent of covered payroll. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2021, the school department reported a liability (asset) of (\$167,201) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was .294036 percent. The proportion as of June 30, 2019, was .291465 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, the school department recognized pension expense of \$66,975.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,212	\$ 41,900
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	13,621	0
Changes in Assumptions	5,243	0
Changes in Proportion of Net Pension Liability (Asset)	7,216	15,182
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	95,287	N/A
Total	<u>\$ 127,579</u>	<u>\$ 57,082</u>

The school department's employer contributions of \$95,287, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ (2,002)
2023	(33)
2024	970
2025	1,256
2026	(3,357)
Thereafter	(21,624)

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

Actuarial Assumptions. The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	5.69	%	31	%
International Equity Emerging Market	5.29		14	
International Equity Private Equity and Strategic Lending	6.36		4	
U.S. Fixed Income	5.79		20	
Real Estate	2.01		20	
Short-term Securities	4.32		10	
	0.00		1	
Total			100	%

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%

Net Pension Liability (Asset) \$ 130,054 \$ (167,201) \$ (386,315)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Haywood County School Department for the year ended June 30, 2021, to the Teacher Legacy Pension Plan were \$971,937, which is 10.27 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2021, the school department reported a liability (asset) of (\$2,132,531) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was .279649 percent. The proportion measured at June 30, 2019, was .294507 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, the school department recognized (negative pension expense) of (\$57,544).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 81,069	\$ 1,025,283
Changes in Assumptions	193,731	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	476,279	0
Changes in Proportion of Net Pension Liability (Asset)	41,443	25,164
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	971,937	N/A
Total	<u>\$ 1,764,459</u>	<u>\$ 1,050,447</u>

The school department's employer contributions of \$971,937 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ (541,913)
2023	(62,121)
2024	30,608
2025	315,501
2026	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	5.69	%	31	%
International Equity Emerging Market	5.29		14	
International Equity Private Equity and Strategic Lending	6.36		4	
U.S. Fixed Income Real Estate	5.79		20	
	2.01		20	
	4.32		10	
Short-term Securities	0.00		1	
Total			100	%

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability (Asset) \$ 6,632,125 \$ (2,132,531) \$ (9,400,490)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$227,229 and teachers contributed \$39,879 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

The discretely presented Haywood County School Department provides OPEB benefits to its retirees under the state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pools

The school department provides healthcare benefits to its retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the school department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The school department's total OPEB liability for each plan was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.1%
Salary Increases	Salary increases used in the July 1, 2020, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	2.21%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 9.02% for pre-65 retirees in the 2021 calendar year, and decreasing annually over a 10-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed below

The discount rate was 2.21%, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2020, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2020, valuations were the same as those employed in the July 1, 2019, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

Changes in Assumptions. The discount rate changed from 3.51 percent as of the beginning of the measurement period to 2.21 percent as of the

measurement date of June 30, 2020. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2021 plan year was revised from 6.03 percent to 9.02 percent. The assumed long term inflation rate was changed from 2.2 percent to 2.1 percent.

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

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

Benefits Provided. The Haywood County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-301, *TCA*, establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Haywood County School Department does not provide a direct subsidy and is only subject to the implicit rate. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	12
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	285
 Total	 <u><u>297</u></u>

A state insurance committee, created in accordance with Section 8-27-301, TCA, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the Haywood County School Department paid \$67,579 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Haywood School Department 67.0853%	State of TN 32.9147%	Total OPEB Liability
Balance July 1, 2019	\$ 1,723,672	\$ 898,573	\$ 2,622,245
Changes for the Year:			
Service Cost	\$ 100,209	\$ 49,166	\$ 149,375
Interest	63,897	31,351	95,248
Difference between Expected and Actuarial Experience	158,187	77,613	235,800
Changes in Proportion	35,467	(35,467)	0
Changes in Assumption and Other Inputs	267,175	131,087	398,262
Benefit Payments	(78,516)	(38,523)	(117,039)
Net Changes	<u>\$ 546,420</u>	<u>\$ 215,226</u>	<u>\$ 761,646</u>
Balance June 30, 2020	<u>\$ 2,270,092</u>	<u>\$ 1,113,799</u>	<u>\$ 3,383,891</u>

The Haywood County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Haywood County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$72,915 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Haywood County School Department's proportionate share of the collective OPEB liability was 67.0853 percent and the State of Tennessee's share was 32.9147 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the school department recognized OPEB expense of \$237,709, including the state's share of the expense. At June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 419,458	\$ 533,466
Changes of Assumptions/Inputs	277,718	170,679
Changes in Proportion	51,430	9,129
Benefits Paid After the Measurement Date of June 30, 2020	67,579	0
Total	<u>\$ 816,185</u>	<u>\$ 713,274</u>

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

Year Ending June 30	School Department
2022	\$ 688
2023	688
2024	688
2025	688
2026	688
Thereafter	31,892

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	1.21%	2.21%	3.21%

Proportionate Share of the Collective Total OPEB Liability	\$ 2,448,507	\$ 2,270,092	\$ 2,099,490
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Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rate	1% Increase
	8.02 to 3.5%	9.02 to 4.5%	10.02 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 1,992,963	\$ 2,270,092	\$ 2,599,989
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H. **Purchasing Laws**

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*. This act provides for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of Chief Administrative Highway Officer

Purchasing procedures for the highway department are governed by provisions of Chapter 24, Private Acts of 1991, as amended and Section 54-7-113, *TCA* (Uniform Road Law), which requires all purchases exceeding \$10,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

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

VI. OTHER NOTES – DISCRETELY PRESENTED HAYWOOD COUNTY UTILITY DISTRICT

A. Summary of Significant Accounting Policies

1. Reporting Entity

The Haywood County Utility District was incorporated pursuant to a resolution of the Haywood County Commission dated July 17, 1997, and pursuant to Section 7-82-101, *Tennessee Code Annotated*, also known as “The Utility District Law of 1937.” The district is considered a component unit of Haywood County, Tennessee, because the three-member board is appointed by the county. The district was constructed with grants received through the county and is held accountable to the county.

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district’s financial statements are reported using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The accounting policies of the district conform to applicable accounting principles generally accepted in the United States of America for governmental units as defined by the Governmental Accounting Standards Board (GASB).

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the

proprietary fund's principal ongoing operations. The principal operating revenues of the district are charges for sales to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

3. Assets, Liabilities, and Equity

a. Deposits and Investments

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the district to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations guaranteed by the U.S. government or its agencies, repurchase agreements, and the state's investment pool.

b. Accounts Receivable

Trade receivables result from unpaid billings for water service to customers. The billings and collections for the district are prepared and collected by Brownsville Energy Authority. Brownsville Energy Authority remits to the district the entire amount of the billings on a monthly basis. Therefore, an allowance for uncollectible accounts receivable is considered unnecessary at this time as the risk of loss is entirely with Brownsville Energy Authority.

c. Capital Assets

Capital assets, which include property, plant, equipment, and construction in process, are defined by the district as assets with an initial, individual cost of more than \$100 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Assets acquired through contributions from developers or other customers are capitalized at their estimated fair market 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. Interest incurred

during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the district are depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Distribution Plant	33-50

d. Compensated Absences

The district does not have any employees on staff. The district pays a set monthly fee to Brownsville Energy Authority for the use of their employees. Therefore, no compensated absences are recorded.

e. Net Position

Equity is classified as net position and displayed in the following two components:

- 1.) Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds that are attributable to the acquisition, construction, or improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination.
- 2.) Unrestricted – All other net position that does not meet the description of the above category.

f. Net Position Flow Assumption

Sometimes the district will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the district's policy to consider restricted net position to have been depleted before unrestricted net position is applied

B. Stewardship, Compliance, and Accountability

Budgetary Information

The district does not adopt a formal budget.

C. Detailed Notes

1. Deposits and Investments

Custodial Credit Risk – The district’s policies limit deposits and investments to those instruments allowed by applicable state laws and are described below. State statute requires that all deposits with financial institutions be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the district’s agent in the district’s name, or by the Federal Reserve Banks acting as third-party agents. State statutes also authorize the district to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificated of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, and the state pooled investment fund. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2021, the district had no risk exposure.

2. Receivables

Receivables as of June 30, 2021, consisted of the following:

	<u>Balance</u> <u>6-30-21</u>
Billed Services for Utility Customers	\$36,145

3. Capital Assets

Capital assets activity during the year was as follows:

Description	Balance 7-1-20	Additions	Balance 6-30-21
Capital Assets, Not Depreciated	\$ 18,401	\$ 0	\$ 18,401
Capital Assets, Depreciated	\$ 5,220,215	\$ 0	\$ 5,220,215
Less Accumulated Depreciation	\$ 2,492,431	\$ 122,028	\$ 2,614,459
Total Capital Assets, Depreciated, Net	\$ 2,727,784	\$ (122,028)	\$ 2,605,756
Total Capital Assets, Net	\$ 2,746,185	\$ (122,028)	\$ 2,624,157

4. Net Position

Net position represents the difference between assets and liabilities and deferred outflows/inflows of resources (if present). The net position amounts were as follows:

	Balance 6-30-21
Net Investment in Capital Assets:	
Net Property, Plant and Equipment in Services	\$ 2,624,157
Unrestricted	898,859
Total Net Position	\$ 3,523,016

D. Other Information

1. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2021, the district did not purchase any insurance. The district contracts with Brownsville Energy Authority for services necessary to operate and maintain the district. No settled claims have been incurred in any of the above-mentioned risk categories during the past three years, and there has been no significant reduction in the coverage provided.

2. Credit Risk

The district provided water services for residents and commercial customers in a portion of Haywood County, Tennessee.

3. Subsequent Event

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the district's financial condition and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the district is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022. Management has evaluated subsequent events through the date in which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability							
Service Cost	\$ 737,120	\$ 773,505	\$ 763,961	\$ 748,793	\$ 806,172	\$ 763,547	\$ 764,840
Interest	2,403,909	2,526,922	2,728,270	2,755,676	2,866,816	2,997,074	3,124,683
Differences Between Actual and Expected Experience	(400,316)	631,682	(1,712,912)	(145,032)	(61,570)	(82,642)	(574,587)
Changes in Assumptions	0	0	0	975,111	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,098,340)	(1,175,533)	(1,300,318)	(1,497,132)	(1,686,850)	(1,857,405)	(1,980,896)
Net Change in Total Pension Liability	\$ 1,642,373	\$ 2,756,576	\$ 479,001	\$ 2,837,416	\$ 1,924,568	\$ 1,820,574	\$ 1,334,040
Total Pension Liability, Beginning	31,864,176	33,506,549	36,263,125	36,742,126	39,579,542	41,504,110	43,324,684
Total Pension Liability, Ending (a)	\$ 33,506,549	\$ 36,263,125	\$ 36,742,126	\$ 39,579,542	\$ 41,504,110	\$ 43,324,684	\$ 44,658,724
Plan Fiduciary Net Position							
Contributions - Employer	\$ 1,106,526	\$ 1,148,081	\$ 1,148,661	\$ 1,290,623	\$ 936,291	\$ 947,703	\$ 988,673
Contributions - Employee	365	4,712	266	(266)	0	0	0
Net Investment Income	4,990,442	1,081,152	956,934	4,173,475	3,361,364	3,201,630	2,243,038
Benefit Payments, Including Refunds of Employee Contributions	(1,098,340)	(1,175,533)	(1,300,318)	(1,497,132)	(1,686,850)	(1,857,405)	(1,980,896)
Administrative Expense	(14,541)	(17,390)	(21,797)	(29,328)	(29,660)	(27,379)	(26,903)
Net Change in Plan Fiduciary Net Position	\$ 4,984,452	\$ 1,041,022	\$ 783,746	\$ 3,937,372	\$ 2,581,145	\$ 2,264,549	\$ 1,223,912
Plan Fiduciary Net Position, Beginning	30,139,000	35,123,452	36,164,474	36,948,220	40,885,592	43,466,737	45,731,286
Plan Fiduciary Net Position, Ending (b)	\$ 35,123,452	\$ 36,164,474	\$ 36,948,220	\$ 40,885,592	\$ 43,466,737	\$ 45,731,286	\$ 46,955,198
Net Pension Liability (Asset), Ending (a - b)	\$ (1,616,903)	\$ 98,651	\$ (206,094)	\$ (1,306,050)	\$ (1,962,627)	\$ (2,406,602)	\$ (2,296,474)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.83%	99.73%	100.56%	103.30%	104.73%	105.55%	105.14%
Covered Payroll	\$ 9,228,853	\$ 9,363,104	\$ 9,369,174	\$ 10,316,731	\$ 9,362,903	\$ 9,477,028	\$ 9,886,713
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(17.52)%	1.05%	(2.2)%	(12.66)%	(20.96)%	(25.39)%	(23.23)%

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

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

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,106,526	\$ 1,148,081	\$ 1,148,661	\$ 1,264,831	\$ 907,265	\$ 918,324	\$ 969,888	\$ 1,052,514
Less Contributions in Relation to the Actuarially Determined Contribution	(1,106,526)	(1,148,081)	(1,148,661)	(1,290,623)	(936,291)	(947,703)	(988,673)	(1,052,514)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	(25,792)	(29,026)	(29,379)	(18,785)	0
Covered Payroll	\$ 9,228,853	\$ 9,363,104	\$ 9,369,174	\$ 10,316,731	\$ 9,362,903	\$ 9,477,028	\$ 9,886,713	\$ 10,728,731
Contributions as a Percentage of Covered Payroll	11.99%	12.26%	12.26%	12.51%	10.00%	10.00%	10.00%	9.81%

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

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

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 33,533	\$ 50,543	\$ 72,550	\$ 36,361	\$ 59,385	\$ 75,323	\$ 95,287
Less Contributions in Relation to the Contractually Required Contribution	(33,533)	(50,543)	(72,550)	(89,189)	(59,385)	(75,323)	(95,287)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (52,828)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 838,318	\$ 1,263,579	\$ 1,813,746	\$ 2,229,736	\$ 3,084,287	\$ 3,710,472	\$ 4,717,200
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 1,152,098	\$ 1,118,964	\$ 1,060,737	\$ 1,006,734	\$ 993,504	\$ 1,032,949	\$ 989,382	\$ 971,937
Less Contributions in Relation to the Contractually Required Contribution	(1,152,098)	(1,118,964)	(1,060,737)	(1,006,734)	(993,504)	(1,032,949)	(989,382)	(971,937)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 12,974,081	\$ 12,377,932	\$ 11,733,832	\$ 11,136,453	\$ 10,941,670	\$ 9,875,217	\$ 9,307,440	\$ 9,464,112
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%

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

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020
School Department's Proportion of the Net Pension Liability (Asset)	0.395149%	0.287174%	0.276343%	0.255153%	0.291465%	0.294036%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (16,232)	\$ (29,896)	\$ (72,909)	\$ (115,719)	\$ (164,528)	\$ (167,201)
Covered Payroll	\$ 838,318	\$ 1,263,579	\$ 1,813,746	\$ 2,229,736	\$ 3,084,287	\$ 3,710,472
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019	2020
School Department's Proportion of the Net Pension Liability (Asset)	0.330551%	0.330651%	0.325054%	0.315038%	0.312470%	0.294507%	0.279649%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (53,713)	\$ 135,446	\$ 2,031,410	\$ (103,077)	\$ (1,099,555)	\$ (3,028,057)	\$ (2,132,531)
Covered Payroll	\$ 12,974,081	\$ 12,377,932	\$ 11,733,832	\$ 11,136,453	\$ 10,941,670	\$ 9,875,217	\$ 9,307,440
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%

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

Exhibit F-7

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

	2017	2018	2019	2020
Total OPEB Liability				
Service Cost	\$ 198,875	\$ 183,494	\$ 146,746	\$ 149,375
Interest	96,190	115,175	83,221	95,248
Differences Between Actual and Expected Experience	0	(1,105,028)	527,260	235,800
Changes in Assumptions or Other Inputs	(145,244)	82,520	(211,635)	398,262
Benefit Payments	(183,623)	(203,104)	(149,714)	(117,039)
Net Change in Total OPEB Liability	\$ (33,802)	\$ (926,943)	\$ 395,878	\$ 761,646
Total OPEB Liability, Beginning	3,187,112	3,153,310	2,226,367	2,622,245
Total OPEB Liability, Ending	\$ 3,153,310	\$ 2,226,367	\$ 2,622,245	\$ 3,383,891
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,085,593	\$ 775,524	\$ 898,573	\$ 1,113,799
Employer Proportionate Share of the Total OPEB Liability	2,067,717	1,450,843	1,723,672	2,270,092
Covered Employee Payroll	\$ 14,991,190	\$ 13,883,955	\$ 13,495,071	\$ 14,102,572
Net OPEB Liability as a Percentage of Covered Employee Payroll	13.79%	10.45%	12.77%	16.10%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%

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

HAYWOOD COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2021 were calculated based on the June 30, 2019, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation Averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustments	2.25%

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

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Haywood County’s garbage collection operations.

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

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

Capital Projects Funds

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

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

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for revenues received from public works grants provided for community development projects.

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for revenues received from grants provided for housing projects.

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

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for revenues provided for an industrial park project.

Exhibit G-1

Haywood County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2021

	Special Revenue Funds				Capital Projects Funds	
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects	Community Development/ Industrial Park
<u>ASSETS</u>						
Cash	\$ 1,000	\$ 0	\$ 52,147	\$ 53,147	\$ 0	\$ 0
Equity in Pooled Cash and Investments	241,156	61,529	0	302,685	542,850	15,719
Accounts Receivable	51,209	0	0	51,209	0	0
Due from Other Governments	525	0	0	525	0	0
Due from Other Funds	41,067	0	0	41,067	20,000	0
Total Assets	\$ 334,957	\$ 61,529	\$ 52,147	\$ 448,633	\$ 562,850	\$ 15,719
<u>LIABILITIES</u>						
Accounts Payable	\$ 634	\$ 0	\$ 0	\$ 634	\$ 7,000	\$ 0
Payroll Deductions Payable	243	0	0	243	0	0
Retainage Payable	0	0	0	0	55	0
Due to Other Funds	18,051	0	16,230	34,281	0	74,677
Due to State of Tennessee	45	0	0	45	0	0
Total Liabilities	\$ 18,973	\$ 0	\$ 16,230	\$ 35,203	\$ 7,055	\$ 74,677
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 61,529	\$ 0	\$ 61,529	\$ 0	\$ 0
Restricted for Capital Projects	0	0	0	0	0	0
Restricted for Other Purposes	0	0	0	0	0	0
Committed:						
Committed for Finance	0	0	35,917	35,917	0	0

(Continued)

Exhibit G-1

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

	Special Revenue Funds				Capital Projects Funds	
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects	Community Development/ Industrial Park
<u>FUND BALANCES (Cont.)</u>						
Committed (Cont.):						
Committed for Public Health and Welfare	\$ 315,984	\$ 0	\$ 0	\$ 315,984	\$ 0	\$ 0
Committed for Capital Outlay	0	0	0	0	0	0
Committed for Capital Projects	0	0	0	0	555,795	0
Unassigned	0	0	0	0	0	(58,958)
Total Fund Balances	<u>\$ 315,984</u>	<u>\$ 61,529</u>	<u>\$ 35,917</u>	<u>\$ 413,430</u>	<u>\$ 555,795</u>	<u>\$ (58,958)</u>
Total Liabilities and Fund Balances	<u>\$ 334,957</u>	<u>\$ 61,529</u>	<u>\$ 52,147</u>	<u>\$ 448,633</u>	<u>\$ 562,850</u>	<u>\$ 15,719</u>

(Continued)

Exhibit G-1

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

	<u>Capital Projects Funds (Cont.)</u>				Total
	HUD Grant Projects	Education Capital Projects	Other Capital Projects	Total	Nonmajor Governmental Funds
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	53,147
Equity in Pooled Cash and Investments	7,503	1,411	88,969	656,452	959,137
Accounts Receivable	0	0	0	0	51,209
Due from Other Governments	0	0	0	0	525
Due from Other Funds	0	0	0	20,000	61,067
Total Assets	<u>\$ 7,503</u>	<u>\$ 1,411</u>	<u>\$ 88,969</u>	<u>\$ 676,452</u>	<u>\$ 1,125,085</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	7,000	7,634
Payroll Deductions Payable	0	0	0	0	243
Retainage Payable	0	0	0	55	55
Due to Other Funds	0	52,000	0	126,677	160,958
Due to State of Tennessee	0	0	0	0	45
Total Liabilities	<u>\$ 0</u>	<u>\$ 52,000</u>	<u>\$ 0</u>	<u>\$ 133,732</u>	<u>\$ 168,935</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 0	61,529
Restricted for Capital Projects	0	40,161	0	40,161	40,161
Restricted for Other Purposes	7,503	0	0	7,503	7,503
Committed:					
Committed for Finance	0	0	0	0	35,917

(Continued)

Exhibit G-1

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

FUND BALANCES (Cont.)

Committed (Cont.):

Committed for Public Health and Welfare

Committed for Capital Outlay

Committed for Capital Projects

Unassigned

Total Fund Balances

Total Liabilities and Fund Balances

<u>Capital Projects Funds (Cont.)</u>					Total Nonmajor Governmental Funds
HUD Grant Projects	Education Capital Projects	Other Capital Projects	Total		
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	315,984
0	0	88,969	88,969	88,969	88,969
0	0	0	555,795	555,795	555,795
0	(90,750)	0	(149,708)	(149,708)	(149,708)
<u>\$ 7,503</u>	<u>\$ (50,589)</u>	<u>\$ 88,969</u>	<u>\$ 542,720</u>	<u>\$ 956,150</u>	
<u>\$ 7,503</u>	<u>\$ 1,411</u>	<u>\$ 88,969</u>	<u>\$ 676,452</u>	<u>\$ 1,125,085</u>	

Exhibit G-2

Haywood County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				Capital Projects Funds	
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects	Community Development/ Industrial Park
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 0	\$ 42,122	\$ 0	\$ 42,122	\$ 0	\$ 0
Charges for Current Services	701,431	0	5,217	706,648	0	0
Other Local Revenues	41,935	2,425	0	44,360	0	0
State of Tennessee	44,380	0	0	44,380	0	0
Federal Government	0	0	0	0	779,608	22,978
Other Governments and Citizens Groups	0	0	0	0	0	0
Total Revenues	\$ 787,746	\$ 44,547	\$ 5,217	\$ 837,510	\$ 779,608	\$ 22,978
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 3,327	\$ 3,327	\$ 0	\$ 0
Public Safety	0	11,893	0	11,893	0	0
Public Health and Welfare	691,558	0	0	691,558	0	0
Other Operations	76,830	0	0	76,830	0	0
Debt Service:						
Principal on Debt	29,710	0	0	29,710	0	0
Interest on Debt	8,461	0	0	8,461	0	0
Capital Projects	0	0	0	0	819,913	22,978
Total Expenditures	\$ 806,559	\$ 11,893	\$ 3,327	\$ 821,779	\$ 819,913	\$ 22,978
Excess (Deficiency) of Revenues Over Expenditures	\$ (18,813)	\$ 32,654	\$ 1,890	\$ 15,731	\$ (40,305)	\$ 0

(Continued)

Exhibit G-2

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

	Special Revenue Funds				Capital Projects Funds	
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects	Community Development/ Industrial Park
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 285,000	\$ 0	\$ 0	\$ 285,000	\$ 0	\$ 0
Insurance Recovery	9,802	0	0	9,802	0	0
Transfers In	0	0	0	0	500,000	0
Transfers Out	(190,000)	0	0	(190,000)	(159,788)	0
Total Other Financing Sources (Uses)	<u>\$ 104,802</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 104,802</u>	<u>\$ 340,212</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 85,989	\$ 32,654	\$ 1,890	\$ 120,533	\$ 299,907	\$ 0
Fund Balance, July 1, 2020	229,995	28,875	34,027	292,897	255,888	(58,958)
Fund Balance, June 30, 2021	<u>\$ 315,984</u>	<u>\$ 61,529</u>	<u>\$ 35,917</u>	<u>\$ 413,430</u>	<u>\$ 555,795</u>	<u>\$ (58,958)</u>

(Continued)

Exhibit G-2

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

	Capital Projects Funds (Cont.)				Total Nonmajor Governmental Funds
	HUD Grant Projects	Education Capital Projects	Other Capital Projects	Total	
<u>Revenues</u>					
Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	42,122
Charges for Current Services	0	0	0	0	706,648
Other Local Revenues	0	296	45,171	45,467	89,827
State of Tennessee	0	0	0	0	44,380
Federal Government	4,500	0	0	807,086	807,086
Other Governments and Citizens Groups	0	0	10,000	10,000	10,000
Total Revenues	\$ 4,500	\$ 296	\$ 55,171	\$ 862,553	\$ 1,700,063
<u>Expenditures</u>					
Current:					
Finance	\$ 0	\$ 0	\$ 0	\$ 0	3,327
Public Safety	0	0	0	0	11,893
Public Health and Welfare	0	0	0	0	691,558
Other Operations	0	0	0	0	76,830
Debt Service:					
Principal on Debt	0	0	0	0	29,710
Interest on Debt	0	0	0	0	8,461
Capital Projects	0	158,288	9,596	1,010,775	1,010,775
Total Expenditures	\$ 0	\$ 158,288	\$ 9,596	\$ 1,010,775	\$ 1,832,554
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,500	\$ (157,992)	\$ 45,575	\$ (148,222)	\$ (132,491)

(Continued)

Exhibit G-2

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

	<u>Capital Projects Funds (Cont.)</u>				Total
	HUD Grant Projects	Education Capital Projects	Other Capital Projects	Total	Nonmajor Governmental Funds
<u>Other Financing Sources (Uses)</u>					
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	285,000
Insurance Recovery	0	0	0	0	9,802
Transfers In	0	159,788	0	659,788	659,788
Transfers Out	0	0	0	(159,788)	(349,788)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 159,788</u>	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>\$ 604,802</u>
Net Change in Fund Balances	\$ 4,500	\$ 1,796	\$ 45,575	\$ 351,778	\$ 472,311
Fund Balance, July 1, 2020	3,003	(52,385)	43,394	190,942	483,839
Fund Balance, June 30, 2021	<u>\$ 7,503</u>	<u>\$ (50,589)</u>	<u>\$ 88,969</u>	<u>\$ 542,720</u>	<u>\$ 956,150</u>

Exhibit G-3

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 701,431	\$ 640,000	\$ 640,000	\$ 61,431
Other Local Revenues	41,935	0	0	41,935
State of Tennessee	44,380	44,200	44,200	180
Total Revenues	<u>\$ 787,746</u>	<u>\$ 684,200</u>	<u>\$ 684,200</u>	<u>\$ 103,546</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Waste Pickup	\$ 691,558	\$ 416,205	\$ 681,312	\$ (10,246)
<u>Other Operations</u>				
Other Charges	20,447	20,425	20,425	(22)
Employee Benefits	56,383	58,404	58,863	2,480
<u>Principal on Debt</u>				
General Government	29,710	0	29,710	0
<u>Interest on Debt</u>				
General Government	8,461	0	8,461	0
Total Expenditures	<u>\$ 806,559</u>	<u>\$ 495,034</u>	<u>\$ 798,771</u>	<u>\$ (7,788)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (18,813)</u>	<u>\$ 189,166</u>	<u>\$ (114,571)</u>	<u>\$ 95,758</u>
<u>Other Financing Sources (Uses)</u>				
Capital Leases Issued	\$ 285,000	\$ 0	\$ 285,000	\$ 0
Insurance Recovery	9,802	0	0	9,802
Transfers Out	(190,000)	(180,000)	(230,000)	40,000
Total Other Financing Sources	<u>\$ 104,802</u>	<u>\$ (180,000)</u>	<u>\$ 55,000</u>	<u>\$ 49,802</u>
Net Change in Fund Balance	\$ 85,989	\$ 9,166	\$ (59,571)	\$ 145,560
Fund Balance, July 1, 2020	<u>229,995</u>	<u>111,763</u>	<u>111,763</u>	<u>118,232</u>
Fund Balance, June 30, 2021	<u>\$ 315,984</u>	<u>\$ 120,929</u>	<u>\$ 52,192</u>	<u>\$ 263,792</u>

Exhibit G-4

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 42,122	\$ 22,600	\$ 22,600	\$ 19,522
Other Local Revenues	2,425	0	0	2,425
Total Revenues	<u>\$ 44,547</u>	<u>\$ 22,600</u>	<u>\$ 22,600</u>	<u>\$ 21,947</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 11,893	\$ 7,850	\$ 12,850	\$ 957
Total Expenditures	<u>\$ 11,893</u>	<u>\$ 7,850</u>	<u>\$ 12,850</u>	<u>\$ 957</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 32,654</u>	<u>\$ 14,750</u>	<u>\$ 9,750</u>	<u>\$ 22,904</u>
Net Change in Fund Balance	\$ 32,654	\$ 14,750	\$ 9,750	\$ 22,904
Fund Balance, July 1, 2020	<u>28,875</u>	<u>28,757</u>	<u>28,757</u>	<u>118</u>
Fund Balance, June 30, 2021	<u><u>\$ 61,529</u></u>	<u><u>\$ 43,507</u></u>	<u><u>\$ 38,507</u></u>	<u><u>\$ 23,022</u></u>

Major Governmental Fund

General Debt Service Fund

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Exhibit H

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,423,551	\$ 1,457,691	\$ 1,457,691	\$ (34,140)
Other Local Revenues	25,489	230,000	230,000	(204,511)
State of Tennessee	54,182	60,000	60,000	(5,818)
Federal Government	0	95,425	95,425	(95,425)
Other Governments and Citizens Groups	636,214	237,217	355,988	280,226
Total Revenues	<u>\$ 2,139,436</u>	<u>\$ 2,080,333</u>	<u>\$ 2,199,104</u>	<u>\$ (59,668)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,207,446	\$ 1,373,462	\$ 1,207,446	\$ 0
Education	608,220	271,657	608,220	0
<u>Interest on Debt</u>				
General Government	283,322	524,710	396,739	113,417
Education	112,012	37,520	122,715	10,703
<u>Other Debt Service</u>				
General Government	24,510	36,100	27,100	2,590
Total Expenditures	<u>\$ 2,235,510</u>	<u>\$ 2,243,449</u>	<u>\$ 2,362,220</u>	<u>\$ 126,710</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (96,074)</u>	<u>\$ (163,116)</u>	<u>\$ (163,116)</u>	<u>\$ 67,042</u>
Net Change in Fund Balance	\$ (96,074)	\$ (163,116)	\$ (163,116)	\$ 67,042
Fund Balance, July 1, 2020	<u>1,815,267</u>	<u>1,734,374</u>	<u>1,734,374</u>	<u>80,893</u>
Fund Balance, June 30, 2021	<u>\$ 1,719,193</u>	<u>\$ 1,571,258</u>	<u>\$ 1,571,258</u>	<u>\$ 147,935</u>

Custodial Funds

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

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

Joint Venture Fund – The Joint Venture Fund is used to account for funding received primarily from Haywood County and the city of Brownsville for an emergency management agency.

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

Exhibit I-1

Haywood County, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2021

	Custodial Funds			
	Cities - Sales Tax	Joint Venture	Constitu - tional Officers - Custodial	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 801,032	\$ 801,032
Equity in Pooled Cash and Investments	0	93,109	0	93,109
Accounts Receivable	0	6,838	14,032	20,870
Due from Other Governments	352,631	0	0	352,631
Due from Other Funds	0	2,070	0	2,070
Total Assets	<u>\$ 352,631</u>	<u>\$ 102,017</u>	<u>\$ 815,064</u>	<u>\$ 1,269,712</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 4,453	\$ 0	\$ 4,453
Due to Other Funds	0	2,491	0	2,491
Due to Other Taxing Units	352,631	0	0	352,631
Total Liabilities	<u>\$ 352,631</u>	<u>\$ 6,944</u>	<u>\$ 0</u>	<u>\$ 359,575</u>
Total Deferred Inflows				
<u>NET POSITION</u>				
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 95,073</u>	<u>\$ 815,064</u>	<u>\$ 910,137</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 95,073</u>	<u>\$ 815,064</u>	<u>\$ 910,137</u>

Exhibit I-2

Haywood County, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2021

	Custodial Funds			
	Cities - Sales Tax	Joint Venture	Constitu - tional Officers - Custodial	Total
<u>Additions</u>				
Sales Tax Collections for Other Governments	\$ 2,031,439	\$ 0	\$ 0	\$ 2,031,439
Joint Venture Collections	0	187,945	0	187,945
Fines/Fees and Other Collections	0	0	5,167,523	5,167,523
Total Additions	\$ 2,031,439	\$ 187,945	\$ 5,167,523	\$ 7,386,907
<u>Deductions</u>				
Payment of Sales Tax Collections for Other Governments	\$ 2,031,439	\$ 0	\$ 0	\$ 2,031,439
Payment of Emergency Management Agency Expenses	0	111,420	0	111,420
Payments to State	0	0	1,986,737	1,986,737
Payments to Cities, Individuals, and Others	0	0	2,948,962	2,948,962
Total Deductions	\$ 2,031,439	\$ 111,420	\$ 4,935,699	\$ 7,078,558
Change in Net Position	\$ 0	\$ 76,525	\$ 231,824	\$ 308,349
Net Position July 1, 2020	0	0	0	0
Restatement - See Note I.D.9.	0	18,548	583,240	601,788
Net Position June 30, 2021	\$ 0	\$ 95,073	\$ 815,064	\$ 910,137

Haywood County School Department

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

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

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

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

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

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

Exhibit J-1

Haywood County, Tennessee
Statement of Activities
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 19,151,343	\$ 7,156	\$ 5,019,881	\$ 0	\$ (14,124,306)
Support Services	11,357,287	0	1,362,203	140,675	(9,854,409)
Operation of Non-instructional Services	3,303,484	12,279	3,472,316	0	181,111
Total Governmental Activities	\$ 33,812,114	\$ 19,435	\$ 9,854,400	\$ 140,675	\$ (23,797,604)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 3,977,998
Local Option Sales Taxes					2,314,440
Wheel Tax					291,078
Other Local Taxes					24,263
Grants and Contributions Not Restricted to Specific Programs					17,017,463
Miscellaneous					23,848
Total General Revenues					\$ 23,649,090
Change in Net Position					\$ (148,514)
Net Position, July 1, 2020					23,442,476
Restatement - See Note I.D.9.					434,408
Net Position, June 30, 2021					\$ 23,728,370

Exhibit J-2

Haywood County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Haywood County School Department
June 30, 2021

	Major Funds		Nonmajor	Total
	General Purpose School	School Federal Projects	Funds Other Govern-mental Funds	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 451,865	\$ 451,865
Equity in Pooled Cash and Investments	4,813,745	59,895	766,047	5,639,687
Accounts Receivable	10,608	0	0	10,608
Due from Other Governments	590,146	270,559	98,515	959,220
Property Taxes Receivable	4,190,254	0	0	4,190,254
Allowance for Uncollectible Property Taxes	(106,708)	0	0	(106,708)
Restricted Assets	269,319	0	0	269,319
Total Assets	<u>\$ 9,767,364</u>	<u>\$ 330,454</u>	<u>\$ 1,316,427</u>	<u>\$ 11,414,245</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 42,440	\$ 0	\$ 0	\$ 42,440
Accrued Payroll	722,497	73,702	0	796,199
Payroll Deductions Payable	520,224	56,751	7,886	584,861
Retainage Payable	0	0	1,328	1,328
Total Liabilities	<u>\$ 1,285,161</u>	<u>\$ 130,453</u>	<u>\$ 9,214</u>	<u>\$ 1,424,828</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 4,014,281	\$ 0	\$ 0	\$ 4,014,281
Deferred Delinquent Property Taxes	26,644	0	0	26,644
Other Deferred/Unavailable Revenue	298,892	24,289	0	323,181
Total Deferred Inflows of Resources	<u>\$ 4,339,817</u>	<u>\$ 24,289</u>	<u>\$ 0</u>	<u>\$ 4,364,106</u>

(Continued)

Exhibit J-2

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

	Major Funds		Nonmajor	Total
	General Purpose School	School Federal Projects	Funds Other Govern-mental Funds	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 1,174,078	\$ 0	\$ 451,629	\$ 1,625,707
Restricted for Operation of Non-instructional Services	0	0	855,584	855,584
Restricted for Hybrid Retirement Stabilization Funds	269,319	0	0	269,319
Committed:				
Committed for Education	1,203,417	0	0	1,203,417
Assigned:				
Assigned for Education	179,594	175,712	0	355,306
Assigned for Support Services	3,448	0	0	3,448
Unassigned	1,312,530	0	0	1,312,530
Total Fund Balances	<u>\$ 4,142,386</u>	<u>\$ 175,712</u>	<u>\$ 1,307,213</u>	<u>\$ 5,625,311</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,767,364</u>	<u>\$ 330,454</u>	<u>\$ 1,316,427</u>	<u>\$ 11,414,245</u>

Exhibit J-3

Haywood County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
Discretely Presented Haywood County School Department
June 30, 2021

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	5,625,311
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	143,868	
Add: construction in progress		49,675	
Add: buildings and improvements net of accumulated depreciation		13,604,481	
Add: other capital assets net of accumulated depreciation		<u>1,752,617</u>	15,550,641
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: contributions due on primary government debt for capital purposes	\$	(116,454)	
Less: net OPEB liability		<u>(2,270,092)</u>	(2,386,546)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	2,565,747	
Less: deferred inflows of resources related to pensions		(1,344,000)	
Add: deferred outflows of resources related to OPEB		816,185	
Less: deferred inflows of resources related to OPEB		<u>(713,274)</u>	1,324,658
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	964,749	
Add: net pension asset - teacher retirement plan		167,201	
Add: net pension asset - teacher legacy pension plan		<u>2,132,531</u>	3,264,481
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>349,825</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>23,728,370</u></u>

Exhibit J-4

Haywood County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 6,860,277	\$ 0	\$ 0	\$ 6,860,277
Licenses and Permits	665	0	0	665
Charges for Current Services	7,156	0	12,279	19,435
Other Local Revenues	151,228	0	532,419	683,647
State of Tennessee	18,547,284	0	20,895	18,568,179
Federal Government	464,986	5,154,819	1,780,719	7,400,524
Other Governments and Citizens Groups	0	0	96,000	96,000
Total Revenues	<u>\$ 26,031,596</u>	<u>\$ 5,154,819</u>	<u>\$ 2,442,312</u>	<u>\$ 33,628,727</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 15,057,330	\$ 2,870,400	\$ 0	\$ 17,927,730
Support Services	10,126,913	1,479,113	0	11,606,026
Operation of Non-Instructional Services	607,810	526,343	2,189,719	3,323,872
Capital Outlay	4,905	49,675	0	54,580
Debt Service:				
Other Debt Service	349,748	69,467	0	419,215
Capital Projects	0	0	91,000	91,000
Total Expenditures	<u>\$ 26,146,706</u>	<u>\$ 4,994,998</u>	<u>\$ 2,280,719</u>	<u>\$ 33,422,423</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (115,110)</u>	<u>\$ 159,821</u>	<u>\$ 161,593</u>	<u>\$ 206,304</u>

(Continued)

Exhibit J-4

Haywood County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Haywood County School Department (Cont.)

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 100,758	\$ 0	\$ 0	\$ 100,758
Transfers In	184,109	0	0	184,109
Transfers Out	0	(184,109)	0	(184,109)
Total Other Financing Sources (Uses)	<u>\$ 284,867</u>	<u>\$ (184,109)</u>	<u>\$ 0</u>	<u>\$ 100,758</u>
Net Change in Fund Balances	\$ 169,757	\$ (24,288)	\$ 161,593	\$ 307,062
Restatement	0	0	434,408	434,408
Fund Balance, July 1, 2020	<u>3,972,629</u>	<u>200,000</u>	<u>711,212</u>	<u>4,883,841</u>
Fund Balance, June 30, 2021	<u>\$ 4,142,386</u>	<u>\$ 175,712</u>	<u>\$ 1,307,213</u>	<u>\$ 5,625,311</u>

Exhibit J-5

Haywood County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$	307,062
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	555,640	
Less: current-year depreciation expense		<u>(1,220,967)</u>	(665,327)
(2) The net effect of various miscellaneous transactions involving capital assets (Sales, trade-ins, and donations) is to decrease net position.			
Less: donation of capital assets			(1,119,728)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2021	\$	349,825	
Less: deferred delinquent property taxes and other deferred June 30, 2020		<u>(348,665)</u>	1,160
(4) The contributions of long-term debt (e.g., capital leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal contributions on capital lease to primary government			114,181
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in net pension asset - agent plan	\$	(34,953)	
Change in net pension asset - teacher retirement plan		2,673	
Change in net pension asset - teacher legacy pension plan		(895,526)	
Change in deferred outflows related to pensions		332,226	
Change in deferred inflows related to pensions		1,906,933	
Change in net OPEB liability		(546,420)	
Change in deferred outflows related to OPEB		370,111	
Change in deferred inflows related to OPEB		<u>79,094</u>	<u>1,214,138</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ (148,514)</u>

Exhibit J-6

Haywood County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Haywood County School Department
June 30, 2021

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Central Cafeteria</u>	<u>Internal School</u>	<u>Total</u>	<u>Education Capital Projects</u>	
<u>ASSETS</u>					
Cash	\$ 236	\$ 451,629	\$ 399,644	\$ 0	\$ 451,865
Equity in Pooled Cash and Investments	764,719	0	764,719	1,328	766,047
Due from Other Governments	98,515	0	98,515	0	98,515
Total Assets	\$ 863,470	\$ 451,629	\$ 1,262,878	\$ 1,328	\$ 1,316,427
<u>LIABILITIES</u>					
Payroll Deductions Payable	\$ 7,886	\$ 0	\$ 7,886	\$ 0	\$ 7,886
Retainage Payable	0	0	0	1,328	1,328
Total Liabilities	\$ 7,886	\$ 0	\$ 7,886	\$ 1,328	\$ 9,214
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 0	\$ 451,629	\$ 399,408	\$ 0	\$ 451,629
Restricted for Operation of Non-instructional Services	855,584	0	855,584	0	855,584
Total Fund Balances	\$ 855,584	\$ 451,629	\$ 1,254,992	\$ 0	\$ 1,307,213
Total Liabilities and Fund Balances	\$ 863,470	\$ 451,629	\$ 1,262,878	\$ 1,328	\$ 1,316,427

Exhibit J-7

Haywood County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

	<u>Special Revenue Funds</u>			<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Central</u> <u>Cafeteria</u>	<u>Internal</u> <u>School</u>	<u>Total</u>	<u>Education</u> <u>Capital</u> <u>Projects</u>	
<u>Revenues</u>					
Charges for Current Services	\$ 12,279	\$ 0	\$ 12,279	\$ 0	\$ 12,279
Other Local Revenues	15,886	516,533	717,250	0	532,419
State of Tennessee	20,895	0	20,895	0	20,895
Federal Government	1,780,719	0	1,780,719	0	1,780,719
Other Governments and Citizens Groups	5,000	0	5,000	91,000	96,000
Total Revenues	<u>\$ 1,834,779</u>	<u>\$ 516,533</u>	<u>\$ 2,536,143</u>	<u>\$ 91,000</u>	<u>\$ 2,442,312</u>
<u>Expenditures</u>					
Current:					
Operation of Non-Instructional Services	\$ 1,690,407	\$ 499,312	\$ 2,357,020	\$ 0	\$ 2,189,719
Capital Projects	0	0	0	91,000	91,000
Total Expenditures	<u>\$ 1,690,407</u>	<u>\$ 499,312</u>	<u>\$ 2,357,020</u>	<u>\$ 91,000</u>	<u>\$ 2,280,719</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 144,372</u>	<u>\$ 17,221</u>	<u>\$ 179,123</u>	<u>\$ 0</u>	<u>\$ 161,593</u>
Net Change in Fund Balances	\$ 144,372	\$ 17,221	\$ 179,123	\$ 0	\$ 161,593
Restatement	0	434,408	364,657	0	434,408
Fund Balance, July 1, 2020	<u>711,212</u>	<u>0</u>	<u>711,212</u>	<u>0</u>	<u>711,212</u>
Fund Balance, June 30, 2021	<u>\$ 855,584</u>	<u>\$ 451,629</u>	<u>\$ 1,254,992</u>	<u>\$ 0</u>	<u>\$ 1,307,213</u>

Exhibit J-8

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Haywood County School Department
General Purpose School Fund
For the Year Ended June 30, 2021

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 6,860,277	\$ 0	\$ 0	\$ 6,860,277	\$ 6,219,557	\$ 6,219,557	\$ 640,720
Licenses and Permits	665	0	0	665	500	500	165
Charges for Current Services	7,156	0	0	7,156	35,000	35,000	(27,844)
Other Local Revenues	151,228	0	0	151,228	169,663	97,511	53,717
State of Tennessee	18,547,284	0	0	18,547,284	18,170,523	18,962,634	(415,350)
Federal Government	464,986	0	0	464,986	73,600	194,805	270,181
Other Governments and Citizens Groups	0	0	0	0	92,500	92,500	(92,500)
Total Revenues	\$ 26,031,596	\$ 0	\$ 0	\$ 26,031,596	\$ 24,761,343	\$ 25,602,507	\$ 429,089
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 11,081,198	\$ (3,570)	\$ 0	\$ 11,077,628	\$ 11,322,766	\$ 11,252,852	\$ 175,224
Alternative Instruction Program	544,653	0	0	544,653	454,252	553,214	8,561
Special Education Program	1,774,189	0	0	1,774,189	1,986,167	1,931,390	157,201
Career and Technical Education Program	1,064,231	0	0	1,064,231	1,064,808	1,304,858	240,627
COVID-19 Expenditures	593,059	0	0	593,059	0	309,312	(283,747)
<u>Support Services</u>							
Attendance	124,159	0	0	124,159	128,671	129,108	4,949
Health Services	248,862	0	0	248,862	241,674	252,645	3,783
Other Student Support	921,745	0	39,276	961,021	943,718	1,016,277	55,256
Regular Instruction Program	929,535	0	0	929,535	929,752	932,606	3,071
Alternative Instruction Program	0	0	0	0	1,700	1,700	1,700
Special Education Program	422,839	0	0	422,839	442,060	443,782	20,943
Career and Technical Education Program	137,722	0	0	137,722	133,736	138,772	1,050
Technology	437,434	0	414	437,848	482,469	478,305	40,457
Other Programs	39,202	0	0	39,202	0	39,202	0
Board of Education	424,926	0	4,500	429,426	459,526	459,526	30,100
Director of Schools	311,529	0	0	311,529	329,358	329,358	17,829
Office of the Principal	1,890,995	0	0	1,890,995	1,874,724	1,904,816	13,821

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Fiscal Services	\$ 345,703	\$ (27)	\$ 0	\$ 345,676	\$ 328,433	\$ 349,004	\$ 3,328
Operation of Plant	716,588	0	0	716,588	801,167	780,667	64,079
Maintenance of Plant	1,362,497	(34,726)	58,935	1,386,706	1,550,408	1,550,407	163,701
Transportation	1,602,393	(2,159)	76,469	1,676,703	2,056,515	1,984,414	307,711
COVID-19 Expenditures	210,784	0	0	210,784	0	210,784	0
<u>Operation of Non-Instructional Services</u>							
Community Services	29,613	0	0	29,613	33,112	29,613	0
Early Childhood Education	578,197	0	0	578,197	598,863	598,294	20,097
<u>Capital Outlay</u>							
Regular Capital Outlay	4,905	(1,000)	0	3,905	59,860	34,583	30,678
<u>Principal on Debt</u>							
Education	0	0	0	0	300,443	0	0
<u>Other Debt Service</u>							
Education	349,748	0	0	349,748	0	349,748	0
Total Expenditures	\$ 26,146,706	\$ (41,482)	\$ 179,594	\$ 26,284,818	\$ 26,524,182	\$ 27,365,237	\$ 1,080,419
Excess (Deficiency) of Revenues Over Expenditures							
	\$ (115,110)	\$ 41,482	\$ (179,594)	\$ (253,222)	\$ (1,762,839)	\$ (1,762,730)	\$ 1,509,508
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 100,758	\$ 0	\$ 0	\$ 100,758	\$ 0	\$ 0	\$ 100,758
Transfers In	184,109	0	0	184,109	52,184	52,184	131,925
Total Other Financing Sources	\$ 284,867	\$ 0	\$ 0	\$ 284,867	\$ 52,184	\$ 52,184	\$ 232,683
Net Change in Fund Balance							
Fund Balance, July 1, 2020	\$ 169,757	\$ 41,482	\$ (179,594)	\$ 31,645	\$ (1,710,655)	\$ (1,710,546)	\$ 1,742,191
	3,972,629	(41,482)	0	3,931,147	3,678,539	3,678,539	252,608
Fund Balance, June 30, 2021							
	\$ 4,142,386	\$ 0	\$ (179,594)	\$ 3,962,792	\$ 1,967,884	\$ 1,967,993	\$ 1,994,799

Exhibit J-9

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Haywood County School Department
School Federal Projects Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 5,154,819	\$ 7,178,265	\$ 7,580,724	\$ (2,425,905)
Total Revenues	\$ 5,154,819	\$ 7,178,265	\$ 7,580,724	\$ (2,425,905)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 801,317	\$ 2,683,145	\$ 1,280,787	\$ 479,470
Special Education Program	670,457	690,812	815,677	145,220
Career and Technical Education Program	128,526	100,740	128,939	413
COVID-19 Expenditures	1,270,100	0	1,270,100	0
<u>Support Services</u>				
Health Services	0	158,142	0	0
Other Student Support	241,204	210,872	252,769	11,565
Regular Instruction Program	518,231	1,134,185	797,686	279,455
Special Education Program	116,777	154,770	148,459	31,682
Career and Technical Education Program	0	4,200	470	470
Operation of Plant	13,019	14,450	28,180	15,161
Maintenance of Plant	0	11,943	0	0
Transportation	0	53,532	0	0
COVID-19 Expenditures	589,882	0	589,882	0
<u>Operation of Non-Instructional Services</u>				
Food Service	0	130,887	2,874	2,874
Community Services	411,916	415,407	415,407	3,491
COVID-19 Expenditures	114,427	0	114,427	0
<u>Capital Outlay</u>				
Regular Capital Outlay	0	1,203,661	0	0
COVID-19 Expenditures	49,675	0	1,400,000	1,350,325
<u>Other Debt Service</u>				
Education	69,467	0	69,467	0
Total Expenditures	\$ 4,994,998	\$ 6,966,746	\$ 7,315,124	\$ 2,320,126
Excess (Deficiency) of Revenues Over Expenditures	\$ 159,821	\$ 211,519	\$ 265,600	\$ (105,779)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (184,109)	\$ (211,517)	\$ (265,600)	\$ 81,491
Total Other Financing Sources	\$ (184,109)	\$ (211,517)	\$ (265,600)	\$ 81,491
Net Change in Fund Balance	\$ (24,288)	\$ 2	\$ 0	\$ (24,288)
Fund Balance, July 1, 2020	200,000	200,000	200,000	0
Fund Balance, June 30, 2021	\$ 175,712	\$ 200,002	\$ 200,000	\$ (24,288)

Exhibit J-10

Haywood County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Haywood County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2021

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 12,279	\$ 0	\$ 12,279	\$ 45,000	\$ 45,000	\$ (32,721)
Other Local Revenues	15,886	0	15,886	4,900	4,900	10,986
State of Tennessee	20,895	0	20,895	28,000	28,000	(7,105)
Federal Government	1,780,719	0	1,780,719	1,812,100	1,812,335	(31,616)
Other Governments and Citizens Groups	5,000	0	5,000	0	0	5,000
Total Revenues	\$ 1,834,779	\$ 0	\$ 1,834,779	\$ 1,890,000	\$ 1,890,235	\$ (55,456)
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	\$ 1,690,407	\$ 5,500	\$ 1,695,907	\$ 1,933,784	\$ 1,934,020	\$ 238,113
Total Expenditures	\$ 1,690,407	\$ 5,500	\$ 1,695,907	\$ 1,933,784	\$ 1,934,020	\$ 238,113
Excess (Deficiency) of Revenues Over Expenditures	\$ 144,372	\$ (5,500)	\$ 138,872	\$ (43,784)	\$ (43,785)	\$ 182,657
Net Change in Fund Balance	\$ 144,372	\$ (5,500)	\$ 138,872	\$ (43,784)	\$ (43,785)	\$ 182,657
Fund Balance, July 1, 2020	711,212	0	711,212	424,620	424,620	286,592
Fund Balance, June 30, 2021	\$ 855,584	\$ (5,500)	\$ 850,084	\$ 380,836	\$ 380,835	\$ 469,249

MISCELLANEOUS SCHEDULES

Exhibit K-1

Haywood County, Tennessee
 Schedule of Changes in Long-term Note, Capital Leases, Other Loans, and Bonds
 For the Year Ended June 30, 2021

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-20	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-21
GOVERNMENTAL ACTIVITIES								
NOTE PAYABLE								
<u>Payable through General Debt Service Fund</u>								
General Obligation Capital Outlay Notes, Series 2017	\$ 245,000	2.5	% 10-13-17	6-1-24	\$ 157,000	\$ 0	\$ 38,000	\$ 119,000
Total Note Payable					\$ 157,000	\$ 0	\$ 38,000	\$ 119,000
CAPITAL LEASES PAYABLE								
<u>Payable through General Fund</u>								
Tractor	32,999	4.69	10-3-16	10-3-21	\$ 14,113	\$ 0	\$ 6,895	\$ 7,218
<u>Payable through Solid Waste/Sanitation Fund</u>								
Garbage Truck	51,800	2.95	7-31-17	7-31-20	1,502	0	1,502	0
Garbage Truck	246,390	4.14	5-19-19	6-28-24	217,119	0	28,208	188,911
Garbage Truck	285,000	2.41	6-29-21	8-1-26	0	285,000	0	285,000
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>								
Apple Computers	460,581	1.99	7-15-18	7-15-21	230,635	0	114,181	116,454
Total Capital Leases Payable					\$ 463,369	\$ 285,000	\$ 150,786	\$ 597,583
OTHER LOANS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
Energy Efficient School Initiative	2,000,000	0	9-8-11	4-1-23	\$ 549,971	\$ 0	\$ 200,004	\$ 349,967
Energy Efficient School Initiative	3,019,439	1	7-10-18	3-1-34	2,768,932	0	190,035	2,578,897
Total Other Loans Payable					\$ 3,318,903	\$ 0	\$ 390,039	\$ 2,928,864
BONDS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
General Obligation Bonds, Series 2009	300,000	4.5	6-30-09	9-25-20	\$ 99,446	\$ 0	\$ 99,446	\$ 0
General Obligation Refunding Bonds, Series 2015	7,225,000	2 to 2.65	5-29-15	6-30-28	4,305,000	0	1,055,000	3,250,000
School Refunding Bonds, Series 2016	1,196,134	2.95	12-14-16	6-1-27	819,000	0	104,000	715,000
General Obligation Bonds, Series 2018	1,730,000	3 to 4	3-29-18	3-1-38	1,730,000	0	0	1,730,000
General Obligation Refunding Bonds, Series 2019	5,320,000	2 to 5	7-12-19	6-1-32	5,290,000	0	15,000	5,275,000
Total Bonds Payable					\$ 12,243,446	\$ 0	\$ 1,273,446	\$ 10,970,000

(Continued)

Exhibit K-1

Haywood County, Tennessee
Schedule of Changes in Long-term Notes, Capital Leases, Other Loans, and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-20	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-21
<u>BUSINESS-TYPE ACTIVITIES</u>								
<u>CAPITAL LEASES PAYABLE</u>								
<u>Payable through Solid Waste Disposal Fund</u>								
Caterpillar Bulldozer	\$ 100,413	3.2 %	2-18-16	2-18-22	\$ 29,851	\$ 0	\$ 17,719	\$ 12,132
Total Capital Leases Payable					\$ 29,851	\$ 0	\$ 17,719	\$ 12,132

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

GOVERNMENTAL ACTIVITIES

Year Ending June 30	Note Payable		
	Principal	Interest	Total
2022	\$ 39,000	\$ 2,975	\$ 41,975
2023	40,000	2,000	42,000
2024	40,000	1,000	41,000
Total	\$ 119,000	\$ 5,975	\$ 124,975

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2022	\$ 186,246	\$ 15,888	\$ 202,134
2023	67,676	11,688	79,364
2024	166,815	9,492	176,307
2025	38,864	3,835	42,699
2026	39,811	2,887	42,698
2027	98,171	387	98,558
Total	\$ 597,583	\$ 44,177	\$ 641,760

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2022	\$ 391,948	\$ 24,908	\$ 416,856
2023	343,829	22,986	366,815
2024	195,812	21,040	216,852
2025	197,782	19,070	216,852
2026	199,775	17,077	216,852
2027	201,781	15,071	216,852
2028	203,810	13,042	216,852
2029	205,852	11,000	216,852
2030	207,918	8,934	216,852
2031	210,008	6,844	216,852
2032	212,121	4,731	216,852
2033	214,225	2,627	216,852
2034	144,003	597	144,600
Total	\$ 2,928,864	\$ 167,927	\$ 3,096,791

(Continued)

Haywood County, Tennessee
Schedule of Long-term Debt Requirements by Year (Cont.)

GOVERNMENTAL ACTIVITIES (CONT.)

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 998,000	\$ 332,560	\$ 1,330,560
2023	1,038,000	298,273	1,336,273
2024	1,082,000	262,689	1,344,689
2025	1,131,000	225,201	1,356,201
2026	1,155,000	185,894	1,340,894
2027	1,196,000	144,961	1,340,961
2028	1,110,000	115,259	1,225,259
2029	610,000	87,531	697,531
2030	630,000	73,094	703,094
2031	645,000	59,494	704,494
2032	655,000	43,931	698,931
2033	110,000	24,019	134,019
2034	115,000	20,444	135,444
2035	120,000	16,706	136,706
2036	120,000	12,656	132,656
2037	125,000	8,606	133,606
2038	130,000	4,388	134,388
Total	<u>\$ 10,970,000</u>	<u>\$ 1,915,706</u>	<u>\$ 12,885,706</u>

BUSINESS-TYPE ACTIVITIES

Year Ending June 30	Capital Lease		
	Principal	Interest	Total
2022	\$ 12,132	\$ 146	\$ 12,278
Total	<u>\$ 12,132</u>	<u>\$ 146</u>	<u>\$ 12,278</u>

Exhibit K-3

Haywood County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	General Capital Projects	Capital outlay	\$ 500,000
Solid Waste/Sanitation	Solid Waste Disposal	Operations	190,000
General Capital Projects	Education Capital Projects	Capital outlay	<u>159,788</u>
Total Transfers Primary Government			<u>\$ 849,788</u>
<u>DISCRETELY PRESENTED HAYWOOD COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	<u>\$ 184,109</u>
Total Transfers Discretely Presented Haywood County School Department			<u>\$ 184,109</u>

Exhibit K-4

Haywood County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 88,551	\$ 400,000	Local Government Property and Casualty Fund
Chief Administrative Highway Officer	Section 8-24-102, <i>TCA</i>	85,629 (1)	100,000	RLI Insurance Company
Director of Schools	State Board of Education and County Board of Education	121,970 (2)	400,000	Tennessee Risk Management Trust
Trustee	Section 8-24-102, <i>TCA</i> , and County Commission	79,189 (3)	1,068,814	RLI Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i> , and County Commission	79,189 (3)	400,000	Local Government Property and Casualty Fund
County Clerk	Section 8-24-102, <i>TCA</i> , and County Commission	79,189 (3)	400,000	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i> , and County Commission	79,189 (3)	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , County Commission, and Chancery Court Judge	79,189 (3)	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i> , and County Commission	79,189 (3)	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	85,136 (4)	400,000	"
Employee Blanket Bonds:				
Office of County Mayor and Highway Department:				
All Employees			400,000	Local Government Property and Casualty Fund
Office of Director of Schools:				
All Employees			400,000	Tennessee Risk Management Trust

(1) Includes a bonus of \$1,293.

(2) Includes a career ladder supplement of \$1,000 and a bonus of \$1,370.

(3) Includes a certified public administrator supplement of \$2,520.

(4) Includes a law enforcement training supplement of \$800.

Exhibit K-5

Haywood County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2021

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 6,351,486	\$ 0	\$ 0	\$ 0	0
Discount on Property Taxes	(65,865)	0	0	0	0
Trustee's Collections - Prior Year	243,476	0	0	0	0
Trustee's Collections - Bankruptcy	1,492	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	167,263	0	0	0	0
Interest and Penalty	32,817	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	225,653	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	65,009	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	274,939	0	0	0	0
Hotel/Motel Tax	42,194	0	0	0	0
Wheel Tax	574,874	0	0	0	0
Litigation Tax - General	96,329	0	0	0	0
Litigation Tax - Special Purpose	1,636	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Litigation Tax - Courthouse Security	29,876	0	0	0	0
Business Tax	176,526	0	0	0	0
Mixed Drink Tax	4,646	0	0	0	0
Other County Local Option Taxes	13,088	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	17,185	0	0	0	0
Wholesale Beer Tax	52,953	0	0	0	0
Beer Privilege Tax	238	0	0	0	0
Total Local Taxes	\$ 8,305,815	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Animal Registration	\$ 875	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	2,657	0	0	0	0
<u>Permits</u>					
Beer Permits	1,203	0	0	0	0
Building Permits	23,323	0	0	0	0
Total Licenses and Permits	<u>\$ 28,058</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 1,874	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Circuit Court	851	0	0	0	0
<u>General Sessions Court</u>					
Fines	43,654	0	0	0	0
Fines for Littering	119	0	0	0	0
Officers Costs	25,818	0	0	0	0
Game and Fish Fines	79	0	0	0	0
Drug Control Fines	0	0	1,317	0	0
Drug Court Fees	0	0	205	0	0
Jail Fees	32,532	0	0	0	0
DUI Treatment Fines	7,900	0	0	0	0
Data Entry Fee - General Sessions Court	12,299	0	0	0	0
Courtroom Security Fee	480	0	0	0	0
Victims Assistance Assessments	17,565	0	0	0	0
<u>Juvenile Court</u>					
Fines	1,510	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Juvenile Court (Cont.)</u>					
Officers Costs	\$ 1,016	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Juvenile Court	220	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	841	0	0	0	0
Data Entry Fee - Chancery Court	3,294	0	0	0	0
Courtroom Security Fee	1,423	0	0	0	0
<u>Judicial District Drug Program</u>					
Drug Task Force Forfeitures and Seizures	0	0	40,600	0	0
Total Fines, Forfeitures, and Penalties	\$ 151,475	\$ 0	\$ 42,122	\$ 0	0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Residential Waste Collection Charge	\$ 0	\$ 701,431	\$ 0	\$ 0	0
Patient Charges	1,014,697	0	0	0	0
Zoning Studies	240	0	0	0	0
Health Department Collections	249,599	0	0	0	0
<u>Fees</u>					
Recreation Fees	22,442	0	0	0	0
Copy Fees	68	0	0	0	0
Greenbelt Late Application Fee	250	0	0	0	0
Telephone Commissions	90,109	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	5,217
Data Processing Fee - Register	5,773	0	0	0	0
Data Processing Fee - Sheriff	1,891	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,200	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Data Processing Fee - County Clerk	\$ 2,382	\$ 0	\$ 0	\$ 0	0
Vehicle Registration Reinstatement Fees	990	0	0	0	0
Total Charges for Current Services	\$ 1,389,641	\$ 701,431	\$ 0	\$ 0	5,217
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 175	0
Lease/Rentals	5,850	0	0	0	0
Sale of Materials and Supplies	36,915	0	0	0	0
Commissary Sales	18,601	0	0	0	0
Sale of Gasoline	0	0	0	0	0
Miscellaneous Refunds	27,776	6,935	0	0	0
<u>Nonrecurring Items</u>					
Sale of Equipment	25,342	35,000	0	0	0
Sale of Property	18,432	0	2,425	0	0
Contributions and Gifts	9,042	0	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	3,000	0	0	0	0
Total Other Local Revenues	\$ 144,958	\$ 41,935	\$ 2,425	\$ 175	0
<u>Fees Received From County Officials</u>					
<u>Excess Fees</u>					
Trustee	\$ 209,800	\$ 0	\$ 0	\$ 0	0
<u>Fees In-Lieu-of Salary</u>					
County Clerk	242,715	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Fees Received From County Officials (Cont.)</u>					
<u>Fees In-Lieu-of Salary (Cont.)</u>					
Circuit Court Clerk	\$ 50,471	\$ 0	\$ 0	\$ 0	0
General Sessions Court Clerk	197,258	0	0	0	0
Clerk and Master	83,179	0	0	0	0
Juvenile Court Clerk	35,684	0	0	0	0
Register	77,041	0	0	0	0
Sheriff	6,934	0	0	0	0
Total Fees Received From County Officials	\$ 903,082	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 13,545	\$ 0	\$ 0	\$ 0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	12,800	0	0	0	0
<u>Public Works Grants</u>					
Bridge Program	0	0	0	0	0
Litter Program	0	44,380	0	0	0
<u>Other State Revenues</u>					
Income Tax	7,783	0	0	0	0
Vehicle Certificate of Title Fees	6,084	0	0	0	0
Alcoholic Beverage Tax	94,991	0	0	0	0
State Revenue Sharing - T.V.A.	373,175	0	0	0	0
State Revenue Sharing - Telecommunications	39,542	0	0	0	0
State Shared Sports Gaming Privilege Tax	1,935	0	0	0	0
Contracted Prisoner Boarding	293,709	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
Petroleum Special Tax	\$ 0	\$ 0	\$ 0	\$ 0	0
Registrar's Salary Supplement	11,373	0	0	0	0
Other State Grants	33,430	0	0	0	0
Other State Revenues	799,777	0	0	0	0
Total State of Tennessee	\$ 1,688,144	\$ 44,380	\$ 0	\$ 0	0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	0
COVID-19 Grant #1	11,051	0	0	0	0
COVID-19 Grant #2	100,290	0	0	0	0
COVID-19 Grant A	260,025	0	0	0	0
<u>Direct Federal Revenue</u>					
Forest Service	35,311	0	0	0	0
Total Federal Government	\$ 406,677	\$ 0	\$ 0	\$ 0	0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 57,302	\$ 0	\$ 0	\$ 0	0
Contributions	487,879	0	0	0	0
Contracted Services	107,464	0	0	0	0
<u>Citizens Groups</u>					
Donations	4,875	0	0	0	0
<u>Other</u>					
Other	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 657,520	\$ 0	\$ 0	\$ 0	0
Total	\$ 13,675,370	\$ 787,746	\$ 44,547	\$ 175	5,217

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			
	Revenue Fund	Fund	General Capital Projects	Community Development/Industrial Park	HUD Grant Projects	Education Capital Projects
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/Industrial Park	HUD Grant Projects	Education Capital Projects
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 483,017	\$ 932,314	\$ 0	\$ 0	\$ 0	0
Discount on Property Taxes	(4,955)	(9,563)	0	0	0	0
Trustee's Collections - Prior Year	13,069	25,226	0	0	0	0
Trustee's Collections - Bankruptcy	114	220	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	12,582	24,285	0	0	0	0
Interest and Penalty	2,470	4,767	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	15,669	32,763	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	57	110	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0
Wheel Tax	145,539	291,104	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	122,325	0	0	0	0
Litigation Tax - Courthouse Security	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0
Other County Local Option Taxes	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	0	0	0	0	0	0
Beer Privilege Tax	0	0	0	0	0	0
Total Local Taxes	\$ 667,562	\$ 1,423,551	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			
	Revenue Fund	Fund	General Capital Projects	Community Development/Industrial Park	HUD Grant Projects	Education Capital Projects
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Registration	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	0	0	0	0	0	0
<u>Permits</u>						
Beer Permits	0	0	0	0	0	0
Building Permits	0	0	0	0	0	0
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			
	Revenue Fund	Fund	General Capital Projects	Community Development/Industrial Park	HUD Grant Projects	Education Capital Projects
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court (Cont.)</u>						
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Residential Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Patient Charges	0	0	0	0	0	0
Zoning Studies	0	0	0	0	0	0
Health Department Collections	0	0	0	0	0	0
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	0
Copy Fees	0	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			
	Revenue Fund	Fund	General Capital Projects	Community Development/ Industrial Park	HUD Grant Projects	Education Capital Projects
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Data Processing Fee - County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0	0
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 25,489	\$ 0	\$ 0	\$ 0	296
Lease/Rentals	938	0	0	0	0	0
Sale of Materials and Supplies	16,564	0	0	0	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Gasoline	140,727	0	0	0	0	0
Miscellaneous Refunds	790	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	0
Sale of Property	0	0	0	0	0	0
Contributions and Gifts	0	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	0	0	0
Total Other Local Revenues	<u>\$ 159,019</u>	<u>\$ 25,489</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>296</u>
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
Trustee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	0	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			
	Revenue Fund	Fund	General Capital Projects	Community Development/ Industrial Park	HUD Grant Projects	Education Capital Projects
<u>Fees Received From County Officials (Cont.)</u>						
<u>Fees In-Lieu-of Salary (Cont.)</u>						
Circuit Court Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	534,653	0	0	0	0	0
Litter Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	28,071	54,182	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	2,446,564	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds					
	Revenue Fund	Fund	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	HUD Grant Projects	Education Capital Projects
<u>State of Tennessee (Cont.)</u>								
<u>Other State Revenues (Cont.)</u>								
Petroleum Special Tax	\$ 13,556	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Registrar's Salary Supplement	0	0	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0	0	0
Total State of Tennessee	\$ 3,022,844	\$ 54,182	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Federal Government</u>								
<u>Federal Through State</u>								
Community Development	\$ 0	\$ 0	\$ 779,608	\$ 22,978	\$ 4,500	\$ 0	\$ 0	0
COVID-19 Grant #1	0	0	0	0	0	0	0	0
COVID-19 Grant #2	0	0	0	0	0	0	0	0
COVID-19 Grant A	0	0	0	0	0	0	0	0
<u>Direct Federal Revenue</u>								
Forest Service	0	0	0	0	0	0	0	0
Total Federal Government	\$ 0	\$ 0	\$ 779,608	\$ 22,978	\$ 4,500	\$ 0	\$ 0	0
<u>Other Governments and Citizens Groups</u>								
<u>Other Governments</u>								
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Contributions	0	636,214	0	0	0	0	0	0
Contracted Services	0	0	0	0	0	0	0	0
<u>Citizens Groups</u>								
Donations	0	0	0	0	0	0	0	0
<u>Other</u>								
Other	0	0	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 0	\$ 636,214	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Total	\$ 3,849,425	\$ 2,139,436	\$ 779,608	\$ 22,978	\$ 4,500	\$ 0	\$ 0	296

(Continued)

Exhibit K-5

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

	<u>Capital</u>	
	<u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 7,766,817
Discount on Property Taxes	0	(80,383)
Trustee's Collections - Prior Year	0	281,771
Trustee's Collections - Bankruptcy	0	1,826
Circuit Clerk/Clerk and Master Collections - Prior Years	0	204,130
Interest and Penalty	0	40,054
Payments in-Lieu-of Taxes - T.V.A.	0	274,085
Payments in-Lieu-of Taxes - Local Utilities	0	65,176
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	274,939
Hotel/Motel Tax	0	42,194
Wheel Tax	0	1,011,517
Litigation Tax - General	0	96,329
Litigation Tax - Special Purpose	0	1,636
Litigation Tax - Jail, Workhouse, or Courthouse	0	122,325
Litigation Tax - Courthouse Security	0	29,876
Business Tax	0	176,526
Mixed Drink Tax	0	4,646
Other County Local Option Taxes	0	13,088
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	17,185
Wholesale Beer Tax	0	52,953
Beer Privilege Tax	0	238
Total Local Taxes	\$ 0	\$ 10,396,928

(Continued)

Exhibit K-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Registration	\$ 0	\$ 875
Cable TV Franchise	0	2,657
<u>Permits</u>		
Beer Permits	0	1,203
Building Permits	0	23,323
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 28,058</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 1,874
Data Entry Fee - Circuit Court	0	851
<u>General Sessions Court</u>		
Fines	0	43,654
Fines for Littering	0	119
Officers Costs	0	25,818
Game and Fish Fines	0	79
Drug Control Fines	0	1,317
Drug Court Fees	0	205
Jail Fees	0	32,532
DUI Treatment Fines	0	7,900
Data Entry Fee - General Sessions Court	0	12,299
Courtroom Security Fee	0	480
Victims Assistance Assessments	0	17,565
<u>Juvenile Court</u>		
Fines	0	1,510

(Continued)

Exhibit K-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Juvenile Court (Cont.)</u>		
Officers Costs	\$ 0	\$ 1,016
Data Entry Fee - Juvenile Court	0	220
<u>Chancery Court</u>		
Officers Costs	0	841
Data Entry Fee - Chancery Court	0	3,294
Courtroom Security Fee	0	1,423
<u>Judicial District Drug Program</u>		
Drug Task Force Forfeitures and Seizures	0	40,600
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 193,597
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Residential Waste Collection Charge	\$ 0	\$ 701,431
Patient Charges	0	1,014,697
Zoning Studies	0	240
Health Department Collections	0	249,599
<u>Fees</u>		
Recreation Fees	0	22,442
Copy Fees	0	68
Greenbelt Late Application Fee	0	250
Telephone Commissions	0	90,109
Constitutional Officers' Fees and Commissions	0	5,217
Data Processing Fee - Register	0	5,773
Data Processing Fee - Sheriff	0	1,891
Sexual Offender Registration Fee - Sheriff	0	1,200

(Continued)

Exhibit K-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<hr/>		
<u>Charges for Current Services (Cont.)</u>		
<u>Fees (Cont.)</u>		
Data Processing Fee - County Clerk	\$ 0	\$ 2,382
Vehicle Registration Reinstatement Fees	0	990
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 2,096,289</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 25,960
Lease/Rentals	45,171	51,959
Sale of Materials and Supplies	0	53,479
Commissary Sales	0	18,601
Sale of Gasoline	0	140,727
Miscellaneous Refunds	0	35,501
<u>Nonrecurring Items</u>		
Sale of Equipment	0	60,342
Sale of Property	0	20,857
Contributions and Gifts	0	9,042
<u>Other Local Revenues</u>		
Other Local Revenues	0	3,000
Total Other Local Revenues	<u>\$ 45,171</u>	<u>\$ 419,468</u>
<u>Fees Received From County Officials</u>		
<u>Excess Fees</u>		
Trustee	\$ 0	\$ 209,800
<u>Fees In-Lieu-of Salary</u>		
County Clerk	0	242,715

(Continued)

Exhibit K-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<hr/>		
<u>Fees Received From County Officials (Cont.)</u>		
<u>Fees In-Lieu-of Salary (Cont.)</u>		
Circuit Court Clerk	\$ 0	\$ 50,471
General Sessions Court Clerk	0	197,258
Clerk and Master	0	83,179
Juvenile Court Clerk	0	35,684
Register	0	77,041
Sheriff	0	6,934
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 903,082</u>
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 13,545
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	12,800
<u>Public Works Grants</u>		
Bridge Program	0	534,653
Litter Program	0	44,380
<u>Other State Revenues</u>		
Income Tax	0	7,783
Vehicle Certificate of Title Fees	0	6,084
Alcoholic Beverage Tax	0	94,991
State Revenue Sharing - T.V.A.	0	455,428
State Revenue Sharing - Telecommunications	0	39,542
State Shared Sports Gaming Privilege Tax	0	1,935
Contracted Prisoner Boarding	0	293,709
Gasoline and Motor Fuel Tax	0	2,446,564

(Continued)

Exhibit K-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>State of Tennessee (Cont.)</u>		
<u>Other State Revenues (Cont.)</u>		
Petroleum Special Tax	\$ 0	\$ 13,556
Registrar's Salary Supplement	0	11,373
Other State Grants	0	33,430
Other State Revenues	0	799,777
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 4,809,550</u>
<u>Federal Government</u>		
<u>Federal Through State</u>		
Community Development	\$ 0	\$ 807,086
COVID-19 Grant #1	0	11,051
COVID-19 Grant #2	0	100,290
COVID-19 Grant A	0	260,025
<u>Direct Federal Revenue</u>		
Forest Service	0	35,311
Total Federal Government	<u>\$ 0</u>	<u>\$ 1,213,763</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Prisoner Board	\$ 0	\$ 57,302
Contributions	0	1,124,093
Contracted Services	0	107,464
<u>Citizens Groups</u>		
Donations	0	4,875
<u>Other</u>		
Other	10,000	10,000
Total Other Governments and Citizens Groups	<u>\$ 10,000</u>	<u>\$ 1,303,734</u>
Total	<u>\$ 55,171</u>	<u>\$ 21,364,469</u>

Exhibit K-6

Haywood County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 3,924,255	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,924,255
Discount on Property Taxes	(40,253)	0	0	0	0	(40,253)
Trustee's Collections - Prior Year	106,181	0	0	0	0	106,181
Trustee's Collections - Bankruptcy	926	0	0	0	0	926
Circuit Clerk/Clerk and Master Collections - Prior Years	102,221	0	0	0	0	102,221
Interest and Penalty	20,064	0	0	0	0	20,064
Payments in-Lieu-of Taxes - T.V.A.	137,905	0	0	0	0	137,905
Payments in-Lieu-of Taxes - Local Utilities	464	0	0	0	0	464
<u>County Local Option Taxes</u>						
Local Option Sales Tax	2,293,147	0	0	0	0	2,293,147
Wheel Tax	291,078	0	0	0	0	291,078
Mixed Drink Tax	5,865	0	0	0	0	5,865
<u>Statutory Local Taxes</u>						
Other Statutory Local Taxes	18,424	0	0	0	0	18,424
Total Local Taxes	\$ 6,860,277	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,860,277
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 665	\$ 0	\$ 0	\$ 0	\$ 0	\$ 665
Total Licenses and Permits	\$ 665	\$ 0	\$ 0	\$ 0	\$ 0	\$ 665
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 2,675	\$ 0	\$ 0	\$ 2,675

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Internal School</u>	<u>Projects Fund Education Capital Projects</u>	
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
A la Carte Sales	\$ 0	\$ 0	\$ 3,330	\$ 0	\$ 0	\$ 3,330
Receipts from Individual Schools	7,156	0	0	0	0	7,156
Other Charges for Services	0	0	6,274	0	0	6,274
Total Charges for Current Services	\$ 7,156	\$ 0	\$ 12,279	\$ 0	\$ 0	\$ 19,435
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 43,348	\$ 0	\$ 621	\$ 0	\$ 0	\$ 43,969
Rebates	0	0	2,114	0	0	2,114
Miscellaneous Refunds	3,627	0	733	0	0	4,360
<u>Nonrecurring Items</u>						
Sale of Equipment	225	0	0	0	0	225
Sale of Property	5,050	0	0	0	0	5,050
Damages Recovered from Individuals	12,099	0	0	0	0	12,099
<u>Other Local Revenues</u>						
Other Local Revenues	86,879	0	12,418	516,533	0	615,830
Total Other Local Revenues	\$ 151,228	\$ 0	\$ 15,886	\$ 516,533	\$ 0	\$ 683,647
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 39,202	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,202
<u>State Education Funds</u>						
Basic Education Program	16,650,367	0	0	0	0	16,650,367
Early Childhood Education	598,294	0	0	0	0	598,294

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
School Food Service	\$ 0	\$ 0	\$ 20,895	\$ 0	\$ 0	\$ 20,895
Other State Education Funds	835,553	0	0	0	0	835,553
Career Ladder Program	51,835	0	0	0	0	51,835
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	228,062	0	0	0	0	228,062
Other State Grants	143,971	0	0	0	0	143,971
Total State of Tennessee	\$ 18,547,284	\$ 0	\$ 20,895	\$ 0	\$ 0	\$ 18,568,179
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 965,650	\$ 0	\$ 0	\$ 965,650
USDA - Commodities	0	0	150,956	0	0	150,956
Breakfast	0	0	569,066	0	0	569,066
USDA - Other	0	0	95,047	0	0	95,047
Vocational Education - Basic Grants to States	0	109,962	0	0	0	109,962
Title I Grants to Local Education Agencies	0	1,183,734	0	0	0	1,183,734
Special Education - Grants to States	0	746,240	0	0	0	746,240
Special Education Preschool Grants	0	40,995	0	0	0	40,995
English Language Acquisition Grants	0	8,224	0	0	0	8,224
Safe and Drug-free Schools - State Grants	0	423,409	0	0	0	423,409
Rural Education	0	65,063	0	0	0	65,063
Eisenhower Professional Development State Grants	0	150,460	0	0	0	150,460
COVID-19 Grant #1	121,205	831,633	0	0	0	952,838
COVID-19 Grant #3	0	60,000	0	0	0	60,000

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Internal School</u>	<u>Projects Fund Education Capital Projects</u>	
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant #4	\$ 283,747	\$ 0	\$ 0	\$ 0	\$ 0	\$ 283,747
COVID-19 Grant B	0	1,248,201	0	0	0	1,248,201
COVID-19 Grant D	0	14,000	0	0	0	14,000
Other Federal through State	0	272,898	0	0	0	272,898
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	60,034	0	0	0	0	60,034
Total Federal Government	\$ 464,986	\$ 5,154,819	\$ 1,780,719	\$ 0	\$ 0	\$ 7,400,524
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91,000	\$ 91,000
<u>Other</u>						
Other	0	0	5,000	0	0	5,000
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 5,000	\$ 0	\$ 91,000	\$ 96,000
Total	\$ 26,031,596	\$ 5,154,819	\$ 1,834,779	\$ 516,533	\$ 91,000	\$ 33,628,727

Exhibit K-7

Haywood County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2021

General Fund

General Government

County Commission

Longevity Pay	\$	1,700	
Bonus Payments		148,200	
Board and Committee Members Fees		26,801	
Social Security		1,985	
Employee and Dependent Insurance		82	
Life Insurance		1,971	
Audit Services		7,515	
Communication		917	
Dues and Memberships		1,784	
Other Contracted Services		5,040	
Food Supplies		8,719	
Other Charges		3,680	
Total County Commission			\$ 208,394

Beer Board

Secretary to Board	\$	50	
Board and Committee Members Fees		150	
Legal Notices, Recording, and Court Costs		70	
Total Beer Board			270

County Mayor/Executive

County Official/Administrative Officer	\$	88,551	
Accountants/Bookkeepers		33,830	
Secretary(ies)		52,250	
Longevity Pay		4,830	
Social Security		15,446	
Pensions		18,073	
Employee and Dependent Insurance		13,125	
Life Insurance		679	
Unemployment Compensation		92	
Accounting Services		53,842	
Bank Charges		25	
Communication		1,981	
Data Processing Services		461	
Dues and Memberships		393	
Legal Notices, Recording, and Court Costs		471	
Maintenance and Repair Services - Office Equipment		175	
Postal Charges		1,967	
Travel		90	
Library Books/Media		732	
Office Supplies		2,621	
Workers' Compensation Insurance		313	
Other Charges		5,174	
Office Equipment		12,568	
Total County Mayor/Executive			307,689

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Attorney

County Official/Administrative Officer	\$	9,600	
Social Security		857	
Pensions		943	
Operating Lease Payments		8,078	
Legal Services		34,956	
Library Books/Media		5,258	
Workers' Compensation Insurance		15	
Total County Attorney			\$ 59,707

Election Commission

County Official/Administrative Officer	\$	68,909	
Part-time Personnel		13,059	
Election Commission		4,800	
Election Workers		8,669	
Social Security		6,480	
Pensions		6,751	
Employee and Dependent Insurance		12,138	
Life Insurance		278	
Unemployment Compensation		169	
Communication		3,852	
Data Processing Services		15,581	
Legal Notices, Recording, and Court Costs		3,112	
Maintenance Agreements		2,947	
Postal Charges		2,592	
Printing, Stationery, and Forms		5,838	
Travel		576	
Office Supplies		2,977	
Liability Insurance		2,312	
Workers' Compensation Insurance		145	
Other Charges		40	
Total Election Commission			161,225

Register of Deeds

County Official/Administrative Officer	\$	76,669
Deputy(ies)		30,400
Educational Incentive - Official/Admin Officer		2,520
Longevity Pay		210
Social Security		9,703
Pensions		10,883
Employee and Dependent Insurance		298
Life Insurance		514
Unemployment Compensation		32
Communication		1,602
Dues and Memberships		817
Postal Charges		203
Printing, Stationery, and Forms		1,514
Rentals		1,140

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Travel	\$	100	
Duplicating Supplies		212	
Office Supplies		158	
Workers' Compensation Insurance		157	
Data Processing Equipment		6,756	
Total Register of Deeds			\$ 143,888

Development

Supervisor/Director	\$	34,801	
Secretary(ies)		1,300	
Longevity Pay		1,050	
Social Security		2,577	
Pensions		3,763	
Employee and Dependent Insurance		9,762	
Life Insurance		267	
Unemployment Compensation		33	
Communication		1,646	
Contracts with Government Agencies		9,393	
Dues and Memberships		393	
Legal Notices, Recording, and Court Costs		87	
Maintenance and Repair Services - Vehicles		157	
Postal Charges		16	
Travel		184	
Gasoline		937	
Office Supplies		1,206	
Workers' Compensation Insurance		471	
Other Charges		87	
Total Development			68,130

County Buildings

Supervisor/Director	\$	74,005	
Custodial Personnel		71,362	
Longevity Pay		10,710	
Overtime Pay		516	
Other Salaries and Wages		22,714	
Social Security		15,808	
Pensions		17,403	
Employee and Dependent Insurance		18,051	
Life Insurance		938	
Unemployment Compensation		1,413	
Communication		7,160	
Maintenance Agreements		30,889	
Maintenance and Repair Services - Vehicles		1,700	
Rentals		2,400	
Custodial Supplies		11,701	
Duplicating Supplies		2,805	
Gasoline		2,643	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Office Supplies	\$	54	
Utilities		197,968	
Other Supplies and Materials		52,538	
Vehicle and Equipment Insurance		8,404	
Workers' Compensation Insurance		5,773	
Other Charges		2,699	
Building Improvements		13,910	
Other Equipment		8,475	
Total County Buildings			\$ 582,039

Finance

Accounting and Budgeting

Board and Committee Members Fees	\$	10,350	
Unemployment Compensation		2	
Total Accounting and Budgeting			10,352

Property Assessor's Office

County Official/Administrative Officer	\$	76,669	
Deputy(ies)		85,300	
Educational Incentive - Official/Admin Officer		2,520	
Longevity Pay		3,150	
Board and Committee Members Fees		590	
Social Security		13,721	
Pensions		16,801	
Employee and Dependent Insurance		15,445	
Life Insurance		876	
Unemployment Compensation		96	
Communication		1,970	
Contracts with Private Agencies		23,672	
Data Processing Services		19,163	
Dues and Memberships		1,642	
Postal Charges		2,656	
Rentals		7,800	
Travel		25	
Other Contracted Services		11,400	
Duplicating Supplies		235	
Office Supplies		1,198	
Utilities		4,071	
Premiums on Corporate Surety Bonds		2,562	
Workers' Compensation Insurance		1,216	
Data Processing Equipment		2,203	
Office Equipment		3,176	
Total Property Assessor's Office			298,157

Reappraisal Program

Social Security	\$	222	
Employee and Dependent Insurance		102	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Communication	\$	440	
Data Processing Services		222	
Postal Charges		550	
Other Contracted Services		11,400	
Office Supplies		382	
Total Reappraisal Program			\$ 13,318

County Trustee's Office

Social Security	\$	17,119	
Pensions		18,196	
Employee and Dependent Insurance		29,922	
Life Insurance		1,000	
Unemployment Compensation		128	
Communication		5,864	
Dues and Memberships		857	
Maintenance Agreements		2,377	
Maintenance and Repair Services - Office Equipment		291	
Postal Charges		3,126	
Printing, Stationery, and Forms		1,856	
Office Supplies		2,618	
Premiums on Corporate Surety Bonds		3,147	
Workers' Compensation Insurance		288	
Other Charges		207	
Total County Trustee's Office			86,996

County Clerk's Office

County Official/Administrative Officer	\$	76,669	
Deputy(ies)		114,966	
Part-time Personnel		154	
Educational Incentive - Official/Admin Officer		2,520	
Longevity Pay		3,780	
Social Security		15,212	
Pensions		19,895	
Employee and Dependent Insurance		29,968	
Life Insurance		1,162	
Unemployment Compensation		5	
Communication		2,767	
Dues and Memberships		1,272	
Operating Lease Payments		1,260	
Maintenance Agreements		18,656	
Postal Charges		3,553	
Printing, Stationery, and Forms		646	
Travel		691	
Office Supplies		3,580	
Workers' Compensation Insurance		277	
Data Processing Equipment		950	
Total County Clerk's Office			297,983

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Data Processing

Data Processing Services	\$ 45,775	
Total Data Processing		\$ 45,775

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 76,669	
Deputy(ies)	199,126	
Educational Incentive - Official/Admin Officer	2,520	
Longevity Pay	17,850	
Jury and Witness Expense	2,253	
Social Security	24,784	
Pensions	29,897	
Employee and Dependent Insurance	48,558	
Life Insurance	1,811	
Unemployment Compensation	224	
Communication	2,035	
Data Processing Services	28,179	
Dues and Memberships	1,656	
Maintenance and Repair Services - Office Equipment	581	
Postal Charges	1,812	
Printing, Stationery, and Forms	1,093	
Rentals	3,927	
Travel	822	
Office Supplies	149	
Workers' Compensation Insurance	420	
Data Processing Equipment	135	
Total Circuit Court		444,501

General Sessions Judge

Judge(s)	\$ 183,848	
Secretary(ies)	31,614	
Longevity Pay	3,360	
In-service Training	281	
Social Security	16,922	
Pensions	19,924	
Employee and Dependent Insurance	6,813	
Life Insurance	771	
Unemployment Compensation	96	
Communication	2,095	
Dues and Memberships	735	
Library Books/Media	807	
Office Supplies	344	
Workers' Compensation Insurance	314	
Total General Sessions Judge		267,924

General Sessions Court Clerk

Printing, Stationery, and Forms	\$ 1,249	
Office Supplies	1,571	
Total General Sessions Court Clerk		2,820

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court

County Official/Administrative Officer	\$	76,669	
Deputy(ies)		62,447	
Educational Incentive - Official/Admin Officer		2,520	
Longevity Pay		3,150	
Social Security		11,575	
Pensions		12,613	
Employee and Dependent Insurance		18,503	
Life Insurance		770	
Unemployment Compensation		145	
Communication		1,918	
Dues and Memberships		862	
Legal Notices, Recording, and Court Costs		2,372	
Postal Charges		845	
Printing, Stationery, and Forms		591	
Travel		54	
Other Contracted Services		90	
Office Supplies		902	
Workers' Compensation Insurance		204	
Other Charges		20	
Office Equipment		69	
Total Chancery Court			\$ 196,319

Juvenile Court

Youth Service Officer(s)	\$	55,768	
Longevity Pay		2,520	
Social Security		5,638	
Pensions		5,661	
Employee and Dependent Insurance		1,152	
Life Insurance		361	
Unemployment Compensation		67	
Communication		2,181	
Dues and Memberships		25	
Legal Services		10,030	
Postal Charges		148	
Travel		119	
Office Supplies		1,005	
Workers' Compensation Insurance		94	
Other Charges		547	
Office Equipment		170	
Total Juvenile Court			85,486

Courtroom Security

Guards	\$	77,760	
Social Security		5,494	
Unemployment Compensation		226	
Total Courtroom Security			83,480

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	84,336	
Supervisor/Director		42,615	
Deputy(ies)		230,244	
Detective(s)		75,782	
Lieutenant(s)		161,393	
Sergeant(s)		114,731	
Salary Supplements		3,000	
Secretary(ies)		58,000	
Part-time Personnel		10,556	
Longevity Pay		27,720	
Overtime Pay		87,348	
Other Salaries and Wages		42,223	
In-service Training		11,200	
Social Security		90,161	
Pensions		78,162	
Employee and Dependent Insurance		135,979	
Life Insurance		5,088	
Unemployment Compensation		1,128	
Communication		17,843	
Contracts with Government Agencies		3,114	
Dues and Memberships		1,800	
Legal Notices, Recording, and Court Costs		371	
Maintenance Agreements		10,282	
Maintenance and Repair Services - Equipment		2,280	
Maintenance and Repair Services - Office Equipment		660	
Maintenance and Repair Services - Vehicles		23,328	
Postal Charges		1,055	
Travel		650	
Tuition		4,375	
Gasoline		41,118	
Instructional Supplies and Materials		100	
Law Enforcement Supplies		15,124	
Office Supplies		2,805	
Tires and Tubes		6,589	
Uniforms		10,001	
Other Supplies and Materials		1,556	
Premiums on Corporate Surety Bonds		1,146	
Vehicle and Equipment Insurance		14,138	
Workers' Compensation Insurance		21,357	
Other Charges		935	
Data Processing Equipment		1,095	
Law Enforcement Equipment		4,434	
Total Sheriff's Department			\$ 1,445,822

Jail

Assistant(s)	\$	42,000
Supervisor/Director		46,000

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Deputy(ies)	\$	505,880	
Salary Supplements		800	
Secretary(ies)		1,208	
Cafeteria Personnel		84,616	
Longevity Pay		30,240	
Overtime Pay		103,667	
Other Salaries and Wages		45,520	
Social Security		79,098	
Pensions		78,865	
Employee and Dependent Insurance		143,188	
Life Insurance		5,307	
Unemployment Compensation		1,240	
Communication		29	
Maintenance Agreements		19,554	
Maintenance and Repair Services - Equipment		33,951	
Maintenance and Repair Services - Office Equipment		757	
Medical and Dental Services		460,645	
Postal Charges		459	
Printing, Stationery, and Forms		1,281	
Travel		424	
Custodial Supplies		15,095	
Drugs and Medical Supplies		494	
Food Supplies		115,954	
Office Supplies		1,452	
Prisoners Clothing		9,872	
Uniforms		6,646	
Other Supplies and Materials		1,158	
Workers' Compensation Insurance		19,960	
Data Processing Equipment		344	
Food Service Equipment		1,071	
Law Enforcement Equipment		13,185	
Office Equipment		1,344	
Total Jail			\$ 1,871,304

Workhouse

County Official/Administrative Officer	\$	7,000
Assistant(s)		6,106
Longevity Pay		210
Overtime Pay		727
Social Security		368
Pensions		468
Employee and Dependent Insurance		4,159
Life Insurance		196
Unemployment Compensation		33
Communication		435
Maintenance and Repair Services - Buildings		189
Maintenance and Repair Services - Equipment		3,024

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Diesel Fuel	\$	562	
Fertilizer, Lime, and Seed		468	
Gasoline		3,978	
Tires and Tubes		64	
Utilities		3,017	
Workers' Compensation Insurance		1,074	
Other Charges		1,137	
Other Equipment		3,001	
Total Workhouse			\$ 36,216

Fire Prevention and Control

Other Per Diem and Fees	\$	25,490	
Social Security		1,382	
Pensions		1,594	
Unemployment Compensation		91	
Contracts with Government Agencies		267,926	
Maintenance and Repair Services - Equipment		11,275	
Maintenance and Repair Services - Vehicles		11,293	
Tuition		100	
Diesel Fuel		4,116	
Gasoline		2,637	
Other Supplies and Materials		6,252	
Liability Insurance		855	
Vehicle and Equipment Insurance		37,280	
Workers' Compensation Insurance		5,067	
Motor Vehicles		18	
Other Equipment		34,240	
Total Fire Prevention and Control			409,616

Civil Defense

Contracts with Government Agencies	\$	1,200	
Contributions		11,353	
Total Civil Defense			12,553

Rescue Squad

Contributions	\$	5,600	
Total Rescue Squad			5,600

County Coroner/Medical Examiner

Medical Personnel	\$	4,888	
Total County Coroner/Medical Examiner			4,888

Other Public Safety

Contracts with Government Agencies	\$	206,380	
Total Other Public Safety			206,380

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	20,400	
Communication		9,113	
Contracts with Government Agencies		16,484	
Maintenance and Repair Services - Buildings		5,232	
Custodial Supplies		414	
Drugs and Medical Supplies		984	
Office Supplies		652	
Utilities		7,623	
Total Local Health Center			\$ 60,902

Rabies and Animal Control

Contracts with Government Agencies	\$	72,377	
Total Rabies and Animal Control			72,377

Ambulance/Emergency Medical Services

Assistant(s)	\$	30,884	
Supervisor/Director		59,560	
Medical Personnel		2,000	
Materials Supervisor		14,214	
Paraprofessionals		323,169	
Attendants		284,929	
Part-time Personnel		37,703	
Longevity Pay		20,790	
Overtime Pay		136,118	
Other Salaries and Wages		30,951	
Social Security		88,871	
Pensions		82,437	
Employee and Dependent Insurance		91,104	
Life Insurance		5,575	
Unemployment Compensation		1,149	
Communication		9,250	
Contracts with Government Agencies		21,293	
Data Processing Services		5,670	
Dues and Memberships		180	
Licenses		2,210	
Maintenance Agreements		5,471	
Maintenance and Repair Services - Buildings		6,608	
Maintenance and Repair Services - Vehicles		30,932	
Postal Charges		52	
Travel		998	
Custodial Supplies		3,093	
Diesel Fuel		27,341	
Drugs and Medical Supplies		70,978	
Gasoline		1,845	
Office Supplies		4,965	
Uniforms		4,668	
Utilities		9,326	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Geotextile Materials	\$	750	
Liability Insurance		19,051	
Vehicle and Equipment Insurance		22,400	
Workers' Compensation Insurance		61,339	
Building Improvements		2,272	
Health Equipment		104,404	
Total Ambulance/Emergency Medical Services			\$ 1,624,550

Appropriation to State

Paraprofessionals	\$	40,954	
Clerical Personnel		27,601	
Longevity Pay		4,200	
Overtime Pay		542	
Social Security		6,223	
Pensions		5,931	
Employee and Dependent Insurance		6,071	
Life Insurance		438	
Unemployment Compensation		145	
Travel		504	
Workers' Compensation Insurance		1,811	
Building Improvements		14,919	
Total Appropriation to State			109,339

Social, Cultural, and Recreational Services

Libraries

Librarians	\$	52,869	
Longevity Pay		3,780	
Social Security		4,019	
Pensions		7,587	
Employee and Dependent Insurance		15,762	
Life Insurance		460	
Unemployment Compensation		64	
Contributions		76,821	
Workers' Compensation Insurance		82	
Total Libraries			161,444

Parks and Fair Boards

County Official/Administrative Officer	\$	52,200	
Supervisor/Director		30,472	
Foremen		36,660	
Laborers		124,488	
Secretary(ies)		34,167	
Temporary Personnel		60,931	
Longevity Pay		13,860	
Overtime Pay		1,411	
Social Security		28,740	
Pensions		28,085	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Employee and Dependent Insurance	\$	58,932	
Life Insurance		1,995	
Unemployment Compensation		706	
Communication		9,296	
Contributions		6,550	
Dues and Memberships		770	
Maintenance and Repair Services - Buildings		30,607	
Maintenance and Repair Services - Equipment		8,483	
Maintenance and Repair Services - Office Equipment		20	
Maintenance and Repair Services - Vehicles		4,302	
Pest Control		1,126	
Postal Charges		110	
Travel		1,420	
Custodial Supplies		6,265	
Fertilizer, Lime, and Seed		7,777	
Gasoline		8,298	
Office Supplies		3,637	
Utilities		79,768	
Other Supplies and Materials		18,960	
Refunds		11,502	
Vehicle and Equipment Insurance		4,657	
Workers' Compensation Insurance		8,167	
Other Charges		11,389	
Building Improvements		31,579	
Heating and Air Conditioning Equipment		1,855	
Maintenance Equipment		8,153	
Motor Vehicles		18	
Total Parks and Fair Boards			\$ 737,356

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	141,425	
Communication		5,930	
Licenses		45	
Travel		125	
Custodial Supplies		310	
Other Charges		646	
Total Agricultural Extension Service			148,481

Soil Conservation

Secretary(ies)	\$	28,024	
Longevity Pay		3,570	
Social Security		2,267	
Pensions		3,221	
Employee and Dependent Insurance		12,138	
Life Insurance		219	
Unemployment Compensation		32	
Workers' Compensation Insurance		44	
Total Soil Conservation			49,515

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations

Industrial Development

Other Contracted Services	\$	50,000	
Other Charges		20,171	
Total Industrial Development			\$ 70,171

Veterans' Services

Other Salaries and Wages	\$	15,932	
Social Security		1,373	
Unemployment Compensation		30	
Communication		3,076	
Maintenance Agreements		449	
Postal Charges		771	
Rentals		600	
Travel		184	
Office Supplies		404	
Workers' Compensation Insurance		24	
Office Equipment		1,557	
Total Veterans' Services			24,400

Contributions to Other Agencies

Contributions	\$	77,225	
Total Contributions to Other Agencies			77,225

COVID-19 Grant #1

Election Workers	\$	11,051	
Total COVID-19 Grant #1			11,051

COVID-19 Grant #2

Other Charges	\$	133,720	
Total COVID-19 Grant #2			133,720

COVID-19 Grant A

County Official/Administrative Officer	\$	20,589	
Supervisor/Director		12,385	
Deputy(ies)		69,177	
Lieutenant(s)		20,769	
Sergeant(s)		36,769	
Paraprofessionals		46,154	
Guards		4,856	
Attendants		43,877	
Part-time Personnel		5,450	
Total COVID-19 Grant A			260,026

Miscellaneous

Dues and Memberships	\$	67,380	
Building and Contents Insurance		80,168	
Liability Insurance		87,424	
Trustee's Commission		166,841	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Workers' Compensation Insurance	\$ 27,514	
Other Charges	15,770	
Total Miscellaneous	\$ 445,097	

Principal on Debt

General Government

Principal on Capital Leases	\$ 6,895	
Total General Government		6,895

Interest on Debt

General Government

Interest on Capital Leases	\$ 662	
Total General Government		662

Total General Fund \$ 11,350,043

Solid Waste/Sanitation Fund

Public Health and Welfare

Waste Pickup

Assistant(s)	\$ 21,046	
Supervisor/Director	22,100	
Equipment Operators	118,676	
Secretary(ies)	34,435	
Educational Assistants	156	
Part-time Personnel	3,639	
Overtime Pay	5,878	
Social Security	497	
Life Insurance	896	
Unemployment Compensation	270	
Other Fringe Benefits	11,445	
Communication	498	
Data Processing Services	31,277	
Legal Notices, Recording, and Court Costs	4,248	
Maintenance and Repair Services - Office Equipment	305	
Postal Charges	17,646	
Printing, Stationery, and Forms	92	
Diesel Fuel	7,150	
Electricity	6,996	
Equipment and Machinery Parts	48,697	
Gasoline	34,044	
Instructional Supplies and Materials	8,532	
Office Supplies	1,186	
Tires and Tubes	14,910	
Other Supplies and Materials	791	
Liability Insurance	779	
Other Charges	3,201	
Maintenance Equipment	292,168	
Total Waste Pickup	\$ 691,558	

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)

Other Operations

Other Charges

Building and Contents Insurance	\$	18	
Trustee's Commission		7,134	
Vehicle and Equipment Insurance		6,839	
Workers' Compensation Insurance		6,456	
Total Other Charges			\$ 20,447

Employee Benefits

Social Security	\$	15,795	
Pensions		15,130	
Employee and Dependent Insurance		25,458	
Total Employee Benefits			56,383

Principal on Debt

General Government

Principal on Capital Leases	\$	29,710	
Total General Government			29,710

Interest on Debt

General Government

Interest on Capital Leases	\$	8,461	
Total General Government			8,461

Total Solid Waste/Sanitation Fund \$ 806,559

Drug Control Fund

Public Safety

Drug Enforcement

Maintenance and Repair Services - Vehicles	\$	47	
Gasoline		7,439	
Law Enforcement Supplies		2,272	
Trustee's Commission		419	
Law Enforcement Equipment		1,716	
Total Drug Enforcement			\$ 11,893

Total Drug Control Fund 11,893

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	3,327	
Total County Trustee's Office			\$ 3,327

Total Constitutional Officers - Fees Fund 3,327

(Continued)

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	85,629	
Accountants/Bookkeepers		70,556	
Longevity Pay		630	
Board and Committee Members Fees		13,200	
Communication		7,808	
Data Processing Services		13,148	
Dues and Memberships		4,698	
Legal Notices, Recording, and Court Costs		1,566	
Maintenance and Repair Services - Office Equipment		1,303	
Postal Charges		456	
Printing, Stationery, and Forms		427	
Travel		416	
Drugs and Medical Supplies		491	
Electricity		13,809	
Office Supplies		1,161	
Other Charges		2,619	
Total Administration			\$ 217,917

Highway and Bridge Maintenance

Laborers	\$	520,179	
Asphalt - Hot Mix		96,000	
Asphalt - Liquid		308,729	
Crushed Stone		202,658	
Fertilizer, Lime, and Seed		84,826	
Other Road Materials		22,082	
Pipe		134,398	
Road Signs		2,523	
Salt		13,573	
Wood Products		378	
Total Highway and Bridge Maintenance			1,385,346

Operation and Maintenance of Equipment

Laborers	\$	94,746	
Diesel Fuel		172,904	
Equipment and Machinery Parts		156,224	
Gasoline		77,365	
Lubricants		6,710	
Tires and Tubes		25,945	
Total Operation and Maintenance of Equipment			533,894

Other Charges

Building and Contents Insurance	\$	3,356	
Excess Risk Insurance		1,000	
Liability Insurance		5,075	
Premiums on Corporate Surety Bonds		5,233	
Trustee's Commission		36,141	
Vehicle and Equipment Insurance		25,000	
Workers' Compensation Insurance		30,897	
Total Other Charges			106,702

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Employee Benefits

Social Security	\$	57,780	
Pensions		73,425	
Employee and Dependent Insurance		158,074	
Unemployment Compensation		378	
Other Fringe Benefits		2,016	
Total Employee Benefits	\$		291,673

Capital Outlay

Engineering Services	\$	70,356	
Bridge Construction		504,265	
Highway Equipment		299,076	
Other Capital Outlay		3,546	
Total Capital Outlay			877,243

Total Highway/Public Works Fund \$ 3,412,775

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,169,446	
Principal on Notes		38,000	
Total General Government	\$		1,207,446

Education

Principal on Bonds	\$	104,000	
Principal on Capital Leases		114,181	
Principal on Other Loans		390,039	
Total Education			608,220

Interest on Debt

General Government

Interest on Bonds	\$	279,397	
Interest on Notes		3,925	
Total General Government			283,322

Education

Interest on Bonds	\$	80,605	
Interest on Capital Leases		4,590	
Interest on Other Loans		26,817	
Total Education			112,012

Other Debt Service

General Government

Trustee's Commission	\$	24,510	
Total General Government			24,510

Total General Debt Service Fund 2,235,510

(Continued)

Exhibit K-7

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

<u>General Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Public Safety Projects</u>			
Architects	\$	55,852	
Contracts with Private Agencies		<u>12,000</u>	
Total Public Safety Projects	\$		67,852
<u>Other General Government Projects</u>			
Building Construction	\$	<u>752,061</u>	
Total Other General Government Projects			<u>752,061</u>
Total General Capital Projects Fund			\$ 819,913
<u>Community Development/Industrial Park Fund</u>			
<u>Capital Projects</u>			
<u>Public Safety Projects</u>			
Contracts with Private Agencies	\$	<u>5,460</u>	
Total Public Safety Projects			\$ 5,460
<u>Other General Government Projects</u>			
Engineering Services	\$	<u>17,518</u>	
Total Other General Government Projects			<u>17,518</u>
Total Community Development/Industrial Park Fund			22,978
<u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Contracts with Private Agencies	\$	67,288	
Contributions		<u>91,000</u>	
Total Education Capital Projects			\$ <u>158,288</u>
Total Education Capital Projects Fund			158,288
<u>Other Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Social, Cultural, and Recreation Projects</u>			
Other Supplies and Materials	\$	7,104	
Other Equipment		2,042	
Other Construction		<u>450</u>	
Total Social, Cultural, and Recreation Projects			\$ <u>9,596</u>
Total Other Capital Projects Fund			<u>9,596</u>
Total Governmental Funds - Primary Government			<u>\$ 18,830,882</u>

Exhibit K-8

Haywood County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Haywood County School Department
For the Year Ended June 30, 2021

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 7,421,917	
Career Ladder Program	20,543	
Educational Assistants	639,191	
Other Salaries and Wages	34,681	
Certified Substitute Teachers	79,713	
Non-certified Substitute Teachers	16,634	
Social Security	467,841	
Pensions	688,410	
Life Insurance	7,500	
Medical Insurance	1,222,820	
Dental Insurance	39,302	
Employer Medicare	110,594	
Travel	2,453	
Other Contracted Services	163,939	
Instructional Supplies and Materials	89,132	
Textbooks - Bound	16,989	
Other Supplies and Materials	14,423	
Other Charges	40,649	
Regular Instruction Equipment	4,467	
Total Regular Instruction Program		\$ 11,081,198

Alternative Instruction Program

Teachers	\$ 335,534	
Career Ladder Program	1,000	
Educational Assistants	30,499	
Other Salaries and Wages	36,070	
Non-certified Substitute Teachers	474	
Social Security	23,136	
Pensions	38,639	
Medical Insurance	72,344	
Dental Insurance	1,546	
Employer Medicare	5,411	
Total Alternative Instruction Program		544,653

Special Education Program

Teachers	\$ 1,177,646
Career Ladder Program	3,000
Homebound Teachers	11,460
Educational Assistants	43,762
Speech Pathologist	62,145
Certified Substitute Teachers	14,139
Non-certified Substitute Teachers	219
Social Security	72,397
Pensions	124,391
Medical Insurance	235,701
Dental Insurance	6,963

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	17,300	
Instructional Supplies and Materials		3,105	
Other Supplies and Materials		1,164	
Other Charges		40	
Special Education Equipment		757	
Total Special Education Program			\$ 1,774,189

Career and Technical Education Program

Teachers	\$	612,272	
Other Salaries and Wages		3,486	
Certified Substitute Teachers		1,610	
In-service Training		26,536	
Non-certified Substitute Teachers		1,326	
Social Security		37,323	
Pensions		60,441	
Medical Insurance		79,788	
Dental Insurance		2,758	
Employer Medicare		8,729	
Maintenance and Repair Services - Equipment		160	
Other Contracted Services		3,155	
Instructional Supplies and Materials		5,227	
T&I Construction Materials		362	
Textbooks - Bound		4,681	
Other Supplies and Materials		1,316	
Other Charges		2,377	
Building Improvements		211,632	
Vocational Instruction Equipment		1,052	
Total Career and Technical Education Program			1,064,231

COVID-19 Expenditures

Teachers	\$	264,000	
Social Security		16,368	
Pensions		25,115	
Employer Medicare		3,829	
Regular Instruction Equipment		283,747	
Total COVID-19 Expenditures			593,059

Support Services

Attendance

Supervisor/Director	\$	69,782	
Career Ladder Program		1,000	
Social Security		4,045	
Pensions		7,269	
Medical Insurance		14,895	
Dental Insurance		595	
Employer Medicare		946	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Other Contracted Services	\$	18,455	
Other Supplies and Materials		924	
In Service/Staff Development		4,700	
Attendance Equipment		1,548	
Total Attendance			\$ 124,159

Health Services

Supervisor/Director	\$	56,572	
Career Ladder Program		2,000	
Medical Personnel		120,367	
Social Security		10,767	
Pensions		16,336	
Medical Insurance		11,492	
Dental Insurance		547	
Employer Medicare		2,518	
Travel		3,072	
Other Contracted Services		3,470	
Drugs and Medical Supplies		3,901	
Other Supplies and Materials		17,615	
In Service/Staff Development		205	
Total Health Services			248,862

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		456,280	
Attendants		250	
Other Salaries and Wages		33,584	
Social Security		28,283	
Pensions		45,376	
Medical Insurance		73,885	
Dental Insurance		2,193	
Employer Medicare		6,615	
Contracts with Government Agencies		153,031	
Contracts with Private Agencies		20,010	
Travel		219	
Other Contracted Services		10,135	
Other Supplies and Materials		8,085	
In Service/Staff Development		46,498	
Other Charges		26,498	
Other Equipment		9,803	
Total Other Student Support			921,745

Regular Instruction Program

Supervisor/Director	\$	409,554	
Career Ladder Program		6,000	
Librarians		205,312	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	56,860	
Social Security		38,749	
Pensions		67,626	
Medical Insurance		109,348	
Dental Insurance		2,788	
Employer Medicare		9,062	
Travel		2,263	
Other Contracted Services		6,547	
Library Books/Media		13,451	
Other Supplies and Materials		290	
In Service/Staff Development		1,685	
Total Regular Instruction Program			\$ 929,535

Special Education Program

Supervisor/Director	\$	75,785	
Career Ladder Program		2,000	
Psychological Personnel		149,188	
Clerical Personnel		31,591	
Other Salaries and Wages		69,780	
Social Security		19,960	
Pensions		29,546	
Medical Insurance		18,058	
Dental Insurance		1,059	
Employer Medicare		4,668	
Travel		3,761	
Other Contracted Services		14,104	
Other Supplies and Materials		2,949	
In Service/Staff Development		390	
Total Special Education Program			422,839

Career and Technical Education Program

Supervisor/Director	\$	68,631	
Secretary(ies)		38,300	
Social Security		6,270	
Pensions		10,806	
Medical Insurance		11,555	
Dental Insurance		249	
Employer Medicare		1,466	
Travel		312	
In Service/Staff Development		100	
Other Charges		33	
Total Career and Technical Education Program			137,722

Technology

Supervisor/Director	\$	74,968	
Data Processing Personnel		107,254	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Social Security	\$	10,908	
Pensions		12,730	
Medical Insurance		15,977	
Dental Insurance		157	
Employer Medicare		2,551	
Data Processing Services		15,941	
Internet Connectivity		79,763	
Travel		2,489	
Other Contracted Services		49,157	
Data Processing Supplies		11,947	
Cabling		2,344	
Software		23,364	
Other Supplies and Materials		510	
In Service/Staff Development		5,454	
Data Processing Equipment		16,908	
Other Equipment		5,012	
Total Technology			\$ 437,434

Other Programs

On-behalf Payments to OPEB	\$	39,202	
Total Other Programs			39,202

Board of Education

Secretary to Board	\$	3,619	
Board and Committee Members Fees		5,255	
Social Security		539	
Pensions		355	
Medical Insurance		447	
Unemployment Compensation		21,095	
Employer Medicare		126	
Audit Services		11,500	
Dues and Memberships		7,317	
Legal Services		6,353	
Postal Charges		72	
Travel		74	
Other Contracted Services		17,806	
Other Supplies and Materials		139	
Liability Insurance		42,703	
Trustee's Commission		157,033	
Workers' Compensation Insurance		141,036	
In Service/Staff Development		7,809	
Other Charges		1,648	
Total Board of Education			424,926

Director of Schools

County Official/Administrative Officer	\$	119,600	
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(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Career Ladder Program	\$	1,000	
Clerical Personnel		71,434	
Social Security		11,419	
Pensions		19,024	
Medical Insurance		28,991	
Dental Insurance		840	
Employer Medicare		2,670	
Communication		13,584	
Dues and Memberships		3,258	
Postal Charges		2,000	
Travel		1,158	
Other Contracted Services		22,012	
Office Supplies		9,761	
Other Supplies and Materials		407	
Premiums on Corporate Surety Bonds		350	
In Service/Staff Development		1,081	
Other Charges		2,940	
Total Director of Schools			\$ 311,529

Office of the Principal

Principals	\$	490,079	
Career Ladder Program		1,417	
Accountants/Bookkeepers		136,865	
Assistant Principals		537,104	
Secretary(ies)		207,856	
Social Security		79,637	
Pensions		133,253	
Medical Insurance		188,687	
Dental Insurance		3,583	
Employer Medicare		18,625	
Communication		43,615	
Travel		129	
Other Contracted Services		49,026	
In Service/Staff Development		1,050	
Other Charges		69	
Total Office of the Principal			1,890,995

Fiscal Services

Supervisor/Director	\$	75,800	
Accountants/Bookkeepers		107,578	
Clerical Personnel		65,004	
Social Security		14,541	
Pensions		22,255	
Medical Insurance		26,554	
Employer Medicare		3,401	
Travel		27	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Other Contracted Services	\$	28,334	
Data Processing Supplies		1,521	
Other Supplies and Materials		239	
Other Charges		50	
Administration Equipment		399	
Total Fiscal Services			\$ 345,703

Operation of Plant

Other Contracted Services	\$	18,375	
Electricity		395,599	
Natural Gas		81,753	
Water and Sewer		78,324	
Boiler Insurance		3,348	
Building and Contents Insurance		139,189	
Total Operation of Plant			716,588

Maintenance of Plant

Supervisor/Director	\$	92,960	
Custodial Personnel		472,862	
Maintenance Personnel		184,062	
Social Security		44,179	
Pensions		69,078	
Medical Insurance		110,069	
Dental Insurance		83	
Employer Medicare		10,332	
Maintenance and Repair Services - Buildings		69,834	
Maintenance and Repair Services - Equipment		85,023	
Other Contracted Services		96,820	
Other Supplies and Materials		63,444	
Other Charges		56,158	
Administration Equipment		4,250	
Maintenance Equipment		3,343	
Total Maintenance of Plant			1,362,497

Transportation

Supervisor/Director	\$	72,409	
Mechanic(s)		119,314	
Bus Drivers		502,642	
Secretary(ies)		28,195	
Other Salaries and Wages		161,204	
Social Security		52,770	
Pensions		78,304	
Medical Insurance		32,406	
Dental Insurance		239	
Employer Medicare		12,597	
Communication		20,206	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Transportation (Cont.)

Medical and Dental Services	\$	7,186	
Travel		1,143	
Other Contracted Services		35,531	
Diesel Fuel		64,515	
Gasoline		12,496	
Tires and Tubes		9,452	
Vehicle Parts		103,868	
Other Supplies and Materials		41,351	
Vehicle and Equipment Insurance		34,797	
In Service/Staff Development		2,422	
Other Charges		25,526	
Administration Equipment		1,820	
Transportation Equipment		182,000	
Total Transportation			\$ 1,602,393

COVID-19 Expenditures

Bus Drivers	\$	22,018	
Other Salaries and Wages		11,862	
Social Security		2,005	
Pensions		2,801	
Employer Medicare		491	
Diesel Fuel		10,000	
Other Supplies and Materials		161,607	
Total COVID-19 Expenditures			210,784

Operation of Non-Instructional ServicesCommunity Services

Other Salaries and Wages	\$	2,800	
Social Security		174	
Pensions		275	
Employer Medicare		41	
Other Supplies and Materials		26,323	
Total Community Services			29,613

Early Childhood Education

Supervisor/Director	\$	30,595	
Teachers		270,711	
Educational Assistants		101,343	
Other Salaries and Wages		7,750	
Non-certified Substitute Teachers		51	
Social Security		23,236	
Pensions		39,691	
Medical Insurance		69,054	
Dental Insurance		1,518	
Employer Medicare		5,434	
Instructional Supplies and Materials		28,814	
Total Early Childhood Education			578,197

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	1,000	
Building Improvements		3,905	
Total Regular Capital Outlay			\$ 4,905

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	349,748	
Total Education			349,748

Total General Purpose School Fund \$ 26,146,706

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	285,030	
Educational Assistants		175,243	
Other Salaries and Wages		9,954	
Social Security		25,825	
Pensions		42,274	
Medical Insurance		71,299	
Dental Insurance		1,662	
Employer Medicare		6,243	
Other Contracted Services		86,732	
Instructional Supplies and Materials		90,145	
Fee Waivers		1,794	
Regular Instruction Equipment		5,116	
Total Regular Instruction Program			\$ 801,317

Special Education Program

Teachers	\$	72,190	
Educational Assistants		354,618	
Other Salaries and Wages		7,200	
Social Security		24,798	
Pensions		37,084	
Medical Insurance		89,051	
Dental Insurance		522	
Employer Medicare		5,800	
Contracts with Private Agencies		8,750	
Instructional Supplies and Materials		33,725	
Other Supplies and Materials		583	
Special Education Equipment		36,136	
Total Special Education Program			670,457

Career and Technical Education Program

Instructional Supplies and Materials	\$	8,548	
Other Supplies and Materials		16,283	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Career and Technical Education Program (Cont.)

In Service/Staff Development	\$	12,519	
Vocational Instruction Equipment		91,176	
Total Career and Technical Education Program			\$ 128,526

COVID-19 Expenditures

Other Salaries and Wages	\$	257,652	
Social Security		16,865	
Pensions		22,710	
Employer Medicare		3,741	
Other Contracted Services		211,110	
Instructional Supplies and Materials		119,623	
Regular Instruction Equipment		638,399	
Total COVID-19 Expenditures			1,270,100

Support ServicesOther Student Support

Other Salaries and Wages	\$	83,544	
Social Security		5,032	
Pensions		8,075	
Medical Insurance		5,815	
Dental Insurance		274	
Employer Medicare		1,179	
Other Supplies and Materials		29,903	
In Service/Staff Development		5,349	
Other Charges		8,201	
Regular Instruction Equipment		93,832	
Total Other Student Support			241,204

Regular Instruction Program

Other Salaries and Wages	\$	250,195	
Social Security		11,735	
Pensions		21,580	
Medical Insurance		45,518	
Dental Insurance		829	
Employer Medicare		3,235	
Travel		217	
Other Contracted Services		158,253	
In Service/Staff Development		26,669	
Total Regular Instruction Program			518,231

Special Education Program

Assessment Personnel	\$	55,500	
Social Security		3,315	
Pensions		5,700	
Medical Insurance		5,664	
Dental Insurance		274	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	775	
Contracts with Private Agencies		21,996	
Travel		2,490	
Other Supplies and Materials		3,429	
In Service/Staff Development		17,634	
Total Special Education Program			\$ 116,777

Operation of Plant

Other Supplies and Materials	\$	2,022	
Plant Operation Equipment		10,997	
Total Operation of Plant			13,019

COVID-19 Expenditures

Supervisor/Director	\$	60,683	
Medical Personnel		101,935	
Other Salaries and Wages		170,241	
Social Security		20,044	
Pensions		24,915	
Medical Insurance		22,500	
Dental Insurance		771	
Employer Medicare		4,688	
Other Contracted Services		29,320	
Other Supplies and Materials		62,238	
Other Equipment		92,547	
Total COVID-19 Expenditures			589,882

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	42,950	
Teachers		207,652	
Clerical Personnel		3,112	
Educational Assistants		56,633	
Other Salaries and Wages		27,165	
Social Security		20,774	
Pensions		29,649	
Medical Insurance		5,815	
Employer Medicare		4,858	
Travel		1,642	
Instructional Supplies and Materials		1,126	
Other Supplies and Materials		186	
In Service/Staff Development		354	
Other Charges		10,000	
Total Community Services			411,916

COVID-19 Expenditures

Other Salaries and Wages	\$	98,000	
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(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

COVID-19 Expenditures (Cont.)

Social Security	\$	6,076	
Pensions		8,930	
Employer Medicare		1,421	
Total COVID-19 Expenditures			\$ 114,427

Capital Outlay

COVID-19 Expenditures

Building Improvements	\$	49,675	
Total COVID-19 Expenditures			49,675

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	69,467	
Total Education			69,467

Total School Federal Projects Fund \$ 4,994,998

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	58,879	
Accountants/Bookkeepers		36,991	
Clerical Personnel		31,691	
Cafeteria Personnel		498,553	
Social Security		36,482	
Pensions		59,656	
Medical Insurance		67,725	
Dental Insurance		269	
Employer Medicare		8,621	
Other Fringe Benefits		19,813	
Maintenance and Repair Services - Equipment		16,375	
Transportation - Other than Students		5,076	
Travel		1,942	
Other Contracted Services		15,418	
Food Preparation Supplies		41,141	
Food Supplies		606,907	
Office Supplies		3,884	
Uniforms		1,925	
USDA - Commodities		150,956	
Other Supplies and Materials		18,942	
In Service/Staff Development		1,864	
Other Charges		4,880	
Food Service Equipment		2,417	
Total Food Service			\$ 1,690,407

Total Central Cafeteria Fund 1,690,407

(Continued)

Exhibit K-8

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

<u>Internal School Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Community Services</u>		
Other Charges	<u>\$ 499,312</u>	
Total Community Services		<u>\$ 499,312</u>
Total Internal School Fund		\$ 499,312
 <u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Other Capital Outlay	<u>\$ 91,000</u>	
Total Education Capital Projects		<u>\$ 91,000</u>
Total Education Capital Projects Fund		<u>91,000</u>
Total Governmental Funds - Haywood County School Department		<u><u>\$ 33,422,423</u></u>

Exhibit K-9

Haywood County, Tennessee
Schedule of Detailed Additions, Deductions,
and Changes in Net Position - City Custodial Fund
For the Year Ended June 30, 2021

	Cities - Sales Tax Fund
<hr/>	
<u>Additions</u>	
Local Option Sales Tax	\$ 2,031,439
Total Additions	<u>\$ 2,031,439</u>
 <u>Deductions</u>	
Remittance of Revenues Collected	\$ 2,011,362
Trustee's Commission	<u>20,077</u>
Total Deductions	<u>\$ 2,031,439</u>
 Excess of Additions Over (Under) Deductions	 \$ 0
Net Position, July 1, 2020	<u>0</u>
 Net Position, June 30, 2021	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haywood County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Haywood County's basic financial statements as listed in the table of contents, and have issued our report thereon dated January 12, 2022. Our report includes references to other auditors who audited the financial statements of the Haywood County Public Utility District (a discretely presented component unit) and the Internal School Fund of the Haywood County School Department (a discretely presented component unit) as described in our report on Haywood 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Haywood County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Haywood County's internal control. Accordingly, we do not express an opinion on the effectiveness of Haywood County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2021-001, 2021-003, 2021-004, 2021-005, and 2021-007(A).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Haywood 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 are described in the accompanying Schedule of Findings and Questioned Costs as items: 2021-002, 2021-006, 2021-007(B,C), 2021-008, and 2021-009.

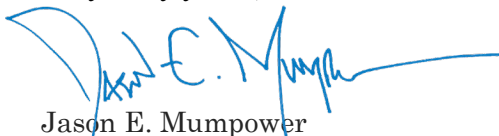
Haywood County's Responses to the Findings

Haywood County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Haywood 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Haywood County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 12, 2022

JEM/sl



JASON E. MUMPOWER
Comptroller

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Haywood County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Haywood County's major federal programs for the year ended June 30, 2021. Haywood County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Haywood County's compliance.

Opinion on Each Major Federal Program

In our opinion, Haywood County 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, 2021.

Report on Internal Control Over Compliance

Management of Haywood County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Haywood County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Haywood County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haywood County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Haywood County's basic financial statements. We issued our report thereon dated January 12, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 12, 2022

JEM/sl

Haywood County, Tennessee, and the Haywood County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (7)
For the Year-Ended June 30, 2021

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (3)			
School Breakfast Program	10.553	N/A	\$ 569,066
National School Lunch Program	10.555	N/A	965,560 (5)
Summer Food Service Program for Children	10.559	N/A	95,047
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (3)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	150,956 (5)
Total U.S. Department of Agriculture			<u>\$ 1,780,629</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	34817	\$ 802,586
Passed-through State Housing Development Agency:			
HOME Investment Partnership Program	14.239	HM17-09	4,500
Total U.S. Department of Housing and Urban Development			<u>\$ 807,086</u>
U.S. Department of the Treasury:			
Passed-through State Department of Finance and Administration:			
COVID 19 - Coronavirus Relief Fund	21.019	(4)	\$ 260,025 (5)
Passed-through State Department of Education:			
COVID 19 - Coronavirus Relief Fund	21.019	(4)	343,747 (5)
Total U.S. Department of Treasury			<u>\$ 603,772</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 1,183,734
Special Education Cluster: (3)			
Special Education - Grants to States	84.027	N/A	746,240
Special Education - Preschool Grants	84.173	N/A	40,995
Career and Technical Education - Basic Grants to States	84.048	N/A	134,251
Twenty-first Century Community Learning Centers	84.287	N/A	423,409
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	201,173
Rural Education	84.358	N/A	65,063
Supporting Effective Instruction State Grants	84.367	N/A	150,460
Student Support and Academic Enrichment Program	84.424	N/A	71,725
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	N/A	845,633 (5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	1,248,201 (5)
Passed-through Lauderdale County Board of Education:			
English Language Acquisition State Grants	84.365	N/A	8,224
Total U.S. Department of Education			<u>\$ 5,119,108</u>
U.S. Election Assistance Commission:			
Passed through Tennessee Secretary of State:			
COVID 19 - 2020 Supplemental Election Security Grants	90.404	(4)	\$ 11,051
Total U.S. Election Assistance Commission			<u>\$ 11,051</u>

(Continued)

Haywood County, Tennessee, and the Haywood County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U. S. Department of Health and Human Services:			
Passed-through State Department of Education:			
477 Cluster: (3)			
COVID 19 - Temporary Assistance for Needy Families	93.558	(4)	\$ 159,616
Total U.S. Department of Health and Human Services			<u>\$ 159,616</u>
Total Expenditures of Federal Grants			<u>\$ 8,481,262</u>
			<u>Contract Number</u>
<u>State Grants</u>			
Litter Grant - State Department of Transportation	N/A	(4)	\$ 44,380
Juvenile Court State Supplement Funds - State Department of Children's Services	N/A	(4)	13,545
State Direct Appropriations Grant FY 2020 - State Department of Finance and Administration	N/A	(4)	795,584
Early Childhood Education - State Department of Education	N/A	(4)	598,294
Coordinated School Health - State Department of Education	N/A	(4)	90,000
Family Resource Center - State Department of Education	N/A	(4)	29,612
Transition Schools to Work - State Department of Education	N/A	(4)	110,130
Give Grant - Tennessee College of Applied Technology	N/A	(4)	247,321
Summer Learning Camps - State Department of Education	N/A	(4)	92,655
STREAM Mini-Camps - State Department of Education	N/A	(4)	26,294
Bridge Camps - State Department of Education	N/A	(4)	30,747
Learning Camp Transportation - State Department of Education	N/A	(4)	49,178
School Resource Officer Grant - State Department of Education	N/A	(4)	35,000
Safe Schools - State Department of Education	N/A	(4)	<u>68,569</u>
Total State Grants			<u>\$ 2,231,309</u>

FAL = Federal Assistance Listings

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Haywood county elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Child Nutrition Cluster total \$1,780,629; Special Education Cluster total \$787,235; 477 Cluster total \$159,616.
- (4) Information not available.
- (5) Total for FAL No. 10.555 is \$1,116,516; Total for FAL No. 21.019 is \$603,772; Total for FAL No. 84.425D is \$2,093,834.
- (6) For the year ended June 30, 2021, Haywood County received donated PPE valued at \$295,327 (\$221,495 federal and \$73,832 state) from the State Department of Military. These donations were unaudited.
- (7) No amounts (\$0) were passed-through to subrecipients.

Haywood County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2021

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Haywood County, Tennessee, for the year ended June 30, 2021.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
<u>OFFICE OF COUNTY MAYOR</u>					
2020	211	2020-001	The General Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2020	212	2020-002	The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2020.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2020	212	2020-003	The office had deficiencies in budget operations.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2020	214	2020-004	The office had accounting deficiencies.	N/A	Parts A and C - Corrected; Part B - Not Corrected - See Explanation on Corrective Action Plan
2020	215	2020-005	Funds were transferred without county commission approval.	N/A	Corrected
2020	216	2020-006	The Community Development/Industrial Park and Education Capital Projects funds had deficits in unassigned fund balances at June 30, 2020.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2020	217	2020-007	An interfund loan was not authorized in accordance with state statute.	N/A	Corrected
2020	217	2020-008	The office had deficiencies in purchasing procedures.	N/A	Corrected
2020	218	2020-009	County officials did not adequately control access to the courthouse offices.	N/A	Corrected

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

HAYWOOD COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Haywood County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listings Numbers: 10.553, 10.555, and 10.559 Child Nutrition Cluster: School Breakfast Program, School Lunch Program, and Summer Food Service Program for Children
 - * Assistance Listings Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants
 - * Assistance Listings Number: 84.425D COVID 19 - Education Stabilization Program - Elementary and Secondary School Emergency Relief Fund (ESSER I and II)
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2021-001

THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION AT JUNE 30, 2021

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit in unrestricted net position of \$898,418 at June 30, 2021. This deficit resulted from the recognition of a liability totaling \$1,700,196 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency exists because management failed to correct the finding noted in prior-year audit reports and failed to provide adequate financing to fund the liability.

RECOMMENDATION

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur in part and disagree in part. It is my understanding that the statutes of the State of Tennessee require local governments with a landfill to set aside sufficient monies to close the landfill should the government cease to have the ability. Prior administrations determined that Haywood County is ready, willing, and able to properly close the landfill as each cell is filled and discontinued. Haywood County has properly demonstrated in the past that it is ready, willing, and able to fulfill its obligations regarding closure, by proper closure of the previous discontinued cells. In meeting with the representatives of the Tennessee Department of Environment and Conservation, a current amount necessary to make such closure was agreed. To put aside \$1.7 million dollars as designated funds would cause an undue tax burden to the taxpayers of Haywood County.

AUDITOR'S COMMENT

County officials should develop a plan to provide adequate financing to fund the liability.

FINDING 2021-002

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

(Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations. These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures, management failed to provide sufficient oversight, management failed to correct the finding noted in the prior-year audit report, and management failed to implement their corrective action plan.

- A. Expenditures exceeded total appropriations approved by the county commission in the Solid Waste/Sanitation Fund by \$7,788.
- B. Expenditures exceeded appropriations approved by the county commission in seven of 48 major appropriation categories (the legal level of control) in the General Fund as reflected in the following table:

Major Appropriation Category	Amount Overspent
General Government - County Attorney	\$ 177
Finance - County Clerk's Office	867
Public Safety - County Coroner/Medical Examiner	88
Public Safety - Other Public Safety	4,162
Agriculture and Natural Resources - Soil Conservation	206
Other Operations - Contributions to Other Agencies	20,045
Other Financing Uses - Transfers Out	500,000

- C. Salaries exceeded appropriations in three of 120 salary line-items in the General Fund by amounts ranging from \$1,116 to \$2,162 and in one of seven salary line-items in the Solid Waste/Sanitation Fund by \$237. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each official, employee, or agent of the county will not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.”

RECOMMENDATION

Expenditures should be held within appropriations approved by the county commission.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding that the prior budget director failed to make proper budget amendments. In fact, discussions with the state auditor led me to the conclusion that the budget director made journal entries that were not reflective of budget amendments, which misstated the available balances in the various appropriation categories that led to overspending in the respective line-items.

FINDING 2021-003

**GENERAL LEDGER PAYROLL DEDUCTION
ACCOUNTS WERE NOT RECONCILED WITH PAYROLL
REPORTS AND PAYMENTS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

General ledger payroll deduction accounts were not reconciled with payroll reports and payments in the General, Solid Waste/Sanitation, and Solid Waste Disposal funds. Sound business practices dictate that these reconciliations be performed monthly. The failure to regularly reconcile payroll deduction accounts allows errors to remain undiscovered and uncorrected. This deficiency exists due to a lack of management oversight, management's failure to correct the finding noted in the prior-year audit report, and management's failure to implement their corrective action plan.

RECOMMENDATION

General ledger payroll liability accounts should be reconciled monthly with payroll reports and payments, and any errors should be corrected promptly.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur.

FINDING 2021-004

**THE COMMUNITY DEVELOPMENT/INDUSTRIAL PARK
AND THE EDUCATION CAPITAL PROJECTS FUNDS
HAD DEFICITS IN UNASSIGNED FUND BALANCES AT
JUNE 30, 2021**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Community Development/Industrial Park and the Education Capital Projects funds had deficits in unassigned fund balances of \$58,958 and \$90,750, respectively, at June 30, 2021. The deficit in the Community Development/Industrial Park Fund resulted from the recognition of a \$74,677 liability for interfund transfers that were not approved by the county commission in the prior year. The deficit in the Education Capital Projects Fund resulted from a contribution of restricted funds to the General Purpose School Fund in the prior year for an unallowable purpose. The funds are restricted to be spent on capital improvements to

school buildings; however, the contribution was for the purchase of a school bus. This deficiency exists due to a lack of management oversight and financial difficulties at the county. Also, these deficiencies exist because management failed to correct the finding noted in the prior-year audit report and failed to implement their corrective action plan.

RECOMMENDATION

Management should liquidate the deficits in unassigned fund balances in the Community Development/Industrial Park and the Education Capital Projects funds.

MANAGEMENT’S RESPONSE – COUNTY MAYOR

I concur.

FINDING 2021-005

PURCHASE ORDERS WERE NOT ALWAYS ISSUED PROPERLY

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 48 disbursements totaling \$434,717 from a population of 3,139 vendor checks totaling \$9,158,447. Our examination revealed that, in eight of 15 applicable instances, purchase orders were not issued properly. In three instances, purchase orders were not issued, and in five instances, purchase orders were issued after the purchases were made. Purchase orders are necessary to control who has purchasing authority for the county and to document purchase commitments. The failure to issue purchase orders increases the risks of unauthorized purchases. The practice of issuing purchase orders after the purchases are made defeats the purpose of issuing a purchase order and makes the purchase order an approval for payment rather than an approval of the purchase. This deficiency is the result of a lack of management oversight and a lack of understanding of internal controls and sound business practices.

RECOMMENDATION

Purchase orders should be issued for all applicable purchases before purchases are made to strengthen internal controls over purchasing procedures and to document purchasing commitments.

MANAGEMENT’S RESPONSE – COUNTY MAYOR

I concur.

FINDING 2021-006

DRUG COURT FEES WERE NOT REMITTED TO THE STATE IN ACCORDANCE WITH STATE STATUTE
(Noncompliance Under *Government Auditing Standards*)

Haywood County had not remitted drug court fees to the State of Tennessee in accordance with state statute. Section 16-22-109, *Tennessee Code Annotated*, provides that drug court fees collected in counties that do not operate a drug court be remitted annually in full to the State of Tennessee. At June 30, 2021, the General Fund reflected a liability for drug court fees totaling \$40,149, which represents 2020-21 collections (\$3,706) and collections from prior years (\$36,443). Officials advised that Haywood County does not operate a drug court. This deficiency exists due to a lack of management oversight.

RECOMMENDATION

Since Haywood County does not operate a drug court, officials should remit all drug court fees annually to the State of Tennessee as required by state statute.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur. Apparently, Haywood County had never remitted the said collected monies ever. The proper liability shall be determined and will be remitted after approval of the proper budget amendment.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2021-007

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS
(A. – Internal Control – Significant Deficiency Under *Government Auditing Standards*; B. and C. – Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations. These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures, and management failed to provide sufficient oversight.

- A. Several budget amendments were posted in the General Purpose School Fund, which were approved by the board of education; however, these amendments were not presented for approval to the county commission. Accurate budgetary statements are necessary to provide county officials and departments with available spending limits. We have recognized only those budget amendments approved by both the board of education and the county commission in the financial statements of this report.

- B. Expenditures exceeded appropriations approved by the county commission in the Instruction – COVID-19 Expenditures major appropriation category (the legal level of control) in the General Purpose School Fund by \$283,747.
- C. Salaries exceeded appropriations in 29 of 76 salary line-items of the General Purpose School Fund by amounts ranging from \$142 to \$52,052. The budget resolution approved by the county commission states that the salary, wages, or enumeration of each official, employee, or agent of the county will not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of the county governments shall be appropriated to such use by the county legislative bodies.”

RECOMMENDATION

Budget amendments should be posted to the accounting records after approval by both the county commission and board of education. Expenditures should be held within appropriations approved by the county commission.

MANAGEMENT’S RESPONSE – SCHOOL DEPARTMENT’S CHIEF FINANCIAL OFFICER

We concur with this finding.

HAYWOOD COUNTY

FINDING 2021-008

ALLEGATIONS RELATED TO THE FORMER BUDGET DIRECTOR ARE CURRENTLY UNDER INVESTIGATION
(Noncompliance Under *Government Auditing Standards*)

Allegations related to the former budget director are currently under investigation by the Comptroller’s Division of Investigations. Findings, if any, resulting from this investigation will be included in a subsequent report.

FINDING 2021-009

**AN INVESTIGATION OF THE ELMA ROSS PUBLIC
LIBRARY DISCLOSED FRAUDULENT CHECKS DRAWN
ON THE LIBRARY'S BANK ACCOUNT RESULTING IN A
THEFT OF \$32,367**

(Noncompliance Under *Government Auditing Standards*)

An investigation by the Comptroller's Division of Investigations of the Elma Ross Public Library, a joint venture of Haywood County, disclosed fraudulent checks drawn on the library's bank account resulting in a theft of \$32,367. The investigation also reported findings related to internal control deficiencies and a lack of oversight by the library board. Details of the findings and recommendations related to the investigation can be found in a report dated December 17, 2021, at www.comptroller.tn.gov/ia.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2021.

Haywood County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2021

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF COUNTY MAYOR

2021-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2021.	227
2021-002	The office had deficiencies in budget operations.	228
2021-003	General ledger payroll deduction accounts were not reconciled with payroll reports and payments.	229
2021-004	The Community Development/Industrial Park and the Education Capital Projects funds had deficits in unassigned fund balances at June 30, 2021.	230
2021-005	Purchase orders were not always issued properly.	231
2021-006	Drug court fees were not remitted to the state in accordance with state statute.	232

OFFICE OF DIRECTOR OF SCHOOLS

2021-007	The office had deficiencies in budget operations.	233
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HAYWOOD COUNTY

TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR

COURTHOUSE

1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

Corrective Action Plan

FINDING THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION AT JUNE 30, 2021

Corrective Action Plan Prepared by:
David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:
David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:
The liability for costs associated with closing the Haywood County landfill in 1998 and monitoring the landfill for 30 years after its closure will be completed at the end of the postclosure term of 2028.

Repeat Finding:
Yes

Reason Corrective Action was not taken in the prior year:
Corrective action has not been taken in the prior years due to the lack of fund balance and revenue collections necessary to fund the deficit.

Planned Corrective Action:
I will bring forth the findings and recommendations to the county commission and request funding within the 2021-22 fiscal year and will follow their directive.

HAYWOOD COUNTY

.....

TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR

.....

COURTHOUSE

1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

FINDING THE OFFICE HAD DEFICIENCIES IN BUDGET
OPERATIONS

Corrective Action Plan Prepared by:

David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:

David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

Yes

Reason Corrective Action was not taken in the prior year:

The office attempted to better monitor budget operations in the current year. Unfortunately, an oversight allowed the following to recur.

Planned Corrective Action:

I will undertake to review all budget amendments and journal entries with the new budget director to ensure that no overstatements of accounts occur. This has to be an ongoing operation and will not have a conclusion.

HAYWOOD COUNTY



TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR



COURTHOUSE

1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

FINDING

GENERAL LEDGER PAYROLL DEDUCTION ACCOUNTS
WERE NOT RECONCILED WITH PAYROLL REPORTS AND
PAYMENTS

Corrective Action Plan Prepared by:

David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:

David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

Yes

Reason Corrective Action was not taken in the prior year:

The office attempted to correct the finding but failed to complete the reconciliation process by year-end.

Planned Corrective Action:

Upon the hiring of a new budget director, I will assign them the duty to reconcile these accounts and reports.

HAYWOOD COUNTY

TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR

COURTHOUSE

1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

FINDING

THE COMMUNITY DEVELOPMENT/INDUSTRIAL PARK AND EDUCATION CAPITAL PROJECTS FUNDS HAD DEFICITS IN UNASSIGNED FUND BALANCES AT JUNE 30, 2021

Corrective Action Plan Prepared by:

David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:

David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

Yes

Reason Corrective Action was not taken in the prior year:

The previous budget director failed to get these deficits liquidated.

Planned Corrective Action:

The fund balances have been balanced with the budget. This has been completed.

HAYWOOD COUNTY

.....

TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR

.....

COURTHOUSE

1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

FINDING PURCHASE ORDERS WERE NOT ALWAYS ISSUED
PROPERLY

Corrective Action Plan Prepared by:

David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:

David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

No

Reason Corrective Action was not taken in the prior year:

N/A

Planned Corrective Action:

I have recommended a new purchase order system to the county commission that will change our procedures. The matter is under review and will be implemented upon approval by the commission.

HAYWOOD COUNTY

TELEPHONE (731) 772-1432



OFFICE OF
COUNTY MAYOR

COURTHOUSE
1 NORTH WASHINGTON • BROWNSVILLE, TN 38012

FINDING DRUG COURT FEES WERE NOT REMITTED TO THE STATE
IN ACCORDANCE WITH STATE STATUTE

Corrective Action Plan Prepared by:

David Livingston, County Mayor

Person Responsible for Implementing the Corrective Action:

David Livingston, County Mayor

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

No

Reason Corrective Action was not taken in the prior year:

N/A

Planned Corrective Action:

The proper amount of the liability shall be determined and will be remitted after approval of the proper budget amendments and will be completed before the end of this fiscal year.

David Livingston, County Mayor



Joey Hassell
Superintendent

HAYWOOD COUNTY SCHOOLS

900 East Main Street
Brownsville, Tennessee 38012
731-772-9613 office 731-772-3275 fax
www.haywoodschoools.com

Corrective Action Plan

FINDING THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

Corrective Action Plan Prepared by:

Larry Livingston, Chief Financial Officer

Person Responsible for Implementing the Corrective Action:

Larry Livingston, Chief Financial Officer

Anticipated Completion Date of Corrective Action:

June 30, 2022

Repeat Finding:

No

Planned Corrective Action:

All budget amendments affecting salary lines and/or multiple major categories will be presented to the County Commission for approval.

Signature: _____

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Haywood County.

HAYWOOD COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Haywood County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.