



## ANNUAL FINANCIAL REPORT

### Sevier County, Tennessee

*For the Year Ended June 30, 2021*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**SEVIER 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*

*MARK TREECE, CPA, CGFM*  
*Audit Manager*

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov)

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## ***Summary of Audit Findings***

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

### ***Scope***

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

### ***Results***

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

Our audit resulted in two findings and recommendations, which we have reviewed with Sevier County management. The 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 CLERK**

- ◆ Two employees of the county clerk's office were indicted by the Sevier County grand jury.
- 

#### **SEVIER COUNTY**

- ◆ Property tax collections were not prorated accurately.

# INTRODUCTORY SECTION

Sevier County Officials  
June 30, 2021

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**Officials**

Larry Waters, County Mayor  
Jonas Smelcer, Road Superintendent  
Jack Parton, Director of Schools  
Greg Patterson, Trustee  
Thomas King, Assessor of Property  
Karen Cotter, County Clerk  
Rita Ellison, Circuit Court Clerk  
Connie Holt, General Sessions and Juvenile Courts Clerk  
Carolyn McMahan, Clerk and Master  
Cyndi Pickel, Register of Deeds  
Ronald Seals, Sheriff

**Board of County Commissioners**

Larry Waters, County Mayor, Chairman  
Ronnie Allen  
Fred Atchley  
Mike Chambers  
Ben Clabo  
Gary Cole  
Mary Davis  
Bryan Delius  
Aaron Foster  
Chuck Godfrey  
Greg Haggard  
Dale Hill  
Mike Hillard  
Todd Humble

Warren Hurst  
Phil King  
Michael Maddron  
David Norton  
Ray Ogle  
Frank Parton  
Harold Pitner  
Carroll Rauhuff  
Tommy Watts  
Keith Whaley  
Ronnie Whaley  
Kent Woods

**Board of Education**

Mark Strange, Chairman  
John McClure  
Mike Oakley

Charles Temple  
Kevin Townsend

**Audit Committee**

Kent Woods, Chairman  
Ronnie Whaley  
Fred Atchley  
Gary Cole

Warren Hurst  
Ben Clabo  
David Norton



# FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

Sevier County Mayor and  
Board of County Commissioners  
Sevier 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 Sevier 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 Internal School Fund of the Sevier County School Department (a discretely presented component unit), which represent .77 percent, 1.02 percent, and 2.57 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those amounts were audited by other auditors whose report has been furnished to us. Our opinion, insofar as it relates to amounts attributable to the Internal School Fund of the Sevier 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 report 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 Sevier County, Tennessee, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison 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., Sevier 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.11., to the financial statements, which describes a restatement to the beginning Custodial Funds' net position totaling \$4,993,536 on the Statement of Changes in Net Position – Fiduciary Funds and a restatement to the discretely presented Sevier County School Department's beginning net position totaling \$2,072,994 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 liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related ratios, as listed 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 Sevier 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 Sevier County School Department (a discretely presented component unit), miscellaneous schedules and other information such as the introductory and statutory sections 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 Sevier 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 Sevier 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 and statutory sections have 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 them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2021, on our consideration of Sevier 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 Sevier 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 Sevier County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

December 10, 2021

JEM/tg

# BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Sevier County School Department
<u>ASSETS</u>				
Cash	\$ 1,756,820	\$ 200	\$ 1,757,020	\$ 2,347,989
Equity in Pooled Cash and Investments	113,732,720	3,729,509	117,462,229	64,405,456
Accounts Receivable	3,219,824	246,746	3,466,570	1,928,980
Allowance for Uncollectibles	(720,172)	(15,157)	(735,329)	0
Due from Other Governments	4,208,173	0	4,208,173	17,343,162
Due from Primary Government	0	0	0	776
Prepaid Items	210,343	2,062	212,405	0
Property Taxes Receivable	39,354,438	0	39,354,438	39,392,247
Allowance for Uncollectible Property Taxes	(763,111)	0	(763,111)	(775,356)
Net Pension Asset - Agent Plan	11,344,529	97,117	11,441,646	8,791,149
Net Pension Asset - Teacher Retirement Plan	0	0	0	607,655
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	13,507,593
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	962,319
Capital Assets :				
Assets Not Depreciated:				
Land	7,461,303	0	7,461,303	19,527,122
Construction in Progress	1,427,813	0	1,427,813	1,431,966
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	32,666,229	0	32,666,229	123,192,476
Infrastructure	54,245,667	17,558,288	71,803,955	3,550,617
Other Capital Assets	6,666,595	205,015	6,871,610	7,001,740
Total Assets	<u>\$ 274,811,171</u>	<u>\$ 21,823,780</u>	<u>\$ 296,634,951</u>	<u>\$ 303,215,891</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ 59,543	\$ 0	\$ 59,543	\$ 0
Deferred Charge on Refunding	307,968	0	307,968	0
Pension Changes in Experience	0	0	0	536,074
Pension Changes in Assumptions	542,987	4,648	547,635	1,666,929
Pension Changes in Investment Earnings	726,123	6,216	732,339	3,628,974
Pension Changes in Proportion	0	0	0	211,250
Pension Contributions After Measurement Date	1,310,330	11,682	1,322,012	7,412,674
OPEB Changes in Experience	184,406	1,156	185,562	4,785,297
OPEB Changes in Assumptions	441,540	3,004	444,544	4,334,548
OPEB Changes in Proportion	0	0	0	2,835,455
OPEB Contributions After Measurement Date	173,651	1,087	174,738	1,504,274
Total Deferred Outflows of Resources	<u>\$ 3,746,548</u>	<u>\$ 27,793</u>	<u>\$ 3,774,341</u>	<u>\$ 26,915,475</u>

(Continued)

Exhibit A

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

	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Sevier County School Department
<b>LIABILITIES</b>				
Accounts Payable	\$ 901,110	\$ 3,950	\$ 905,060	\$ 89,937
Accrued Payroll	339,036	1,932	340,968	0
Contracts Payable	199,975	0	199,975	0
Retainage Payable	10,525	0	10,525	0
Accrued Interest Payable	131,296	0	131,296	0
Payroll Deductions Payable	613,869	5,933	619,802	0
Due to Component Units	776	0	776	0
Due to Other Governments	9,541,956	0	9,541,956	0
Derivative - Interest Rate Swap	1,019,220	0	1,019,220	0
Other Current Liabilities	860,430	0	860,430	6,359,369
Customer Deposits Payable	0	144,900	144,900	0
Noncurrent Liabilities:				
Due Within One Year - Debt	9,446,730	0	9,446,730	0
Due Within One Year - Other	1,094,660	0	1,094,660	0
Due in More Than One Year - Debt	104,638,557	0	104,638,557	0
Due in More Than One Year - Other	5,556,521	34,500	5,591,021	38,464,365
Total Liabilities	\$ 134,354,661	\$ 191,215	\$ 134,545,876	\$ 44,913,671
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 37,811,521	\$ 0	\$ 37,811,521	\$ 37,811,520
Pension Changes in Experience	1,712,276	14,658	1,726,934	7,973,371
Pension Changes in Proportion	0	0	0	49,362
Deferred Credit on Refunding	87,387	0	87,387	0
OPEB Changes in Experience	804,680	6,114	810,794	2,713,952
OPEB Changes in Assumptions	111,268	858	112,126	2,698,997
OPEB Changes in Proportion	0	0	0	3,729,373
Total Deferred Inflows of Resources	\$ 40,527,132	\$ 21,630	\$ 40,548,762	\$ 54,976,575
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 74,073,863	\$ 17,763,303	\$ 91,837,166	\$ 154,703,921
Restricted for:				
General Government	7,893,051	0	7,893,051	0
Administration of Justice	1,900,933	0	1,900,933	0
Public Safety	82,473	0	82,473	0
Highways	7,774,101	0	7,774,101	0
Debt Service	38,175,682	0	38,175,682	0
Capital Outlay	1,317,476	0	1,317,476	0
Education	0	0	0	3,888,394
Pensions	11,344,529	97,117	11,441,646	23,868,716
Unrestricted	(38,886,182)	3,778,308	(35,107,874)	47,780,089
Total Net Position	\$ 103,675,926	\$ 21,638,728	\$ 125,314,654	\$ 230,241,120

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



Exhibit B

Sevier 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 Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Sevier County School Department
Primary Government:								
Governmental Activities:								
General Government	\$ 14,156,202	\$ 2,776,124	\$ 123,053	\$ 0	\$ (11,257,025)	\$ 0	\$ (11,257,025)	\$ 0
Finance	3,518,065	5,833,796	0	0	2,315,731	0	2,315,731	0
Administration of Justice	4,625,142	2,298,692	286,115	0	(2,040,335)	0	(2,040,335)	0
Public Safety	19,343,423	1,885,388	3,101,853	0	(14,356,182)	0	(14,356,182)	0
Public Health and Welfare	13,248,592	4,637,781	953,078	162,040	(7,495,693)	0	(7,495,693)	0
Social, Cultural, and Recreational Services	1,549,234	19,849	251,862	0	(1,277,523)	0	(1,277,523)	0
Agriculture and Natural Resources	454,936	0	0	0	(454,936)	0	(454,936)	0
Highways	12,664,634	91,032	3,466,482	235,260	(8,871,860)	0	(8,871,860)	0
Education	1,319,504	1,606,409	0	0	286,905	0	286,905	0
Interest on Long-term Debt	3,679,077	0	0	0	(3,679,077)	0	(3,679,077)	0
<b>Total Governmental Activities</b>	<b>\$ 74,558,809</b>	<b>\$ 19,149,071</b>	<b>\$ 8,182,443</b>	<b>\$ 397,300</b>	<b>\$ (46,829,995)</b>	<b>\$ 0</b>	<b>\$ (46,829,995)</b>	<b>\$ 0</b>
Business-type Activities:								
Public Utility Fund	\$ 2,273,780	\$ 2,759,546	\$ 0	\$ 0	\$ 0	\$ 485,766	\$ 485,766	\$ 0
<b>Total Business-type Activities</b>	<b>\$ 2,273,780</b>	<b>\$ 2,759,546</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 485,766</b>	<b>\$ 485,766</b>	<b>\$ 0</b>
<b>Total Primary Government</b>	<b>\$ 76,832,589</b>	<b>\$ 21,908,617</b>	<b>\$ 8,182,443</b>	<b>\$ 397,300</b>	<b>\$ (46,829,995)</b>	<b>\$ 485,766</b>	<b>\$ (46,344,229)</b>	<b>\$ 0</b>
Component Unit:								
Sevier County School Department	\$ 176,401,759	\$ 320,915	\$ 26,291,192	\$ 1,685,197	\$ 0	\$ 0	\$ 0	\$ (148,104,455)
<b>Total Component Unit</b>	<b>\$ 176,401,759</b>	<b>\$ 320,915</b>	<b>\$ 26,291,192</b>	<b>\$ 1,685,197</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (148,104,455)</b>

(Continued)

Exhibit B

Sevier County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Unit
					Governmental Activities	Business-type Activities	Total	Sevier County School Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 21,682,084	\$ 0	\$ 21,682,084	\$ 37,943,655
Property Taxes Levied for Special Purposes					1,599,619	0	1,599,619	0
Property Taxes Levied for Highways					7,428,078	0	7,428,078	0
Property Taxes Levied for Debt Service					6,029,303	0	6,029,303	0
Local Option Sales Taxes					11,283,373	0	11,283,373	81,898,679
Other Local Taxes					1,706,902	0	1,706,902	301,170
Hotel/Motel Tax					7,236,511	0	7,236,511	7,240,483
Business Tax					3,721,894	0	3,721,894	0
Mixed Drink Tax					0	0	0	869,462
Grants and Contributions Not Restricted to Specific Programs					14,528,836	0	14,528,836	51,731,384
Unrestricted Investment Income					1,167,953	0	1,167,953	8,520
Gain on Investments					0	0	0	155,341
Miscellaneous					408,811	0	408,811	103,125
Gain on Disposal of Property					63,632	0	63,632	0
Total General Revenues					\$ 76,856,996	\$ 0	\$ 76,856,996	\$ 180,251,819
Change in Fair Value of Investment Derivatives - Interest Rate Swap					\$ 676,835	\$ 0	\$ 676,835	\$ 0
Transfers - Capital Assets					(129,097)	129,097	0	0
Change in Net Position					\$ 30,574,739	\$ 614,863	\$ 31,189,602	\$ 32,147,364
Net Position, July 1, 2020					73,101,187	21,023,865	94,125,052	196,020,762
Restatement - See Note I.D.11					0	0	0	2,072,994
Net Position, June 30, 2021					\$ 103,675,926	\$ 21,638,728	\$ 125,314,654	\$ 230,241,120

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 30,375	\$ 0	\$ 0	\$ 0	\$ 3,300	\$ 33,675
Equity in Pooled Cash and Investments	52,244,206	9,543,802	7,484,265	38,495,942	5,964,505	113,732,720
Accounts Receivable	3,086,315	0	31,668	72,203	29,638	3,219,824
Allowance for Uncollectibles	(720,172)	0	0	0	0	(720,172)
Due from Other Governments	2,729,852	0	859,526	0	618,795	4,208,173
Due from Other Funds	27,803	0	111,995	0	386,504	526,302
Property Taxes Receivable	23,394,826	0	7,718,539	5,867,613	2,373,460	39,354,438
Allowance for Uncollectible Property Taxes	(452,087)	0	(151,859)	(119,144)	(40,021)	(763,111)
Prepaid Items	199,725	0	0	0	10,618	210,343
Total Assets	\$ 80,540,843	\$ 9,543,802	\$ 16,054,134	\$ 44,316,614	\$ 9,346,799	\$ 159,802,192
<b>LIABILITIES</b>						
Accounts Payable	\$ 616,836	\$ 0	\$ 155,355	\$ 2,500	\$ 90,137	\$ 864,828
Accrued Payroll	193,337	0	136,163	0	9,536	339,036
Payroll Deductions Payable	581,295	0	0	0	28,385	609,680
Contracts Payable	0	0	0	0	199,975	199,975
Retainage Payable	0	0	0	0	10,525	10,525
Future Compensation Payable	4,174	0	0	0	15	4,189
Due to Other Funds	111,995	0	2,553	386,504	27,803	528,855
Due to Component Units	776	0	0	0	0	776
Due to Other Governments	0	9,541,956	0	0	0	9,541,956
Other Current Liabilities	100	0	0	0	0	100
Total Liabilities	\$ 1,508,513	\$ 9,541,956	\$ 294,071	\$ 389,004	\$ 366,376	\$ 12,099,920

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
		General Government Fund				
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 22,482,526	\$ 0	\$ 7,409,014	\$ 5,620,632	\$ 2,299,349	\$ 37,811,521
Deferred Delinquent Property Taxes	412,339	0	141,265	113,652	31,430	698,686
Other Deferred/Unavailable Revenue	2,351,801	0	305,574	0	300,000	2,957,375
Total Deferred Inflows of Resources	<u>\$ 25,246,666</u>	<u>\$ 0</u>	<u>\$ 7,855,853</u>	<u>\$ 5,734,284</u>	<u>\$ 2,630,779</u>	<u>\$ 41,467,582</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 199,725	\$ 0	\$ 0	\$ 0	\$ 10,618	\$ 210,343
Restricted:						
Restricted for General Government	0	0	0	0	60,184	60,184
Restricted for Administration of Justice	0	0	0	0	1,900,933	1,900,933
Restricted for Public Safety	0	0	0	0	82,473	82,473
Restricted for Public Health and Welfare	0	0	0	0	1,590,713	1,590,713
Restricted for Other Operations	7,832,867	0	0	0	0	7,832,867
Restricted for Highways/Public Works	0	0	7,327,262	0	0	7,327,262
Restricted for Capital Outlay	0	0	0	0	1,638,650	1,638,650
Restricted for Debt Service	0	0	0	38,193,326	0	38,193,326
Committed:						
Committed for General Government	0	1,846	0	0	0	1,846
Committed for Administration of Justice	0	0	0	0	140,215	140,215
Committed for Public Health and Welfare	0	0	0	0	670,138	670,138
Committed for Highways/Public Works	0	0	576,948	0	0	576,948
Committed for Capital Outlay	0	0	0	0	165,736	165,736
Committed for Capital Projects	0	0	0	0	89,984	89,984
Assigned:						
Assigned for General Government	954,727	0	0	0	0	954,727

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>						
Unassigned	\$ 44,798,345	\$ 0	\$ 0	\$ 0	\$ 0	\$ 44,798,345
Total Fund Balances	\$ 53,785,664	\$ 1,846	\$ 7,904,210	\$ 38,193,326	\$ 6,349,644	\$ 106,234,690
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 80,540,843	\$ 9,543,802	\$ 16,054,134	\$ 44,316,614	\$ 9,346,799	\$ 159,802,192

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

Exhibit C-2

Sevier 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)		\$ 106,234,690
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 7,461,303	
Add: construction in progress	1,427,813	
Add: buildings and improvements net of accumulated depreciation	32,666,229	
Add: infrastructure net of accumulated depreciation	54,245,667	
Add: other capital assets net of accumulated depreciation	<u>6,666,595</u>	102,467,607
(2) Internal service funds are used by management to charge the cost of workers' compensation, employee health, dental, and vision benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		829,086
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other loans payable	\$ (45,876,703)	
Less: bonds payable	(64,914,149)	
Add: deferred amounts on refunding	220,581	
Less: unamortized premium on debt	(3,294,435)	
Less: compensated absences payable	(1,309,335)	
Less: OPEB Liability	(5,341,846)	
Less: accrued interest on bonds and other loans	(131,296)	
Less: fair value of derivative - interest rate swap	(1,019,220)	
Add: deferred amount for fair value of cash flow hedge derivative	<u>59,543</u>	(121,606,860)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows related to pensions	\$ 2,579,440	
Less: deferred inflows related to pensions	(1,712,276)	
Add: deferred outflows related to OPEB	799,597	
Less: deferred inflows related to OPEB	<u>(915,948)</u>	750,813
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		11,344,529
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>3,656,061</u>
Net position of governmental activities (Exhibit A)		<u>\$ 103,675,926</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<b>Revenues</b>						
Local Taxes	\$ 42,049,989	\$ 0	\$ 7,656,856	\$ 6,235,690	\$ 5,466,911	\$ 61,409,446
Licenses and Permits	1,207,779	0	0	0	0	1,207,779
Fines, Forfeitures, and Penalties	341,019	0	0	0	221,465	562,484
Charges for Current Services	5,252,118	0	0	0	24,726	5,276,844
Other Local Revenues	447,132	1,846	161,514	1,161,260	110,310	1,882,062
Fees Received From County Officials	8,549,354	0	0	0	0	8,549,354
State of Tennessee	4,811,577	0	3,599,445	0	222,438	8,633,460
Federal Government	3,516,265	0	329,154	0	162,040	4,007,459
Other Governments and Citizens Groups	3,490,773	0	87,301	7,245,034	13,388	10,836,496
<b>Total Revenues</b>	<b>\$ 69,666,006</b>	<b>\$ 1,846</b>	<b>\$ 11,834,270</b>	<b>\$ 14,641,984</b>	<b>\$ 6,221,278</b>	<b>\$ 102,365,384</b>
<b>Expenditures</b>						
<b>Current:</b>						
General Government	\$ 6,829,740	\$ 0	\$ 0	\$ 0	\$ 58,811	\$ 6,888,551
Finance	3,471,228	0	0	0	64,917	3,536,145
Administration of Justice	4,486,608	0	0	0	210,516	4,697,124
Public Safety	18,576,084	0	0	0	563,723	19,139,807
Public Health and Welfare	8,488,090	0	0	0	3,818,157	12,306,247
Social, Cultural, and Recreational Services	1,920,935	0	0	0	2,372	1,923,307
Agriculture and Natural Resources	446,825	0	0	0	0	446,825
Other Operations	6,418,140	0	0	0	139,508	6,557,648
Highways	344,073	0	11,614,041	0	0	11,958,114
<b>Debt Service:</b>						
Principal on Debt	0	0	0	8,305,023	0	8,305,023
Interest on Debt	0	0	0	3,673,206	0	3,673,206
Other Debt Service	0	0	0	163,316	0	163,316

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 299,583	\$ 0	\$ 0	\$ 0	\$ 1,821,721	\$ 2,121,304
Total Expenditures	\$ 51,281,306	\$ 0	\$ 11,614,041	\$ 12,141,545	\$ 6,679,725	\$ 81,716,617
<u>Excess (Deficiency) of Revenues Over Expenditures</u>						
	\$ 18,384,700	\$ 1,846	\$ 220,229	\$ 2,500,439	\$ (458,447)	\$ 20,648,767
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500
Transfers In	0	0	0	0	265,000	265,000
Transfers Out	(265,000)	0	0	0	0	(265,000)
Total Other Financing Sources (Uses)	\$ (264,500)	\$ 0	\$ 0	\$ 0	\$ 265,000	\$ 500
<u>Net Change in Fund Balances</u>						
Fund Balance, July 1, 2020	\$ 18,120,200	\$ 1,846	\$ 220,229	\$ 2,500,439	\$ (193,447)	\$ 20,649,267
	35,665,464	0	7,683,981	35,692,887	6,543,091	85,585,423
<u>Fund Balance, June 30, 2021</u>						
	\$ 53,785,664	\$ 1,846	\$ 7,904,210	\$ 38,193,326	\$ 6,349,644	\$ 106,234,690

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



Sevier 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)		\$ 20,649,267
(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	\$ 8,028,786	
Less: current-year depreciation expense	<u>(9,055,812)</u>	(1,027,026)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: assets donated to business-type activities	\$ (129,097)	
Less: book value of assets disposed	<u>(81,614)</u>	(210,711)
(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	\$ 3,656,061	
Less: deferred delinquent property taxes and other deferred June 30, 2020	<u>(2,965,784)</u>	690,277
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences.		
in the treatment of long-term debt and related items.		
Add: principal payments on other loans	\$ 3,844,996	
Add: principal payments on bonds	4,460,027	
Add: change in premium on debt issuances	301,659	
Less: change in deferred amount on refunding debt	<u>(324,893)</u>	8,281,789

(Continued)

Sevier County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities (Cont.)

(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	\$	17,363
Change in OPEB liability		(645,078)
Change in judgment payable		900,000
Change in compensated absences payable		(1,309,335)
Change in net pension asset		(472,750)
Change in deferred outflows related to pensions		318,602
Change in deferred inflows related to pensions		2,007,519
Change in deferred outflows related to OPEB		511,596
Change in deferred inflows related to OPEB		<u>223,944</u>
	\$	<u>1,551,861</u>
(6) Internal service funds are used by management to charge the cost of workers' compensation, employee health, dental, and vision benefits to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		(37,553)
(7) For interest rate swap agreements that are classified as investment derivatives, the change in fair market value is reflected in changes in net position for governmental activities.		
Change in fair value of all derivatives	\$	754,416
Change in deferred outflows related to derivatives		<u>(77,581)</u>
		<u>676,835</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 30,574,739</u></u>

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

## Exhibit C-5

Sevier 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	\$ 42,049,989	\$ 30,742,026	\$ 32,435,326	\$ 9,614,663
Licenses and Permits	1,207,779	935,000	941,921	265,858
Fines, Forfeitures, and Penalties	341,019	363,421	363,421	(22,402)
Charges for Current Services	5,252,118	4,978,525	4,978,525	273,593
Other Local Revenues	447,132	61,000	65,770	381,362
Fees Received From County Officials	8,549,354	6,800,000	6,800,000	1,749,354
State of Tennessee	4,811,577	3,992,600	3,843,615	967,962
Federal Government	3,516,265	1,427,202	2,430,567	1,085,698
Other Governments and Citizens Groups	3,490,773	860,417	896,106	2,594,667
Total Revenues	\$ 69,666,006	\$ 50,160,191	\$ 52,755,251	\$ 16,910,755
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 527,755	\$ 689,609	\$ 689,609	\$ 161,854
Beer Board	3,317	11,250	11,250	7,933
Other Boards and Committees	918,209	926,972	934,372	16,163
County Mayor/Executive	932,979	965,364	986,640	53,661
Election Commission	773,643	717,205	810,805	37,162
Register of Deeds	632,661	640,511	657,461	24,800
Planning	302,649	333,545	340,145	37,496
Building	215,959	220,277	237,898	21,939
Geographical Information Systems	191,532	188,504	198,254	6,722
County Buildings	1,294,504	1,259,891	1,359,416	64,912
Other Facilities	323,800	324,000	324,000	200
Other General Administration	503,730	519,922	529,922	26,192
Preservation of Records	209,002	231,517	241,317	32,315
<u>Finance</u>				
Property Assessor's Office	1,267,532	1,286,185	1,292,785	25,253
Reappraisal Program	42,838	15,000	50,000	7,162
County Trustee's Office	729,876	702,504	751,754	21,878
County Clerk's Office	1,172,351	1,248,436	1,256,836	84,485
Data Processing	258,631	249,728	265,178	6,547
<u>Administration of Justice</u>				
Circuit Court	1,102,390	1,136,594	1,173,469	71,079
General Sessions Court	860,701	855,395	873,820	13,119
General Sessions Judge	528,527	569,927	571,627	43,100
Drug Court	0	50,000	0	0
Chancery Court	468,458	469,903	484,603	16,145
Juvenile Court	167,011	162,924	171,924	4,913
District Attorney General	197,568	208,934	208,934	11,366
Judicial Commissioners	334,041	342,722	349,222	15,181
Probation Services	762,852	796,204	839,554	76,702
Victim Assistance Programs	65,060	65,937	66,937	1,877
<u>Public Safety</u>				
Sheriff's Department	7,784,813	7,652,445	8,010,384	225,571
Drug Enforcement	338,965	266,987	343,237	4,272
Jail	7,301,373	7,881,009	7,881,009	579,636
Juvenile Services	462,813	489,067	493,417	30,604

(Continued)

Exhibit C-5

Sevier 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 Safety (Cont.)</u>				
Fire Prevention and Control	\$ 1,132,452	\$ 1,107,661	\$ 1,132,686	\$ 234
Civil Defense	4,000	4,000	4,000	0
Rescue Squad	53,750	53,750	53,750	0
Other Emergency Management	215,346	204,095	229,600	14,254
County Coroner/Medical Examiner	439,033	395,485	467,750	28,717
Other Public Safety	843,539	862,701	874,501	30,962
<u>Public Health and Welfare</u>				
Local Health Center	51,382	105,905	105,905	54,523
Rabies and Animal Control	182,725	179,800	182,725	0
Ambulance/Emergency Medical Services	6,741,280	5,487,559	6,758,273	16,993
Maternal and Child Health Services	669,537	1,194,133	1,194,133	524,596
Alcohol and Drug Programs	230,288	229,795	272,995	42,707
Other Local Health Services	198,533	216,500	216,500	17,967
Appropriation to State	86,261	86,261	86,261	0
Other Local Welfare Services	3,508	29,500	29,500	25,992
Other Public Health and Welfare	324,576	323,161	333,361	8,785
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	399,260	468,915	476,015	76,755
Libraries	1,423,978	1,434,390	1,476,085	52,107
Parks and Fair Boards	97,697	116,155	116,155	18,458
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	250,564	281,882	281,882	31,318
Forest Service	1,000	1,000	1,000	0
Soil Conservation	42,080	41,903	42,173	93
Storm Water Management	153,181	192,616	192,616	39,435
<u>Other Operations</u>				
Tourism	1,531,577	1,905,000	1,906,675	375,098
Veterans' Services	123,949	121,906	127,956	4,007
Contributions to Other Agencies	281,691	287,941	287,941	6,250
Employee Benefits	1,113,601	1,367,334	1,367,334	253,733
COVID-19 Grant #2	51,983	0	61,420	9,437
COVID-19 Grant #4	46,329	0	46,329	0
COVID-19 Grant #5	636,014	0	636,214	200
COVID-19 Grant B	21,649	0	21,649	0
COVID-19 Grant C	2,887	0	2,887	0
COVID-19 Grant D	68,037	0	68,037	0
Miscellaneous	2,540,423	2,359,892	2,584,892	44,469
<u>Highways</u>				
Litter and Trash Collection	317,355	309,102	325,102	7,747
Other Charges	26,718	39,882	39,882	13,164
<u>Capital Projects</u>				
Public Health and Welfare Projects	33,500	0	33,500	0
Other General Government Projects	266,083	1,829,500	1,829,500	1,563,417
Total Expenditures	\$ 51,281,306	\$ 52,716,192	\$ 56,272,963	\$ 4,991,657
Excess (Deficiency) of Revenues Over Expenditures	\$ 18,384,700	\$ (2,556,001)	\$ (3,517,712)	\$ 21,902,412

(Continued)

Exhibit C-5

Sevier 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>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 500	\$ 0	\$ 0	\$ 500
Transfers Out	(265,000)	0	(265,000)	0
Total Other Financing Sources	\$ (264,500)	\$ 0	\$ (265,000)	\$ 500
Net Change in Fund Balance	\$ 18,120,200	\$ (2,556,001)	\$ (3,782,712)	\$ 21,902,912
Fund Balance, July 1, 2020	35,665,464	29,558,548	29,558,548	6,106,916
Fund Balance, June 30, 2021	\$ 53,785,664	\$ 27,002,547	\$ 25,775,836	\$ 28,009,828

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

Exhibit C-6

Sevier 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	\$ 7,656,856	\$ 7,112,043	\$ 7,267,043	\$ 389,813
Other Local Revenues	161,514	63,000	63,000	98,514
State of Tennessee	3,599,445	3,059,797	3,075,796	523,649
Federal Government	329,154	0	95,996	233,158
Other Governments and Citizens Groups	87,301	100,000	100,000	(12,699)
Total Revenues	<u>\$ 11,834,270</u>	<u>\$ 10,334,840</u>	<u>\$ 10,601,835</u>	<u>\$ 1,232,435</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 299,011	\$ 318,006	\$ 321,216	\$ 22,205
Highway and Bridge Maintenance	8,266,215	6,875,970	8,749,670	483,455
Operation and Maintenance of Equipment	1,308,712	1,393,413	1,502,438	193,726
Quarry Operations	171,152	257,812	259,992	88,840
Other Charges	286,665	370,000	370,000	83,335
Employee Benefits	236,215	115,563	275,163	38,948
Capital Outlay	1,046,071	1,004,076	1,417,076	371,005
Total Expenditures	<u>\$ 11,614,041</u>	<u>\$ 10,334,840</u>	<u>\$ 12,895,555</u>	<u>\$ 1,281,514</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 220,229</u>	<u>\$ 0</u>	<u>\$ (2,293,720)</u>	<u>\$ 2,513,949</u>
Net Change in Fund Balance	\$ 220,229	\$ 0	\$ (2,293,720)	\$ 2,513,949
Fund Balance, July 1, 2020	<u>7,683,981</u>	<u>5,671,742</u>	<u>5,671,742</u>	<u>2,012,239</u>
Fund Balance, June 30, 2021	<u>\$ 7,904,210</u>	<u>\$ 5,671,742</u>	<u>\$ 3,378,022</u>	<u>\$ 4,526,188</u>

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

Sevier County, Tennessee  
Statement of Net Position  
Proprietary Funds  
June 30, 2021

	Business-type Activities - Major Enterprise Fund Public Utility Fund	Governmental Activities Internal Service Funds
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 200	\$ 1,723,145
Equity in Pooled Cash and Investments	3,729,509	0
Accounts Receivable	246,746	0
Allowance for Uncollectibles	(15,157)	0
Due from Other Funds	0	2,553
Prepaid Items	2,062	0
Total Current Assets	<u>\$ 3,963,360</u>	<u>\$ 1,725,698</u>
Noncurrent Assets:		
Net Pension Asset	\$ 97,117	\$ 0
Capital Assets:		
Assets Net of Accumulated Depreciation:		
Infrastructure	17,558,288	0
Other Capital Assets	205,015	0
Total Noncurrent Assets	<u>\$ 17,860,420</u>	<u>\$ 0</u>
Total Assets	<u>\$ 21,823,780</u>	<u>\$ 1,725,698</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Outflows of Resources:		
Pension Changes in Assumptions	\$ 4,648	\$ 0
Pension Changes in Investments	6,216	0
Pension Contributions After Measurement Date	11,682	0
OPEB Changes in Experience	1,156	0
OPEB Changes in Assumptions	3,004	0
OPEB Contributions After Measurement Date	1,087	0
Total Deferred Outflows of Resources	<u>\$ 27,793</u>	<u>\$ 0</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 21,851,573</u>	<u>\$ 1,725,698</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 3,950	\$ 36,282
Accrued Payroll	1,932	0
Payroll Deductions Payable	5,933	0
Other Current Liabilities	0	860,330
Customer Deposits Payable	144,900	0
Total Current Liabilities	<u>\$ 156,715</u>	<u>\$ 896,612</u>

(Continued)

Sevier County, Tennessee  
Statement of Net Position  
Proprietary Funds (Cont.)

	Business-type Activities - Major <u>Enterprise Fund</u> Public Utility <u>Fund</u>	Governmental Activities <u>Internal</u> <u>Service Funds</u>
<u>LIABILITIES (Cont.)</u>		
Noncurrent Liabilities:		
OPEB Liability	\$ 34,500	\$ 0
Total Noncurrent Liabilities	<u>\$ 34,500</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 191,215</u>	<u>\$ 896,612</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Inflows of Resources:		
Pension Changes in Experience	\$ 14,658	\$ 0
OPEB Changes in Experience	6,114	0
OPEB Changes in Assumptions	858	0
Total Deferred Inflows of Resources	<u>\$ 21,630</u>	<u>\$ 0</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 17,763,303	\$ 0
Restricted for Pensions	97,117	0
Unrestricted	<u>3,778,308</u>	<u>829,086</u>
Total Net Position	<u>\$ 21,638,728</u>	<u>\$ 829,086</u>

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



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

	Business-type Activities - Major Enterprise Fund	Governmental Activities Internal Service Funds
	Public Utility Fund	
<u>Operating Revenues</u>		
Self-Insurance Premiums	\$ 0	\$ 9,592,731
Patient Charges	0	296,334
Water Sales	2,634,696	0
Water Tap Sales	104,300	0
Service Charges	20,550	0
Total Operating Revenues	<u>\$ 2,759,546</u>	<u>\$ 9,889,065</u>
<u>Operating Expenses</u>		
Handling Charges and Administrative Costs	\$ 0	\$ 756,606
Employee and Dependent Insurance	0	270,810
Disability and Life Insurance	0	139,811
Bank Charges	0	623
Excess Risk Insurance	0	547,831
Medical Claims	0	5,659,591
Other Self-Insured Claims	0	2,552,611
Supervisor/Director	69,559	0
Secretary(ies)	33,727	0
Educational Incentive	3,000	0
Longevity	2,750	0
Other Salaries and Wages	129,058	0
Social Security	13,665	0
Employee and Dependent Insurance	59,664	0
Employer Medicare	3,196	0
Advertising	130	0
Communication	3,052	0
Consultants	900	0
Contracts with Other Public Agencies	1,073,284	0
Dues and Memberships	2,182	0
Maintenance and Repair Services - Equipment	145,428	0
Maintenance and Repair Services - Vehicles	270	0
Postal Charges	9,131	0
Travel	2,164	0
Other Contracted Services	13,345	0
Electricity	39,146	0
Gasoline	5,787	0
Office Supplies	10,000	0
Pipe	64,891	0
Uniforms	2,039	0
Water and Sewer	214	0
Other Supplies and Materials	59,436	3,589
Liability Insurance	459	0
Trustee's Commission	27,345	0
Vehicle and Equipment Insurance	1,670	0
Depreciation	498,288	0
Total Operating Expenses	<u>\$ 2,273,780</u>	<u>\$ 9,931,472</u>
Operating Income (Loss)	<u>\$ 485,766</u>	<u>\$ (42,407)</u>

(Continued)

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

	Business-type Activities - Major <u>Enterprise Fund</u> Public Utility Fund	<u>Governmental Activities</u> Internal Service Funds
<u>Nonoperating Revenues (Expenses)</u>		
Investment Income	\$ 0	\$ 4,854
Total Nonoperating Revenues (Expenses)	<u>\$ 0</u>	<u>\$ 4,854</u>
Income (Loss) Before Contributions	\$ 485,766	\$ (37,553)
Capital Contributions - Primary Government	<u>129,097</u>	<u>0</u>
Change in Net Position	\$ 614,863	\$ (37,553)
Net Position, July 1, 2020	<u>21,023,865</u>	<u>866,639</u>
Net Position, June 30, 2021	<u>\$ 21,638,728</u>	<u>\$ 829,086</u>

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

Sevier County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2021

	Business-type Activities - Major <u>Enterprise Fund</u> Public Utility Fund	Governmental Activities <u>Internal</u> Service Funds
<u>Cash Flows from Operating Activities</u>		
Receipts for Self-Insurance Premiums	\$ 0	\$ 9,590,219
Receipts for Patient Charges	0	296,334
Receipts from Customers and Users	2,778,124	0
Receipts for Stop Loss Reimbursement	0	144,898
Receipts for Prescription Rebates	0	392,334
Payments to Insurers	0	(958,452)
Payments for Claims	0	(8,608,590)
Payments for Administrative Costs	0	(744,132)
Payments to Vendors	(1,472,383)	0
Payments to Employees	(333,954)	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 971,787</u>	<u>\$ 112,611</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition and Construction of Capital Assets	\$ (41,410)	\$ 0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (41,410)</u>	<u>\$ 0</u>
<u>Cash Flows from Investing Activities</u>		
Interest on Investments	\$ 0	\$ 4,854
Net Cash Provided By (Used In) Investing Activities	<u>\$ 0</u>	<u>\$ 4,854</u>
Increase (Decrease) in Cash	\$ 930,377	\$ 117,465
Cash, July 1, 2020	<u>2,799,332</u>	<u>1,605,680</u>
Cash, June 30, 2021	<u><u>\$ 3,729,709</u></u>	<u><u>\$ 1,723,145</u></u>
<u>Reconciliation of Net Operating Income (Loss)</u>		
<u>to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ 485,766	\$ (42,407)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	498,288	0
Changes in Net Pension Asset/Liability	749	0
Changes in Deferred Outflows for Pensions	(3,468)	0
Changes in Deferred Inflows for Pensions	(16,148)	0
Change in OPEB Liability	4,304	0
Changes in Deferred Outflows Related to OPEB	(3,407)	0
Changes in Deferred Inflows Related to OPEB	(1,618)	0
Changes in Current Assets and Liabilities:		
(Increase) Decrease in Current Receivables	(14,201)	0
(Increase) Decrease in Due from Other Funds	0	(2,512)
Increase (Decrease) in Allowance for Uncollectibles	379	0
(Increase) Decrease in Prepaid Items	(77)	0
Increase (Decrease) in Accounts Payable	(11,177)	16,686
Increase (Decrease) in Other Current Liabilities	0	140,844
Increase (Decrease) in Accrued Payroll	221	0
Increase (Decrease) in Payroll Deductions	109	0
Increase (Decrease) in Due to Component Units	(333)	0
Increase (Decrease) in Customer Deposits Payable	32,400	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 971,787</u>	<u>\$ 112,611</u>
<u>Reconciliation of Cash With the Statement of Net Position</u>		
Cash Per Net Position	\$ 200	\$ 1,723,145
Equity in Pooled Cash and Investments Per Net Position	<u>3,729,509</u>	<u>0</u>
Cash, June 30, 2021	<u><u>\$ 3,729,709</u></u>	<u><u>\$ 1,723,145</u></u>
<u>Schedule of Noncash Capital and Related Financing Activities</u>		
Contribution of Capital Assets from Government	\$ 129,097	\$ 0

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

Exhibit E-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 5,669,599
Equity in Pooled Cash and Investments	121,083
Due from Other Governments	<u>12,450,890</u>
Total Assets	<u>\$ 18,241,572</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 2,411
Accrued Payroll	469
Payroll Deductions Payable	885
Due to Other Taxing Units	<u>12,450,890</u>
Total Liabilities	<u>\$ 12,454,655</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 5,786,917</u>
Total Net Position	<u>\$ 5,786,917</u>

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

Sevier 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	\$ 64,868,386
Fines/Fees and Other Collections	26,999,446
Drug Task Force Collections	183,069
District Attorney General Collections	23,423
Total Additions	<u>\$ 92,074,324</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 64,868,386
Payments to State	21,524,167
Payments to Individuals and Others	4,749,039
Payment of Drug Task Force Expenses	122,444
Payment of District Attorney General Expenses	16,907
Total Deductions	<u>\$ 91,280,943</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 793,381
Net Position, July 1, 2020	0
Restatement - See Note I.D.11	<u>4,993,536</u>
Net Position, June 30, 2021	<u>\$ 5,786,917</u>

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

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**SEVIER COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Sevier 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 Sevier County:

**A. Reporting Entity**

Sevier County is a public municipal corporation governed by an elected 25-member board. As required by GAAP, these financial statements present Sevier County (the primary government) and its component units. Although required by GAAP, the financial statements of the Sevier County Emergency Communications District, the Sevier County Public Building Authority, and the Sevier County Fair Association, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their 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 Sevier County School Department operates the public school system in the county, and the voters of Sevier 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 Sevier County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Sevier County, and the Sevier 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 Sevier County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Sevier County Public Building Authority serves primarily as a financing mechanism to provide capital loans to local governments throughout the state. The authority also holds title to certain development properties within Sevier County. The authority is a public nonprofit organization whose board is appointed by the county commission. The county is entitled to net earnings of the authority after provisions have been made for obligations and any reserves, which are determined by the board. The financial statements of the Sevier County Public Building Authority were not material to the component units' opinion unit and therefore have been omitted from the report.

The Sevier County Fair Association oversees the planning and operation of the annual Sevier County Fair, as well as, other events at the fairgrounds, and the Sevier County Commission appoints its governing body. The fair association is funded primarily through revenues collected for the use of the fairgrounds. Sevier County also makes annual contributions to the fair association. The financial statements of the Sevier County Fair Association were not material to the component units' opinion unit and therefore have been omitted from this report.

The Sevier 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 Sevier County Emergency Communications District, the Sevier County Public Building Authority, and the Sevier County Fair Association can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Sevier County Emergency Communications District  
245 Bruce Street  
Sevierville, TN 37862

Sevier County Public Building Authority  
248 Bruce Street  
Sevierville, TN 37862

Sevier County Fair Association  
P.O. Box 6514  
Sevierville, TN 37864

**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 Sevier 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.

Sevier County issues all debt for the discretely presented Sevier 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 (internal service and enterprise), and fiduciary funds. The internal service funds are reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds 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 funds 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 Sevier County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis

is placed on major funds within the governmental and proprietary categories. Sevier County reports four proprietary funds, an enterprise fund and three internal service funds.

Separate financial statements are provided for governmental funds, proprietary funds, 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 internal service funds and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Sevier 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 funds 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 county's fiduciary fund category does not include any trust funds. The category only includes custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Sevier 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 General Government 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.

Sevier County reports the following major proprietary fund:

**Public Utility Fund** – This fund is used to account for the operations of the county’s water department.

Additionally, Sevier County reports the following fund types:

**General Capital Projects Fund** – This fund accounts for and reports the 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.

**Internal Service Funds** – These funds, the Employee Insurance - Health, Employee Insurance - Dental and Vision, and Workers’ Compensation funds, are used to account for the county’s self-insured health, dental and vision, and workers’ compensation programs. Premiums charged to the various county funds and employee payroll deductions are placed in these funds for the payment of claims of county employees.

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Sevier County, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General.

The discretely presented Sevier County School Department reports the following major governmental fund:

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 21) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 20) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has four proprietary funds, an enterprise fund and three internal service funds used to account for the employees' health insurance, dental and vision insurance, and workers' compensation programs. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the enterprise fund are water and tap sales. The principal operating revenues of the county's internal service funds are charges for services. Operating expenses for the internal service funds include administrative expenses and employee benefits. Operating expenses for the enterprise fund include salaries, benefits, depreciation, and other expenses of the water department.

**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 cash on hand, demand deposits, and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Sevier 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 Fund. Sevier 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. Sevier County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

## **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 service, water department, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance and water department receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.02 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.

Most payables are disaggregated on the face of the financial statements. The balance in the account Other Current Liabilities totaling \$860,430 in the governmental activities Statement of Net Position for the primary government represents the remaining balance in the retirement clearing account of \$100 and self-insurance claims of \$860,330. The amount of other current liabilities reflected in the discretely presented school department's General Purpose Fund represents the remaining balance in the retirement and teachers' insurance clearing accounts. Due to Other Governments in the Other General Government Fund (\$9,541,956) represents American Rescue Plan Act funds received in advance.

**3. Prepaid Items**

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

**4. Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Sevier 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 Sevier County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Sevier County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

**5. Capital Assets**

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 60
Other Capital Assets	5 - 10
Infrastructure	20 - 60

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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 accumulated decrease in fair value of hedging derivatives; a deferred charge on refunding; pension and OPEB changes in experience, assumptions, and proportion; pension changes in investment earnings; and employer contributions made for pensions and OPEB after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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, deferred credit on refunding, and various receivables for revenues, which do not meet the availability criteria for governmental funds.

**7. Compensated Absences**

It is the policy of the primary government, excluding the highway department, to permit employees to accumulate earned but unused vacation pay benefits. County employees are allowed to carryover 96 hours to the next year. All vacation pay for county employees is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. The highway department and the school department do not have a policy to pay any vacation amounts when employees separate from service with the government. There is no liability for unpaid accumulated sick leave since neither the county nor school department have a policy to pay any amounts when employees separate from service with the government.

**8. Long-term Debt and Long-term Obligations**

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt 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 and other loans payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, other postemployment benefits and judgments payable, are recognized to the extent that the liabilities have matured (come due for payment) each period.

## **9. Net Position and Fund Balance**

In the government-wide financial statements and the proprietary 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.

The government-wide Statement of Net Position, Governmental Activities, reports \$68,488,245 of restricted net position, of which \$9,793,984 is restricted by enabling legislation.

As of June 30, 2021, Sevier County had \$81,360,217 in outstanding debt for capital purposes for the discretely presented Sevier County School Department and other entities. The debt is a liability of Sevier County, but the capital assets acquired are reported in the financial statements of the school department and the other entities. Therefore, Sevier 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 except in the General Debt Service Fund. The General Debt Service Fund uses the least restrictive fund balance first. 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. Restricted for Other Operations in the General Fund (\$7,832,867) represents unexpended Hotel/Motel Tax revenues which are restricted for tourism expenditures.

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 makes assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the primary government's General Fund consists of amounts assigned for fund balance appropriated for use in the 2021-2022 budget (\$954,727). Assigned fund balance in the school department's General Purpose School Fund consists primarily of amounts for encumbrances (\$5,261,057) and fund balance appropriated for use in the 2021-2022 year budget (\$14,162,607).

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned

to specific purposes within the General and General Purpose School funds.

**10. Minimum Fund Balance Policy**

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum fund balance policy exists and consists of the sum of committed, assigned, and unassigned fund balance:

General Fund – six months of expenditures calculated by subtracting capital project budgeted funds from budgeted expenditures.

Debt Service Fund – 25 percent of total outstanding debt.

**11. 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 Sevier County School Department. A restatement of \$2,072,994 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 net position of these funds have been restated by \$4,993,536 using the economic resources 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 Sevier County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Sevier 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 Sevier County School Department**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension

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

**F. Other Postemployment Benefit (OPEB) Plans**

**Primary Government**

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

**Discretely Presented Sevier 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 Sevier 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 Sevier County School Department**

Exhibit K-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 Sevier County School Department**

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

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the General Capital Projects Fund, which adopts project length budgets. For the discretely presented school department, the Internal School Fund (special revenue fund) is not budgeted. 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, Other Boards and Committees, County Mayor, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The

difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2021, the Sevier County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
School Department:	
Major Fund:	
General Purpose School	\$ 5,261,057
Nonmajor Fund:	
Central Cafeteria	385

**B. County Employees Indicted**

On October 7, 2021, two employees of the Sevier County Clerk’s office were indicted by the Sevier County Grand Jury on multiple charges. Brandy Thornton was charged with six counts of official misconduct, three counts of bribery of a public servant, two counts of tampering with evidence, one count of forgery, and one count of criminal simulation. Roberta Lynne Webb-Allen was charged with four counts of tampering with governmental records, two counts of forgery, two counts of criminal simulation, and two counts of official misconduct. The individuals are currently awaiting trial on the charges.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Sevier County and the Sevier 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.

Other than the TCRS Stabilization Trust discussed below, the county had no pooled and nonpooled investments as of June 30, 2021.

### **TCRS Stabilization Trust**

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

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Sevier 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 Sevier 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
<b>Investments at Fair Value:</b>			
U.S. Equity	N/A	N/A	\$ 298,318
Developed Market International Equity	N/A	N/A	134,725
Emerging Market International Equity	N/A	N/A	38,493
U.S. Fixed Income	N/A	N/A	192,464
Real Estate	N/A	N/A	96,232
Short-term Securities	N/A	N/A	9,623
NAV- Private Equity and Strategic Lending	N/A	N/A	192,464
<b>Total</b>			<b>\$ 962,319</b>

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. Derivative Instruments**

At June 30, 2021, Sevier County had the following derivative instruments outstanding:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$3M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	\$ 3,000,000	10-1-09	6-1-25	Pay 4.44% receive 63.4% of LIBOR
\$13M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	13,000,000	10-1-09	6-1-25	Pay 3.97% receive 67% of LIBOR
\$14.435M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	14,435,000	10-1-09	6-1-25	Pay 4.38% receive 63.4% of LIBOR

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2021, classified by type, and the changes in fair value using a pay-fixed interest rate swap, receive a percentage of LIBOR pricing model (Level 2 inputs of the GAAP fair value hierarchy) of such derivative instruments for the year then ended, as reported in the 2021 financial statements, are as follows:

Type	<u>Changes in Fair Value</u>		<u>Fair Value at June 30, 2021</u>		6-30-21
	Classification	Amount	Classification	Amount	Notional Amount
<b>Governmental Activities</b>					
Pay-fixed interest rate swaps:					
\$3M Hybrid Swap:					
Cash Flow Hedge Portion	Deferred Outflow	\$ 77,581	Debt	\$ (59,543)	\$ 2,470,000
Non-hedge Portion	Investment Earnings	75,292	Debt	(157,591)	
Total \$3M Hybrid Swap		<u>\$ 152,873</u>		<u>\$ (217,134)</u>	
\$13M Swap:					
Investment Derivative	Investment Earnings	<u>\$ 522,093</u>	Debt	<u>\$ (690,473)</u>	\$ 9,200,000
\$14.435M Swap:					
Investment Derivative	Investment Earnings	<u>\$ 79,450</u>	Debt	<u>\$ (111,613)</u>	\$ 1,295,000
Total		<u>\$ 754,416</u>		<u>\$ (1,019,220)</u>	

In a prior year, Sevier County amended its variable rate debt instruments associated with the \$3M swap agreement. As a result, the county recognized a termination of the original hedging relationship and recognized a new hedging relationship between the swap agreement and the amended debt instrument. An investment earning or loss has been recognized for the portion of the swap's value that is not attributable to the current hedge relationship. A change in the portion of the swap's fair value that is attributable to the current hedging relationship is deferred since it meets the effectiveness criteria of Governmental Accounting Standards Board Statement No. 53.

### **Derivative Instrument Swap Agreement Detail**

#### **\$3M Swap**

The Public Building Authority of Sevier County, Tennessee, at the request of the county, has entered into a derivative instrument swap agreement under its Series IV-H-3 Loan Agreement.

**Objective of the interest rate swap.** To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into a derivative instrument swap agreement in connection with its \$3 million Series IV-H-3 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series IV-H-3 bonds have since been refunded with a portion of the proceeds of the Series VII-A-4 bonds, and the interest rate swap is now associated with the Series VII-A-4 bonds.

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 4.44 percent and receives a variable payment computed as 63.4 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$3 million, and the original associated variable-rate bonds had a \$3 million principal amount. At no time will the notional

amount on the derivative instrument interest swap agreement exceed the outstanding principal of the Series VII-A-4 Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (SIFMA). The swap agreement matures on June 1, 2025. As of June 30, 2021, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.440 %
Variable payment from counterparty	% of LIBOR	<u>-0.410</u>
Net interest rate swap payments		4.030 %
Variable-rate bond coupon payments		<u>0.419</u>
Synthetic interest rate on bonds		<u><u>4.449 %</u></u>

**Fair value.** As of June 30, 2021, the swap had a negative fair value of \$217,134. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates, and then discounts those cash flows at their present value.

**Credit risk.** As of June 30, 2021, the county was not exposed to credit risk because the swap had a negative fair value. However, if interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the derivative instrument's fair value. The swap counterparty, Raymond James Financial Products ("RJFP" formerly Morgan Keegan Financial Products) was rated "Baa1/BBB+" by Moody's and Standard and Poor's, respectively, as of June 30, 2021, with its Credit Support Provider, Deutsche Bank, rated A3/BBB+/BBB+ by Moody's, Standard and Poor's, and Fitch, respectively.

**Basis risk.** As noted above, the swap exposes the county to basis risk if the bond rate increases to above 63.4 percent of LIBOR, thus increasing the synthetic rate on the bonds. If a change occurs that results in the bond rate being below 63.4 percent of LIBOR, then the synthetic rate on the bonds will decrease.

**Termination risk.** The derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an "additional termination provision." The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at

the time of termination, the swap has a negative fair value, the authority would be liable to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap's fair value.

**Swap payments and associated debt.** As of June 30, 2021, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Year Ending June 30	Variable Rate Bonds		Net Interest	Total
	Principal	Interest	Rate Swap Payment	
2022	\$ 565,000	\$ 10,359	\$ 99,539	\$ 674,898
2023	600,000	7,989	76,770	684,759
2024	635,000	5,473	52,591	693,064
2025	670,000	2,810	27,001	699,811
Total	<u>\$ 2,470,000</u>	<u>\$ 26,631</u>	<u>\$ 255,901</u>	<u>\$ 2,752,532</u>

### **\$13M Swap**

The Public Building Authority of Sevier County, Tennessee, at the request of the county, has entered into a derivative instrument swap agreement under its Series V-A-1 Loan Agreement.

**Objective of the interest rate swap.** To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into a derivative instrument swap agreement in connection with its \$27.5 million Series V-A-1 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series V-A-1 bonds have since been refunded with a portion of the proceeds of the Series VII-B-1 bonds, and the interest rate swap is now associated with the Series VII-B-1 bonds.

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 3.97 percent and receives a variable payment computed as 67 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$13 million, and the original associated variable-rate bonds had a \$13 million principal amount. At no time will the notional amount on the derivative instrument swap agreement exceed the outstanding principal of the Series VII-B-1 Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (SIFMA). The swap agreement matures on June 1, 2025. As of June 30, 2021, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	3.970 %
Variable payment from counterparty	% of LIBOR	<u>-0.433</u>
Net interest rate swap payments		3.537 %
Variable-rate bond coupon payments		<u>0.040</u>
Synthetic interest rate on bonds		<u>3.577 %</u>

**Fair value.** As of June 30, 2021, the swap had a negative fair value of \$690,473. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government’s variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates, and then discounts those cash flows at their present value.

**Credit risk.** As of June 30, 2021, the county was not exposed to credit risk because the swap had a negative fair value. However, if interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the derivative instrument’s fair value. The swap counterparty, Raymond James Financial Products (“RJFP” formerly Morgan Keegan Financial Products) was rated “Baa1/BBB+” by Moody’s and Standard and Poor’s, respectively, as of June 30, 2021, with its Credit Support Provider, Deutsche Bank, rated A3/BBB+/BBB+ by Moody’s, Standard and Poor’s, and Fitch, respectively.

**Basis risk.** As noted above, the swap exposes the county to basis risk if the bond rate increases to above 67 percent of LIBOR, thus increasing the synthetic rate on the bonds. If a change occurs that results in the bond rate being below 67 percent of LIBOR, then the synthetic rate on the bonds will decrease.

**Termination risk.** The derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an “additional termination provision.” The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination, the swap has a negative fair value, the authority would be liable to the counterparty for a payment equal to the swap’s fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap’s fair value.

**Swap payments and associated debt.** As of June 30, 2021, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Year Ending June 30	Variable Rate Bonds		Net Interest Rate Swap		Total
	Principal	Interest	Payment		
2022	\$ 2,100,000	\$ 3,680	\$ 325,371	\$ 2,429,051	
2023	2,250,000	2,840	251,102	2,503,942	
2024	2,350,000	1,940	171,527	2,523,467	
2025	2,500,000	1,000	88,416	2,589,416	
Total	\$ 9,200,000	\$ 9,460	\$ 836,416	\$ 10,045,876	

### **\$14.435M Swap**

The Public Building Authority of Sevier County, Tennessee, at the request of the county, has entered into a derivative instrument swap agreement under its Series IV-A-2 Loan Agreement.

**Objective of the interest rate swap.** To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into a derivative instrument swap in connection with its \$14.435 million Series IV-A-2 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series IV-A-2 bonds have since been refunded with a portion of the proceeds of the Series VII-B-1 bonds, and the interest rate swap is now associated with the Series VII-B-1 bonds.

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 4.38 percent and receives a variable payment computed as 63.4 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$14.435 million, and the original associated variable-rate bonds had a \$14.435 million principal amount. At no time will the notional amount on interest rate swap agreement exceed the outstanding principal of the Series VII-B-1 Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (SIFMA). The swap agreement matures on June 1, 2025. As of June 30, 2021, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.380 %
Variable payment from counterparty	% of LIBOR	<u>-0.410</u>
Net interest rate swap payments		3.970 %
Variable-rate bond coupon payments		<u>0.040</u>
Synthetic interest rate on bonds		<u><u>4.010 %</u></u>

**Fair value.** As of June 30, 2021, the swap had a negative fair value of \$111,613. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government’s variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates, and then discounts those cash flows at their present value.

**Credit risk.** As of June 30, 2021, the county was not exposed to credit risk because the swap had a negative fair value. However, if interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the derivative instrument’s fair value. The swap counterparty, Raymond James Financial Products (“RJFP” formerly Morgan Keegan Financial Products) was rated “Baa1/BBB+” Moody’s and Standard and Poor’s, respectively, as of June 30, 2021, with its Credit Support Provider, Deutsche Bank, rated A3/BBB+/BBB+ by Moody’s, Standard and Poor’s, and Fitch, respectively.

**Basis risk.** As noted above, the swap exposes the county to basis risk if the bond rate increases to above 63.4 percent of LIBOR, thus increasing the synthetic rate on the bonds. If a change occurs that results in the bond rate being below 63.4 percent of LIBOR, then the synthetic rate on the bonds will decrease.

**Termination risk.** The derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an “additional termination provision.” The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination, the swap has a negative fair value, the authority would be liable to the counterparty for a payment equal to the swap’s fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap’s fair value.

**Swap payments and associated debt.** As of June 30, 2021, debt service requirements of the variable-rate debt and net swap payments, assuming



current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Year Ending June 30	Variable Rate Bonds		Net Interest Rate Swap	
	Principal	Interest	Payment	Total
2022	\$ 300,000	\$ 518	\$ 51,411	\$ 351,929
2023	315,000	398	39,501	354,899
2024	330,000	272	26,996	357,268
2025	350,000	140	13,894	364,034
Total	<u>\$ 1,295,000</u>	<u>\$ 1,328</u>	<u>\$ 131,802</u>	<u>\$ 1,428,130</u>

**C. 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	Transfers Out	Balance 6-30-21
Capital Assets Not Depreciated:					
Land	\$ 7,461,303	\$ 0	\$ 0	\$ 0	\$ 7,461,303
Construction in Progress	1,389,198	1,556,910	(1,389,198)	(129,097)	1,427,813
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 8,850,501</b>	<b>\$ 1,556,910</b>	<b>\$ (1,389,198)</b>	<b>\$ (129,097)</b>	<b>\$ 8,889,116</b>
Capital Assets Depreciated:					
Buildings and Improvements					
Improvements	\$ 68,197,377	\$ 1,400,643	\$ 0	\$ 0	\$ 69,598,020
Infrastructure	196,927,695	4,188,408	0	0	201,116,103
Other Capital Assets	20,260,212	2,272,023	(1,508,916)	0	21,023,319
<b>Total Capital Assets Depreciated</b>	<b>\$ 285,385,284</b>	<b>\$ 7,861,074</b>	<b>\$ (1,508,916)</b>	<b>\$ 0</b>	<b>\$ 291,737,442</b>
Less Accumulated Depreciation For:					
Buildings and Improvements					
Improvements	\$ 34,832,241	\$ 2,099,550	\$ 0	\$ 0	\$ 36,931,791
Infrastructure	141,394,620	5,475,816	0	0	146,870,436
Other Capital Assets	14,303,580	1,480,446	(1,427,302)	0	14,356,724
<b>Total Accumulated Depreciation</b>	<b>\$ 190,530,441</b>	<b>\$ 9,055,812</b>	<b>\$ (1,427,302)</b>	<b>\$ 0</b>	<b>\$ 198,158,951</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 94,854,843</b>	<b>\$ (1,194,738)</b>	<b>\$ (81,614)</b>	<b>\$ 0</b>	<b>\$ 93,578,491</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 103,705,344</b>	<b>\$ 362,172</b>	<b>\$ (1,470,812)</b>	<b>\$ (129,097)</b>	<b>\$ 102,467,607</b>

Transfers Out represent capital assets transferred to business-type activities (enterprise fund) from governmental activities during the year.

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

**Governmental Activities:**

General Government	\$ 909,279
Finance	27,330
Administration of Justice	13,207
Public Safety	879,751
Public Health and Welfare	800,803
Social, Cultural, and Recreational Services	555,081
Agriculture and Natural Resources	9,466
Highways/Public Works	<u>5,860,895</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 9,055,812</u></u>

**Business-Type Activities:**

	Balance 7-1-20	Transfers In	Increases	Balance 6-30-21
Capital Assets Not Depreciated:				
Construction in Progress	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Assets Not Depreciated	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Assets Depreciated:				
Infrastructure	\$ 22,183,763	\$ 129,097	\$ 41,410	\$ 22,354,270
Other Capital Assets	381,443	0	0	381,443
Total Capital Assets Depreciated	<u>\$ 22,565,206</u>	<u>\$ 129,097</u>	<u>\$ 41,410</u>	<u>\$ 22,735,713</u>
Less Accumulated Depreciation For:				
Infrastructure	\$ 4,312,981	\$ 0	\$ 483,001	\$ 4,795,982
Other Capital Assets	161,141	0	15,287	176,428
Total Accumulated Depreciation	<u>\$ 4,474,122</u>	<u>\$ 0</u>	<u>\$ 498,288</u>	<u>\$ 4,972,410</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,091,084</u>	<u>\$ 129,097</u>	<u>\$ (456,878)</u>	<u>\$ 17,763,303</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 18,091,084</u></u>	<u><u>\$ 129,097</u></u>	<u><u>\$ (456,878)</u></u>	<u><u>\$ 17,763,303</u></u>

Transfers In represent capital assets transferred from governmental activities to business-type activities during the year.

There were no decreases in capital assets to report during the year ended June 30, 2021.

Depreciation expense totaling \$498,288 was charged to the Public Utility Fund.

**Discretely Presented Sevier County School Department**

**Governmental Activities:**

	Balance			Balance
	7-1-20	Increases	Decreases	6-30-21
Capital Assets Not Depreciated:				
Land	\$ 19,527,122	\$ 0	\$ 0	\$ 19,527,122
Construction in Progress	22,487,348	9,934,120	(30,989,502)	1,431,966
Total Capital Assets Not Depreciated	<u>\$ 42,014,470</u>	<u>\$ 9,934,120</u>	<u>\$ (30,989,502)</u>	<u>\$ 20,959,088</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 170,944,706	\$ 30,800,151	\$ 0	\$ 201,744,857
Infrastructure	11,358,956	290,981	0	11,649,937
Other Capital Assets	23,296,335	2,498,872	(6,495)	25,788,712
Total Capital Assets Depreciated	<u>\$ 205,599,997</u>	<u>\$ 33,590,004</u>	<u>\$ (6,495)</u>	<u>\$ 239,183,506</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 74,007,644	\$ 4,544,737	\$ 0	\$ 78,552,381
Infrastructure	7,615,285	484,035	0	8,099,320
Other Capital Assets	17,515,494	1,277,973	(6,495)	18,786,972
Total Accumulated Depreciation	<u>\$ 99,138,423</u>	<u>\$ 6,306,745</u>	<u>\$ (6,495)</u>	<u>\$ 105,438,673</u>
Total Capital Assets Depreciated, Net	<u>\$ 106,461,574</u>	<u>\$ 27,283,259</u>	<u>\$ 0</u>	<u>\$ 133,744,833</u>
Governmental Activities Capital Assets, Net	<u>\$ 148,476,044</u>	<u>\$ 37,217,379</u>	<u>\$ (30,989,502)</u>	<u>\$ 154,703,921</u>

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

**Governmental Activities:**

Instruction	\$ 4,234,674
Support Services	2,002,037
Operation of Non-instructional Services	<u>70,034</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,306,745</u>

**D. Construction Commitments**

At June 30, 2021, the General Capital Projects Fund had uncompleted construction contracts of approximately \$661,743 for a library expansion project. Funding has been provided for these future expenditures.

At June 30, 2021, the Sevier County School Department's General Purpose School Fund had an uncompleted construction contract of \$205,823 for sewer line extension project. Funding has been received for these future expenditures.

**E. Interfund Receivables, Payables, and Transfers**

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

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 27,803
Highway/Public Works	General	111,995
Nonmajor governmental	General Debt Service	386,504
Internal Service	Highway/Public Works	2,553

The receivable in the nonmajor governmental funds totaling \$386,504 resulted from property tax collections being allocated based on the prior year property tax rate instead of the current year rate.

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

**Due to/from Primary Government and Component Unit:**

Receivable Fund	Payable Fund	Amount
Component Unit:		
School Department:	Primary Government:	
General Purpose School	General	\$ 776

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In Nonmajor Governmental Funds	Purpose
General Fund	\$ 50,000	Operations of Drug Court
"	<u>215,000</u>	Operations of Solid Waste Department
Total	<u>\$ 265,000</u>	

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

**F. Operating Lease**

In fiscal year 2016-2017, Sevier County and the city of Sevierville entered into an agreement with East Tennessee State University (ETSU). The county and city own land and a building on Red Bank Road that, under this agreement, ETSU has leased in order to house a college campus in the county. This lease is for a duration of five years with the option to renew for an additional five years. Neither the city nor the county will receive lease payments for use of the building. The Public Building Authority (PBA) of Sevier County issued debt in order to renovate the property for ETSU. The lease payments from ETSU will go directly to the PBA to pay off the debt used to finance the renovations. Once this debt has been paid off, the remaining lease payments will continue to be paid to the PBA for maintenance and additional renovations in the future.

**G. Long-term Debt**

**Primary Government**

**General Obligation Bonds, Notes, and Other Loans**

General Obligation Bonds - Sevier 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 and loans. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 21 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 - Sevier 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. Other loans outstanding were issued for original terms of up to 24 years. There were no capital outlay notes outstanding at June 30, 2021. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund

General obligation bonds and other loans 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	.4 to 5.0 %	6-1-40	\$ 47,380,000	\$ 45,025,000
General Obligation Bonds - Refunding	.4 to 5.0	6-1-32	26,505,000	14,360,000
Qualified School Construction Bonds	4.84	8-1-27	14,504,000	5,529,149
Direct Borrowing and Direct Placement:				
Other Loans - Variable Rate	Variable	6-1-32	21,450,000	21,350,000
Other Loans - Variable Rate - Refunding	Variable	6-1-32	49,395,000	24,435,000
Energy Efficient Schools Initiative Loan	0	5-1-22	1,000,000	91,703

Sevier County has entered into loan agreements with the Sevier County Public Building Authority (PBA). The loan agreements provide for the PBA to make funds available for loan to Sevier County on an as-needed basis to finance

various capital projects for the county and the discretely presented school department. In addition to interest, the county pays various other fees (trustee, letter of credit, debt remarketing, administrative, etc.) in connection with these loans. The following table summarizes the loan agreements outstanding at June 30, 2021, including interest rates and other loan fees:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-21	Interest Type	Interest Rate as of 6-30-21	Other Fees on Variable Rate Debt
Series VII-A-4 (Refunding)(1)	\$ 6,900,000	\$ 2,470,000	Variable	0.419 %	0.32 %
Series VII-B-1 (Refunding)(2)	42,495,000	21,965,000	Variable	0.04	0.74
Series VII-B-1	21,450,000	<u>21,350,000</u>	Variable	0.04	0.74
Total		<u>\$ 45,785,000</u>			

(1) This issue refunded another issue for which an outstanding interest rate swap agreement exists (Series IV-H-3).

(2) This issue refunded other issues for which outstanding interest rate swap agreements exist (Series IV-A-2 and Series V-A-1).

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

Estimated interest payments and estimated other fees are included for the loan agreements. The Series VII-A-4 and VII-B-1 carry variable interest rates with the rates changing weekly or monthly. Interest payments included in the table for the variable rate issues are computed based on the rates in effect at June 30, 2021. Net interest rate swap payments, discussed in Note IV.B., are in addition to interest and other fee amounts reflected in the following tables.

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 5,410,027	\$ 2,569,160	\$ 7,979,187
2023	5,840,027	2,425,360	8,265,387
2024	5,475,027	2,259,147	7,734,174
2025	5,390,027	2,098,485	7,488,512
2026	3,870,027	1,954,179	5,824,206
2027-2031	17,114,014	5,401,194	22,515,208
2032-2036	14,600,000	2,383,450	16,983,450
2037-2040	7,215,000	443,840	7,658,840
Total	<u>\$ 64,914,149</u>	<u>\$ 19,534,815</u>	<u>\$ 84,448,964</u>



Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2022	\$ 4,036,703	\$ 27,675	\$ 328,351	\$ 4,392,729
2023	4,245,000	23,956	301,523	4,570,479
2024	5,160,000	19,984	272,622	5,452,606
2025	5,030,000	15,513	237,099	5,282,612
2026	3,315,000	10,962	202,683	3,528,645
2027-2031	19,535,000	33,344	616,518	20,184,862
2032	4,555,000	1,823	33,688	4,590,511
Total	\$ 45,876,703	\$ 133,257	\$ 1,992,484	\$ 48,002,444

There is \$38,193,326 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$660, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums totaled \$1,160, based on the 2020 federal census.

During the year, based on budgetary appropriations, the school department remitted \$7,245,034 to the primary government's General Debt Service Fund to be applied to the retirement of debt issued for the benefit of the school department. Also, during the year, the county reimbursed the school department \$662,371 of that amount from tax credit bond rebates received related to the Qualified School Construction Bonds. Those rebates were received in the General Fund and subsequently contributed to the school department.

#### Changes in Long-term Debt

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

##### Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2020	\$ 69,374,176	\$ 49,721,699
Reductions	(4,460,027)	(3,844,996)
Balance, June 30, 2021	\$ 64,914,149	\$ 45,876,703
Balance Due Within One Year	\$ 5,410,027	\$ 4,036,703

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2021	\$ 110,790,852
Less: Balance Due Within One Year - Debt	(9,446,730)
Add: Unamortized Premium on Debt	<u>3,294,435</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 104,638,557</u>

**H. Long-term Obligations**

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits	Judgment Payable
Balance, July 1, 2020	\$ 4,696,768	\$ 900,000
Additions	1,013,609	0
Reductions	<u>(368,531)</u>	<u>(900,000)</u>
Balance, June 30, 2021	<u>\$ 5,341,846</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>
		Compensated Absences
Balance, July 1, 2020		\$ 0
Additions		2,640,329
Reductions		<u>(1,330,994)</u>
Balance, June 30, 2021		<u>\$ 1,309,335</u>
Balance Due Within One Year		<u>\$ 1,094,660</u>

Analysis of Noncurrent Liabilities - Other Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2021	\$ 6,651,181
Less: Balance Due Within One Year - Other	<u>(1,094,660)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 5,556,521</u>

Other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. The judgment

payable represented a settlement on a Fair Labor Standards Act lawsuit and was paid from the General Fund.

**Sevier County Water Department (enterprise fund)**

Changes in Long-term Obligations

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

Business-Type Activities:

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2020	\$ 30,196
Additions	6,633
Reductions	<u>(2,329)</u>
Balance, June 30, 2021	<u>\$ 34,500</u>
Balance Due Within One Year	<u>\$ 0</u>

Other postemployment benefits will be paid from Public Utility Fund.

**Discretely Presented Sevier County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2020	\$ 37,249,137
Additions	6,868,122
Reductions	<u>(5,652,894)</u>
Balance, June 30, 2021	<u>\$ 38,464,365</u>
Balance Due Within One Year	<u>\$ 0</u>

Other postemployment benefits will be paid from the employing funds, the General Purpose School, School Federal Projects, and Central Cafeteria funds.

**I. Pledges of Receivables and Future Revenues**

**Local Option Sales Tax Revenues Pledged**

In 2009, the citizens of Sevier County voted to increase the local option sales tax rate by .25 percent to pay for capital needs of the school department. The county pledged the additional sales tax collections generated from this increase to be used for educational capital outlay and debt service. For the current year, sales tax revenues generated by the increase were \$14,081,073.

**J. On-Behalf Payments**

**Discretely Presented Sevier County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Sevier County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are 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 and the Medicare Supplement Plan for the year ended June 30, 2021, were \$511,888 and \$96,251, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

The county has chosen to establish three self-insurance funds for risks associated with the employees' health, dental, and vision plans for the primary government, and risks associated with workers' compensation claims for both the primary government and the school department. The self-insurance funds are accounted for as internal service funds where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$160,000 for each employee in any plan year for health coverage. The county also retains the risk of loss to a limit of \$500,000 per occurrence and approximately \$2,067,799 for all claims in any plan year for workers' compensation coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All full-time employees of the primary government are eligible to participate in the health, dental, and vision programs. A premium charge is allocated to each fund that accounts for employees who are covered by the employee health insurance plan and/or the workers' compensation plan. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$34,733 for health coverage, \$104,296 for dental and vision coverage and \$690,057 for workers' compensation coverage at June 30, 2021. Liabilities of

these funds are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The self-insurance funds establish claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Employee Insurance - Health Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2019-2020	\$ 686,227	\$ 7,061,893	\$ (7,136,226)	\$ 611,894
2020-2021	611,894	7,794,679	(7,589,877)	816,696

Current year claims and estimates are presented net of stop-loss recoveries (\$121,080) and contracted prescription drug rebates (\$392,334) for the 2020-21 year.

Employee Insurance - Dental and Vision Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2019-2020	\$ 16,531	\$ 36,815	\$ (35,923)	\$ 17,423
2020-2021	17,423	46,424	(60,544)	3,303

Employee Insurance - Workers' Compensation Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2019-2020	\$ 161,062	\$ 589,676	\$ (660,569)	\$ 90,169
2020-2021	90,169	371,099	(420,937)	40,331

Current year claims and estimates are presented net of stop-loss recoveries (\$23,818) for the 2020-21 year.

The discretely presented Sevier County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local educational 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.

The county and the discretely presented school department continue to carry commercial insurance for all other risks of loss, including general liability, property, and casualty. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

## **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**

Sevier County is contingently liable for the Tennessee Department of Environment and Conservation's financial assurance requirements regarding landfill closure/postclosure care costs. The county would be obligated for the financial assurance in the event of default on closure/postclosure care costs by

Sevier Solid Waste, Inc., a joint venture discussed in Note V.D. The financial assurance requirements as of June 30, 2020, were \$1,768,899. The Tennessee Department of Environment and Conservation has not provided the county with an updated amount for the 2021 year as of the date of this report.

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

The county is involved in several pending lawsuits. The attorneys for the county and the discretely presented school department estimate that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

#### **D. Joint Ventures**

Sevier Solid Waste, Inc., is a nonprofit organization created under the laws of the State of Tennessee to develop and implement a comprehensive program for collecting, transporting, disposing, and recycling solid waste generated within Sevier County and the cities of Gatlinburg, Pigeon Forge, and Sevierville. The corporation was formed in 1988 pursuant to a mutual interlocal cooperation agreement between each of the governmental entities. It is governed by a board of directors, which consists of one representative from each governmental unit. Sevier County has control over budgeting and financing the joint venture only to the extent of representation by the one board member appointed and is responsible for funding a pro-rata share of any deficits from operations. The corporation receives financial support from each of these four government entities that created it. These contributors pay a pro-rata share based on their percentage of total waste brought to the disposal facility during the previous year.

Sevier Water Board, Inc., is a nonprofit organization created under the laws of the State of Tennessee that was designed to carry out future planning and implementing of certain water-related functions within Sevier County and the cities of Gatlinburg, Pigeon Forge, Sevierville, and Pittman Center. The corporation was formed in 1995 pursuant to a mutual interlocal cooperation agreement between each of the governmental entities. It is governed by a board of directors, which consists of one representative from each governmental unit. Sevier County has control over budgeting and financing the joint venture only to the extent of representation by the one board member appointed and is responsible for funding a pro-rata share of any deficits from operations.

Sevier County and the city of Sevierville jointly constructed a baseball stadium, which they leased to a minor league baseball club. The Stadium Advisory Committee was created by an interlocal agreement between Sevier County and the city of Sevierville to oversee operations of the stadium facility

and to report to the Sevier County Commission and the City of Sevierville Board of Mayor and Aldermen. The committee includes seven members nominated jointly by the county and city mayors who are appointed to four-year terms by both legislative bodies. Operations of the joint venture are split 70 percent (city of Sevierville) and 30 percent (Sevier County). The city of Sevierville maintains financial transactions relating to the joint venture, and complete financial statements may be obtained from the city of Sevierville.

Sevier County and the city of Gatlinburg jointly constructed a youth sports complex, Rocky Top Sports World. The Youth Sports Complex Advisory Board/Authority was created by an interlocal agreement between Sevier County and the city of Gatlinburg to oversee operations of the sports facility and to report to the Sevier County Commission and the city of Gatlinburg Commission. The board includes seven members, which include from the county: the county mayor, the director of schools, and one member nominated by the county commission; and from the city: the city manager and three members nominated by the city commission. Operations of the joint venture are split 70 percent (city of Gatlinburg) and 30 percent (Sevier County). Sevier County contributed \$179,640 for the operations for the 2020-2021 year. The city of Gatlinburg maintains financial transactions relating to the joint venture, and complete financial statements may be obtained from the city of Gatlinburg.

The Fourth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fourth Judicial District; Sevier, Cocke, Grainger, and Jefferson counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Sevier County made no contributions to the DTF for the year ended June 30, 2021, and does not have any equity interest in this joint venture.

The Sevier County Economic Development Council is a joint venture operated by Sevier County, the cities of Sevierville, Pigeon Forge, Gatlinburg, and various local private enterprises. The board is comprised of 12 members, two of whom represent Sevier County. The purpose is to coordinate the governmental and private sector activities in attracting businesses and industries to the Sevier County area. Sevier County contributed \$197,600 to the operations of the Economic Development Council for the 2020-21 year.

Sevier Animal Care Center is a nonprofit public benefit organization created to operate and maintain a facility for the sheltering of animals within Sevier County. The corporation is governed by a board of directors which consists of the mayor of Sevier County and the city managers of Gatlinburg, Pigeon Forge, and Sevierville. The Sevier County mayor serves as the chairman of that board.



Sevier County and the center have entered into a memorandum of understanding which provides for the shelter to accept animals from the county and for the county to provide annual appropriations to the shelter at the discretion of the county commission. Sevier County has control over budgeting and financing the joint venture only to the extent of representation by the county mayor on the shelter board. The corporation receives financial support from each of these four government entities. Sevier County contributed \$242,725 to the operations of the Sevier Animal Care Center for the 2020-2021 year.

Complete financial statements for Sevier Solid Waste, Inc., Sevier Water Board, Inc., Fourth Judicial District Drug Task Force, Sevier County Economic Development Council, and the Sevier Animal Care Center can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Sevier Solid Waste, Inc.  
1855 Ridge Road  
Pigeon Forge, TN 37863

Sevier Water Board, Inc.  
227 Cedar Street  
Sevierville, TN 37862

District Attorney General  
Fourth Judicial District  
125 Court Avenue, Suite 301-E  
Sevierville, TN 37862

Sevier County Economic Development Council  
321 Court Avenue  
Sevierville, TN 37862

Sevier Animal Care Center  
1040 Dolly Parton Parkway  
Sevierville, TN 37862

**E. Retirement Commitments**

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Sevier County and non-certified employees of the discretely presented Sevier County School

Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 56.55 percent, the non-certified employees of the discretely presented school department comprise 43.45 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	593
Inactive Employees Entitled to But Not Yet Receiving Benefits	906
Active Employees	1,349
Total	<u><u>2,848</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Sevier County elected to make employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2021, the employer contribution for Sevier County was \$2,331,405 based on a rate of 5.0 percent of covered payroll. The minimum rate established by the Board of Trustees was 0.28 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Sevier 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)**

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

*Actuarial Assumptions.* The total pension liability as of the June 30, 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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
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 Sevier 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	\$ 145,162,495	\$ 166,794,929	\$ (21,632,434)
Changes for the Year:			
Service Cost	\$ 3,830,843	\$ 0	\$ 3,830,843
Interest	10,621,303	0	10,621,303
Differences Between Expected and Actual Experience	(96,653)	0	(96,653)
Contributions-Employer	0	2,616,871	(2,616,871)
Contributions-Employees	0	2,192,295	(2,192,295)
Net Investment Income	0	8,265,857	(8,265,857)
Benefit Payments, Including Refunds of Employee Contributions	(4,985,225)	(4,985,225)	0
Administrative Expense	0	(119,169)	119,169
Net Changes	\$ 9,370,268	\$ 7,970,629	\$ 1,399,639
Balance, June 30, 2020	\$ 154,532,763	\$ 174,765,558	\$ (20,232,795)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	56.55%	\$ 87,388,277	\$ 98,829,923	\$ (11,441,646)
School Department	43.45%	67,144,486	75,935,635	(8,791,149)
Total		<u>\$ 154,532,763</u>	<u>\$ 174,765,558</u>	<u>\$ (20,232,795)</u>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Sevier 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%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Sevier County	6.25%	7.25%	8.25%

Net Pension Liability (Asset) \$ (537,416) \$ (20,232,795) \$ (36,679,648)

**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, Sevier County recognized pension expense (negative pension expense) of (\$549,865).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2021, Sevier 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	\$ 3,053,818
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,295,029	0
Changes in Assumptions	968,409	0
Contributions Subsequent to the Measurement Date of June 30, 2020 (1)	<u>2,331,405</u>	N/A
Total	<u>\$ 4,594,843</u>	<u>\$ 3,053,818</u>

- (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	\$ 2,601,986	\$ 1,726,934
School Department	<u>1,992,857</u>	<u>1,326,884</u>
Total	<u>\$ 4,594,843</u>	<u>\$ 3,053,818</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	\$ (1,227,728)
2023	(148,562)
2024	52,291
2025	549,726
2026	(16,107)
Thereafter	0

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

### **Payable to the Pension Plan**

At June 30, 2021, Sevier County reported a payable of \$92,382 for the outstanding amount of contributions due to the pension plan at year end.

### **Discretely Presented Sevier County School Department**

#### **Non-certified Employees**

#### **General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Sevier County and non-certified employees of the discretely presented Sevier County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 56.55 percent and the non-certified employees of the discretely presented school department comprise 43.45 percent of the plan based on contribution data.

#### **Certified Employees**

#### **Teacher Retirement Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Sevier 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 \$330,943, which is 2.02 percent of covered payroll. In addition, employer contributions of \$306,247 were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### **Pension Liabilities (Assets), Pension Expense, 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 (\$607,655) 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 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 1.068607 percent. The proportion measured as of June 30, 2019, was 1.055927 percent.

*Pension Expense.* For the year ended June 30, 2021, the school department recognized pension expense of \$244,464.

*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	\$ 22,575	\$ 152,277
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	49,501	0
Changes in Assumptions	19,053	0
Changes in Proportion of Net Pension Liability (Asset)	8,727	18,816
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	330,943	N/A
Total	<u>\$ 430,799</u>	<u>\$ 171,093</u>

The school department's employer contributions of \$330,943, 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	\$ (6,215)
2023	938
2024	4,585
2025	5,625
2026	(11,142)
Thereafter	(65,028)

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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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%) or one percentage point higher (8.25%) 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)    \$ 472,654    \$ (607,655)    \$ (1,403,976)

*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 Sevier 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 Sevier County School Department for the year ended June 30, 2021, to the Teacher Legacy Pension Plan were \$6,072,338, 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, 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 (\$13,507,593) 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 1.771316 percent. The proportion measured at June 30, 2019, was 1.780958 percent.

*Pension Expense.* For the year ended June 30, 2021, the school department recognized pension expense of \$18,506.

*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
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 513,499	\$ 6,494,210
Changes in Assumptions	1,227,102	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,016,783	0
Changes in Proportion of Net Pension Liability (Asset)	202,523	30,546
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	6,072,338	N/A
	<u>6,072,338</u>	<u>N/A</u>
Total	<u>\$ 11,032,245</u>	<u>\$ 6,524,756</u>

The school department's employer contributions of \$6,072,338 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in 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
<u>June 30</u>	<u>Amount</u>
2022	\$ (3,205,395)
2023	(461,161)
2024	103,304
2025	1,998,403
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 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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%) or one percentage point higher (8.25%) 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)    \$ 42,008,314    \$ (13,507,593)    \$ (59,543,320)

*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 \$819,014 and teachers contributed \$504,018 to this deferred compensation pension plan.

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

Sevier County and the discretely presented Sevier County School Department provide OPEB benefits to its retirees under various OPEB plans. These include OPEB provided through a self-insured plan for the primary government and through state administered public entity risks pools for both the primary government and the discretely presented school department. For reporting purposes, the plans are all considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

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

*Plan Description.* Sevier County participates in a self-insured postemployment benefits plan administered by Blue Cross Blue Shield for its retirees and their covered dependents. Eligible employees must be age 55 with 15 years of service or any age with 30 years of service until attainment of age 65 when they

become eligible for Medicare. The retiree’s spouse is eligible for coverage until age 65, as long as the retiree is eligible for coverage or has reached age 65.

*Benefits Provided.* The plan provides healthcare benefits to eligible retirees and their dependents. The benefit terms provide for retirees to pay between \$203 and \$405 per month for their health insurance coverage depending on the coverage they choose. The county pays the remainder of the cost for covered medical services.

Employees Covered by Benefit Terms

At the valuation date of July 1, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	21
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	659
Total	680

**Total OPEB Liability**

The plan’s total OPEB liability of \$4,423,000 was measured as of July 1, 2020, and was determined by an actuarial valuation as of July 1, 2020.

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

Actuarial Cost Method	Entry Age
Salary Increases	2.50%
Discount Rate	2.45%
Healthcare Cost Trend Rates	5.00%
Retirees share of Benefit-related Cost	From \$203 to \$405 depending on coverage selected

The discount rate was based on the Fidelity Municipal GO AA 20-year yield curve rate as of June 30, 2020.

Mortality rates were based on RP-2014 Mortality Table fully generational, with base year 2006, projected using two-dimensional mortality improvement scale MP-2020.

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2019	\$ 3,972,000
Changes for the Year:	
Service Cost	\$ 217,000
Interest	126,000
Difference between Expected and Actual Experience	206,000
Changes in Assumption and Other Inputs	238,000
Benefit Payments	(336,000)
Net Changes	<u>\$ 451,000</u>
Balance June 30, 2020	<u>\$ 4,423,000</u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2021, the county recognized OPEB expense of \$464,000. At June 30, 2021, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 174,000	\$ 112,000
Changes of Assumptions/Inputs	273,000	8,000
Benefit Payment Subsequent to the Measurement Date of June 30, 2020	<u>164,750</u>	<u>0</u>
Total	<u>\$ 611,750</u>	<u>\$ 120,000</u>

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction to OPEB liability in the following measurement period.

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

Year Ending June 30	Amount
2022	\$ 59,000
2023	101,000
2024	119,000
2025	48,000
2026	0
Thereafter	0

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	1.45%	2.45%	3.45%
Total OPEB Liability	\$ 4,792,000	\$ 4,423,000	\$ 4,081,000

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Trend Rate	1% Increase
	4%	5.00%	6.00%
Total OPEB Liability	\$ 3,953,000	\$ 4,423,000	\$ 4,980,000

**OPEB Provided through State Administered Public Entity Risk Pools**

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

The county and school department’s total OPEB liability for each plan was measured as of June 30, 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	LEP: 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%. TNMs: The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 2.21 percent, based on the average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but no 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 Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experiences. 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 Tennessee Plan – Medicare (Primary Government)**

*Plan Description.* Employees of Sevier County who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan-Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and local education agencies. However, the amounts reflected in this note disclosure pertain only to the Sevier County Primary Government. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. Sevier County provides a direct subsidy of between \$25 and \$50 for eligible retirees depending on years of service.

### **Employees Covered by Benefit Terms**

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



Inactive Employees or Beneficiaries Currently Receiving Benefits	9
Inactive Employees Entitled to But Not Yet Receiving Benefits	29
Active Employees Eligible for Benefits	457
Total	<u><u>495</u></u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2021, the county paid \$9,988 for OPEB benefits as they came due.

**Changes in the Total OPEB Liability – As of the Measurement Date**

	<u>Sevier County</u>
Balance July 1, 2019	\$ 754,964
Changes for the Year:	
Service Cost	\$ 25,227
Interest	27,218
Difference between Expected and Actual Experience	(25,287)
Changes in Assumptions and Other Inputs	180,797
Benefit Payments	(9,573)
Net Changes	<u>\$ 198,382</u>
Balance June 30, 2020	<u><u>\$ 953,346</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2021, the county recognized negative OPEB expense of \$90,114. At June 30, 2021, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 11,562	\$ 698,794
Changes of Assumptions/Inputs	171,545	104,126
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2020	<u>9,988</u>	<u>0</u>
Total	<u>\$ 193,095</u>	<u>\$ 802,920</u>

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction (increase) to OPEB liability (asset) in the following measurement period.

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	Sevier County
2022	\$ (142,559)
2023	(142,559)
2024	(142,559)
2025	(142,559)
2026	(90,399)
Thereafter	40,822

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

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

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	1.21%	2.21%	3.21%
Total OPEB Liability	\$ 1,122,364	\$ 953,346	\$ 815,052

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

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

*Plan Description.* Employees of the Sevier 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 Sevier County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Retirees must retire from the Sevier County School System and have a minimum of ten years of service with the system in order to qualify for health insurance benefits. The school department provides a direct subsidy ranging from \$251 to \$533 per month toward the cost of insurance for retirees based on years of service and insurance coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible 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:

	<u>School Department</u>
Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	132
Inactive Employees Entitle To But Not Yet	
Receiving Benefit Payments	1
Active Employees Eligible For Benefits	1,402
Total	<u><u>1,535</u></u>

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$1,479,078 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Sevier County		
	School Department	State of TN	Total OPEB Liability
	77.0332%	22.9668%	
Balance July 1, 2019	\$ 35,249,159	\$ 9,684,623	\$ 44,933,782
Changes for the Year:			
Service Cost	\$ 1,834,422	\$ 546,917	\$ 2,381,339
Interest	1,253,880	373,834	1,627,714
Difference between Expected and Actual Experience	(2,428,652)	(724,082)	(3,152,734)
Change in Proportion	(635,229)	635,229	0
Changes in Assumption and Other Inputs	3,489,163	1,040,265	4,529,428
Benefit Payments	(1,463,159)	(436,229)	(1,899,388)
Net Changes	<u>\$ 2,050,425</u>	<u>\$ 1,435,934</u>	<u>\$ 3,486,359</u>
Balance June 30, 2020	<u><u>\$ 37,299,584</u></u>	<u><u>\$ 11,120,557</u></u>	<u><u>\$ 48,420,141</u></u>

The Sevier 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 Sevier 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 \$861,038 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Sevier County School Department's proportionate share of the collective OPEB liability was 77.0332 percent and the State of Tennessee's share was 22.9668 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 \$4,681,117, which includes expenses funded by nonemployer contributing entities. 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
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 4,779,368	\$ 2,500,596
Changes of Assumptions/Inputs	3,974,688	2,589,401
Changes in Proportion	2,054,046	676,096
Benefits Paid After the Measurement Date of June 30, 2020	<u>1,479,078</u>	<u>0</u>
Total	<u>\$ 12,287,180</u>	<u>\$ 5,766,093</u>

The amount shown above for "Benefits Paid After the Measurement Date" will be recognized as a reduction to OPEB liability in the following measurement period.

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

<u>Year Ending June 30</u>	<u>School Department</u>
2022	\$ 731,779
2023	731,779
2024	731,779
2025	731,779
2026	731,779
Thereafter	1,383,114

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	\$	40,009,637	\$	37,299,584	\$	34,700,133
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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 Rates	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	\$	33,120,515	\$	37,299,584	\$	42,231,942
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## **Closed Tennessee Plan – Medicare (Discretely Presented School Department)**

*Plan Description.* Employees of the Sevier County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan – Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local education agencies, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

*Benefits Provided.* The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers, noncertified employees, and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA 8-27-209*, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA 8-27-201*, *8-27-301* and *8-27-701*. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Sevier County School Department provided a direct subsidy to retired noncertified employees of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with from 10 to 20 years of service. The school department does not provide a direct subsidy to retired certified employees (teachers). The state, as a governmental nonemployer contributing entity contributes to the premiums of certain eligible retirees (teachers) of local education agencies based on years of service. The State of Tennessee provided a direct subsidy of \$50 for eligible retirees (teachers) with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service.

### Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	233
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	151
Active Employees Eligible For Benefits	1,538
Total	<u><u>1,922</u></u>

In accordance with TCA 8-27-209, the state insurance committees established by TCA 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2021, the school department paid \$25,196 to the TNM for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Sevier County School Department 20.7464%	State of TN 79.2536%	Total OPEB Liability
Balance July 1, 2019	\$ 1,999,978	\$ 3,577,906	\$ 5,577,884
Changes for the Year:			
Service Cost	\$ 35,061	\$ 133,935	\$ 168,996
Interest	41,424	158,242	199,666
Change in Benefit Terms	(200,169)	(764,669)	(964,838)
Difference between Expected and Actual Experience	(58,472)	(223,368)	(281,840)
Changes in Proportion Changes in Assumption and Other Inputs	(842,769)	842,769	0
Benefit Payments	214,172	818,160	1,032,332
Net Changes	<u>(24,444)</u>	<u>(93,378)</u>	<u>(117,822)</u>
Balance June 30, 2020	\$ (835,197)	\$ 871,691	\$ 36,494
	<u><u>\$ 1,164,781</u></u>	<u><u>\$ 4,449,597</u></u>	<u><u>\$ 5,614,378</u></u>

The Sevier County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired teachers participating in the TNM. The Sevier 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 is required by GASB State No. 75 to recognize revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department employees. The amount of the subsidy is equal to the nonemployer share of collective OPEB expenses. During the year, collective OPEB expenses for Sevier County School employees was negative. Consequently, Sevier County has recorded the negative collective OPEB expense (\$625,716) and recorded negative operating grants and contributions revenues (\$70,861) for the nonemployer share of the collective OPEB expense.

During the year, the Sevier County School Department's proportionate share of the collective OPEB liability for the TNM plan was 20.7464 percent and the State of Tennessee's share was 79.2536 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2021, the school department recognized negative collective OPEB expense of (\$625,716), including the state's share of the OPEB 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	\$ 5,928	\$ 213,356
Changes of Assumptions/Inputs	359,859	109,595
Changes in Proportion	781,409	3,053,277
Benefits Paid After the Measurement Date of June 30, 2020	<u>25,196</u>	<u>0</u>
Total	<u>\$ 1,172,392</u>	<u>\$ 3,376,228</u>

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

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	\$ (431,171)
2023	(431,171)
2024	(431,171)
2025	(431,171)
2026	(431,170)
Thereafter	(73,178)

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	1.21%	2.21%	3.21%
Proportionate Share of the Collective Total OPEB Liability	\$ 1,370,874	\$ 1,164,781	\$ 998,612

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

**G. Purchasing Laws**

Office of County Mayor

The County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated (TCA)*, govern purchasing procedures for the Office of County Mayor. These statutes require all purchases exceeding \$10,000 (excluding emergency purchases) to be made on the basis of publicly advertised competitive bids.

Office of Road Superintendent

Chapter 133, Private Acts of 1969, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, govern purchasing procedures for the highway department. These statutes require 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 Sevier County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

#### **H. Subsequent Events**

Director of Schools Jack Parton resigned effective October 19, 2021, and was succeeded by Stephanie Huskey.

On October 25, 2021, Chief Deputy Clerk Penny Johnson became the acting General Sessions Court Clerk, succeeding Connie Holt, who passed away on October 22, 2021. On November 15, 2021, Penny Johnson was appointed by the county commission as the General Sessions Court Clerk.

On December 10, 2021, Sevier County issued Refunding Bonds, Series 2021A, in the aggregate principal amount of \$8,260,000.

On November 15, 2021, the county commission passed an initial resolution authorizing the issuance of not to exceed \$29,800,000 of general obligation bonds. On December 17, 2021, Sevier County issued \$8,535,000 of the authorized bonds (General Obligation Bonds, Series 2021B). Management expects the county to issue the remaining bonds authorized in the initial resolution over the next two years in installments of approximately \$10 million each.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Exhibit F-1

Sevier 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
<b>Total Pension Liability</b>							
Service Cost	\$ 3,022,637	\$ 3,246,116	\$ 3,328,622	\$ 3,511,649	\$ 3,699,127	\$ 3,704,977	\$ 3,830,843
Interest	7,814,520	8,172,691	8,613,091	9,195,486	9,578,282	10,044,078	10,621,303
Differences Between Actual and Expected Experience	(3,084,680)	(2,192,897)	(620,095)	(2,311,389)	(2,619,893)	(1,184,277)	(96,653)
Changes in Assumptions	0	0	0	2,905,233	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,049,729)	(3,350,941)	(3,521,901)	(3,956,855)	(4,004,543)	(4,472,635)	(4,985,225)
Net Change in Total Pension Liability	\$ 4,702,748	\$ 5,874,969	\$ 7,799,717	\$ 9,344,124	\$ 6,652,973	\$ 8,092,143	\$ 9,370,268
Total Pension Liability, Beginning	102,695,821	107,398,569	113,273,538	121,073,255	130,417,379	137,070,352	145,162,495
Total Pension Liability, Ending (a)	\$ 107,398,569	\$ 113,273,538	\$ 121,073,255	\$ 130,417,379	\$ 137,070,352	\$ 145,162,495	\$ 154,532,763
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 3,540,475	\$ 3,595,625	\$ 3,785,512	\$ 3,226,703	\$ 2,874,211	\$ 2,750,184	\$ 2,616,871
Contributions - Employee	1,927,724	1,891,110	1,998,862	2,020,513	2,059,378	2,148,465	2,192,295
Net Investment Income	16,292,190	3,588,942	3,242,578	14,425,127	11,844,514	11,548,193	8,265,857
Benefit Payments, Including Refunds of Employee Contributions	(3,049,729)	(3,350,941)	(3,521,901)	(3,956,855)	(4,004,543)	(4,472,635)	(4,985,225)
Administrative Expense	(50,907)	(67,022)	(101,968)	(112,967)	(128,087)	(119,140)	(119,169)
Other	0	0	13,303	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 18,659,753	\$ 5,657,714	\$ 5,416,386	\$ 15,602,521	\$ 12,645,473	\$ 11,855,067	\$ 7,970,629
Plan Fiduciary Net Position, Beginning	96,958,015	115,617,768	121,275,482	126,691,868	142,294,389	154,939,862	166,794,929
Plan Fiduciary Net Position, Ending (b)	\$ 115,617,768	\$ 121,275,482	\$ 126,691,868	\$ 142,294,389	\$ 154,939,862	\$ 166,794,929	\$ 174,765,558
Net Pension Liability (Asset), Ending (a - b)	\$ (8,219,199)	\$ (8,001,944)	\$ (5,618,613)	\$ (11,877,010)	\$ (17,869,510)	\$ (21,632,434)	\$ (20,232,795)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.65%	107.06%	104.64%	109.11%	113.04%	114.90%	113.09%
Covered Payroll	\$ 37,874,771	\$ 37,806,451	\$ 39,805,584	\$ 40,333,745	\$ 41,221,415	\$ 42,310,397	\$ 43,614,477
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(21.70%)	(21.17%)	(14.12%)	(29.45%)	(43.35%)	(51.13%)	(46.39%)

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

Sevier 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	\$ 3,540,475	\$ 3,595,625	\$ 3,785,512	\$ 1,597,216	\$ 1,636,490	\$ 1,002,759	\$ 610,603	\$ 130,558
Less Contributions in Relation to the Actuarially Determined Contribution	(3,540,475)	(3,595,625)	(3,785,512)	(3,226,703)	(2,874,211)	(2,750,184)	(2,616,871)	(2,331,405)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (1,629,487)	\$ (1,237,721)	\$ (1,747,425)	\$ (2,006,268)	\$ (2,200,847)
Covered Payroll	\$ 37,874,771	\$ 37,806,451	\$ 39,805,584	\$ 40,333,745	\$ 41,221,415	\$ 42,310,397	\$ 43,614,477	\$ 46,627,947
Contributions as a Percentage of Covered Payroll	9.35%	9.51%	9.51%	8.00%	6.97%	6.50%	6.00%	5.00%

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

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

	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 58,633	\$ 175,920	\$ 285,244	\$ 373,941	\$ 216,773	\$ 273,745	\$ 330,943
Less Contributions in Relation to the Contractually Required Contribution	(58,633)	(175,920)	(285,244)	(373,941)	(216,773)	(273,745)	(330,943)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,465,835	\$ 4,398,007	\$ 7,131,093	\$ 9,348,537	\$ 11,173,961	\$ 13,484,755	\$ 16,383,363
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

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

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 5,337,621	\$ 5,388,753	\$ 5,463,193	\$ 5,431,387	\$ 5,459,068	\$ 6,246,512	\$ 6,266,808	\$ 6,072,338
Less Contributions in Relation to the Contractually Required Contribution	(5,337,621)	(5,388,753)	(5,463,193)	(5,431,387)	(5,459,068)	(6,246,512)	(6,266,808)	(6,072,338)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 60,108,346	\$ 59,610,096	\$ 60,433,578	\$ 60,081,772	\$ 59,992,931	\$ 59,718,083	\$ 58,941,115	\$ 59,126,907
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.10%	10.46%	10.63%	10.27%

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



Exhibit F-5

Sevier County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Sevier 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)	0.705496%	0.999536%	1.086498%	1.069774%	1.055927%	1.068607%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (28,382)	\$ (104,055)	\$ (286,655)	\$ (485,172)	\$ (596,056)	\$ (607,655)
Covered Payroll	\$ 1,465,835	\$ 4,398,007	\$ 7,131,093	\$ 9,348,537	\$ 11,173,961	\$ 13,484,755
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

Sevier County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Sevier 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)	1.531426%	1.592362%	1.674153%	1.699648%	1.716947%	1.780958%	1.771316%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (248,850)	\$ 652,286	\$ 10,462,528	\$ (556,097)	\$ (6,041,791)	\$ (18,311,458)	\$ (13,507,593)
Covered Payroll	\$ 60,108,346	\$ 59,610,096	\$ 60,433,578	\$ 60,081,772	\$ 59,992,931	\$ 59,718,083	\$ 58,941,115
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%)	(10.07%)	(30.66%)	(22.92%)
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

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

	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service Cost	\$ 187,000	\$ 192,000	\$ 194,000	\$ 217,000
Interest	129,000	138,000	135,000	126,000
Differences Between Actual and Expected Experience	0	(340,000)	24,000	206,000
Changes in Assumptions or Other Inputs	0	(23,000)	160,000	238,000
Benefit Payments	(114,000)	(43,000)	(166,000)	(336,000)
Net Change in Total OPEB Liability	\$ 202,000	\$ (76,000)	\$ 347,000	\$ 451,000
Total OPEB Liability, Beginning	3,499,000	3,701,000	3,625,000	3,972,000
Total OPEB Liability, Ending	\$ 3,701,000	\$ 3,625,000	\$ 3,972,000	\$ 4,423,000
Covered Employee Payroll	\$ 20,552,000	\$ 22,983,000	\$ 22,983,000	\$ 25,781,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	18.01%	15.77%	17.28%	17.16%

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

Note 2: Changes in assumptions.

Changes in the discount rate were as follows:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.13%
2020	2.45%

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

Exhibit F-8

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

	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service Cost	\$ 86,278	\$ 73,984	\$ 23,293	\$ 25,227
Interest	52,607	61,775	25,287	27,218
Differences Between Actual and Expected Experience	0	(1,108,716)	15,292	(25,287)
Changes in Assumptions or Other Inputs	(187,235)	(6,516)	18,419	180,797
Benefit Payments	(3,450)	(8,013)	(5,113)	(9,573)
Net Change in Total OPEB Liability	\$ (51,800)	\$ (987,486)	\$ 77,178	\$ 198,382
Total OPEB Liability, Beginning	1,717,072	1,665,272	677,786	754,964
Total OPEB Liability, Ending	<u>\$ 1,665,272</u>	<u>\$ 677,786</u>	<u>\$ 754,964</u>	<u>\$ 953,346</u>
Covered Employee Payroll	N/A	N/A	N/A	N/A
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A

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

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

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

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

Exhibit F-9

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

	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service Cost	\$ 1,953,954	\$ 1,821,302	\$ 2,680,742	\$ 2,381,339
Interest	1,004,666	1,214,454	1,640,390	1,627,714
Changes in Benefit Terms	0	(1,642,336)	2,843,222	0
Differences Between Actual and Expected Experience	0	9,024,432	(630,489)	(3,152,734)
Changes in Assumptions or Other Inputs	(1,474,044)	1,729,134	(3,288,346)	4,529,428
Benefit Payments	(1,535,456)	(1,753,379)	(1,874,596)	(1,899,388)
Net Change in Total OPEB Liability	\$ (50,880)	\$ 10,393,607	\$ 1,370,923	\$ 3,486,359
Total OPEB Liability, Beginning	33,220,132	33,169,252	43,562,859	44,933,782
Total OPEB Liability, Ending	<u>\$ 33,169,252</u>	<u>\$ 43,562,859</u>	<u>\$ 44,933,782</u>	<u>\$ 48,420,141</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 9,859,129	\$ 9,137,223	\$ 9,684,622	\$ 11,120,557
Employer Proportionate Share of the Total OPEB Liability	23,310,123	34,425,636	35,249,160	37,299,584
Covered Employee Payroll	\$ 86,232,636	\$ 89,927,065	\$ 91,377,737	\$ 99,209,370
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.03%	38.28%	38.58%	37.60%

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.

Exhibit F-10

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

	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service Cost	\$ 329,389	\$ 270,476	\$ 119,177	\$ 168,996
Interest	278,853	320,568	157,434	199,666
Changes in Benefit Terms	0	(3,674,282)	0	(964,838)
Differences Between Actual and Expected Experience	0	(1,232,273)	37,453	(281,840)
Changes in Assumptions or Other Inputs	(907,091)	(38,353)	1,087,753	1,032,332
Benefit Payments	(179,100)	(195,477)	(106,580)	(117,822)
Net Change in Total OPEB Liability	\$ (477,949)	\$ (4,549,341)	\$ 1,295,237	\$ 36,494
Total OPEB Liability, Beginning	9,309,937	8,831,988	4,282,647	5,577,884
Total OPEB Liability, Ending	\$ 8,831,988	\$ 4,282,647	\$ 5,577,884	\$ 5,614,378
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,856,108	\$ 3,478,383	\$ 3,577,905	\$ 4,449,597
Employer Proportionate Share of the Total OPEB Liability	4,975,880	804,264	1,999,979	1,164,781
Covered Employee Payroll	N/A	N/A	N/A	N/A
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A

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

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

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

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

**SEVIER 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 Adjustment	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

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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.

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Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation.

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation.

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

Special Purpose Fund – The Special Purpose Fund is used for the accumulation of resources for expenditures of nonrecurring departmental expenditures.

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for revenues received for the operation of the county's drug court.

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

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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.

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

Exhibit G-1

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Other Special Revenue
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	1,948,208	13,599	492,830	1,057,483	82,473	126,111
Accounts Receivable	0	0	0	5,135	0	0
Due from Other Governments	0	0	600,000	0	0	18,795
Due from Other Funds	0	0	0	386,504	0	0
Property Taxes Receivable	0	0	0	2,373,460	0	0
Allowance for Uncollectible Property Taxes	0	0	0	(40,021)	0	0
Prepaid Items	0	0	9,448	0	0	1,170
Total Assets	\$ 1,948,208	\$ 13,599	\$ 1,102,278	\$ 3,782,561	\$ 82,473	\$ 146,076
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 690	\$ 89,212	\$ 0	\$ 0	\$ 235
Accrued Payroll	0	0	8,586	0	0	950
Payroll Deductions Payable	0	0	24,879	0	0	3,506
Contracts Payable	0	0	0	0	0	0
Retainage Payable	0	0	0	0	0	0
Future Compensation Payable	0	0	15	0	0	0
Due to Other Funds	0	0	0	0	0	0
Total Liabilities	\$ 0	\$ 690	\$ 122,692	\$ 0	\$ 0	\$ 4,691

(Continued)

Exhibit G-1

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Other Special Revenue
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 2,299,349	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	0	31,430	0	0
Other Deferred/Unavailable Revenue	0	0	300,000	0	0	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 300,000</u>	<u>\$ 2,330,779</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 0	\$ 0	\$ 9,448	\$ 0	\$ 0	\$ 1,170
Restricted:						
Restricted for General Government	60,184	0	0	0	0	0
Restricted for Administration of Justice	1,888,024	12,909	0	0	0	0
Restricted for Public Safety	0	0	0	0	82,473	0
Restricted for Public Health and Welfare	0	0	0	0	0	0
Restricted for Capital Outlay	0	0	0	1,286,046	0	0
Committed:						
Committed for Administration of Justice	0	0	0	0	0	140,215
Committed for Public Health and Welfare	0	0	670,138	0	0	0
Committed for Capital Outlay	0	0	0	165,736	0	0
Committed for Capital Projects	0	0	0	0	0	0
Total Fund Balances	<u>\$ 1,948,208</u>	<u>\$ 12,909</u>	<u>\$ 679,586</u>	<u>\$ 1,451,782</u>	<u>\$ 82,473</u>	<u>\$ 141,385</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,948,208</u>	<u>\$ 13,599</u>	<u>\$ 1,102,278</u>	<u>\$ 3,782,561</u>	<u>\$ 82,473</u>	<u>\$ 146,076</u>

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds</u> (Cont.)		<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Constitu -</u> <u>tional -</u> <u>Officers -</u> <u>Fees</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>				
Cash	\$ 3,300	\$ 3,300	\$ 0	\$ 3,300
Equity in Pooled Cash and Investments	0	3,720,704	2,243,801	5,964,505
Accounts Receivable	24,503	29,638	0	29,638
Due from Other Governments	0	618,795	0	618,795
Due from Other Funds	0	386,504	0	386,504
Property Taxes Receivable	0	2,373,460	0	2,373,460
Allowance for Uncollectible Property Taxes	0	(40,021)	0	(40,021)
Prepaid Items	0	10,618	0	10,618
<b>Total Assets</b>	<b>\$ 27,803</b>	<b>\$ 7,102,998</b>	<b>\$ 2,243,801</b>	<b>\$ 9,346,799</b>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 90,137	\$ 0	\$ 90,137
Accrued Payroll	0	9,536	0	9,536
Payroll Deductions Payable	0	28,385	0	28,385
Contracts Payable	0	0	199,975	199,975
Retainage Payable	0	0	10,525	10,525
Future Compensation Payable	0	15	0	15
Due to Other Funds	27,803	27,803	0	27,803
<b>Total Liabilities</b>	<b>\$ 27,803</b>	<b>\$ 155,876</b>	<b>\$ 210,500</b>	<b>\$ 366,376</b>

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds</u> (Cont.)		<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Constitu -</u> <u>tional</u> <u>Officers -</u> <u>Fees</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 2,299,349	\$ 0	\$ 2,299,349
Deferred Delinquent Property Taxes	0	31,430	0	31,430
Other Deferred/Unavailable Revenue	0	300,000	0	300,000
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 2,630,779</u>	<u>\$ 0</u>	<u>\$ 2,630,779</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 0	\$ 10,618	\$ 0	\$ 10,618
Restricted:				
Restricted for General Government	0	60,184	0	60,184
Restricted for Administration of Justice	0	1,900,933	0	1,900,933
Restricted for Public Safety	0	82,473	0	82,473
Restricted for Public Health and Welfare	0	0	1,590,713	1,590,713
Restricted for Capital Outlay	0	1,286,046	352,604	1,638,650
Committed:				
Committed for Administration of Justice	0	140,215	0	140,215
Committed for Public Health and Welfare	0	670,138	0	670,138
Committed for Capital Outlay	0	165,736	0	165,736
Committed for Capital Projects	0	0	89,984	89,984
Total Fund Balances	<u>\$ 0</u>	<u>\$ 4,316,343</u>	<u>\$ 2,033,301</u>	<u>\$ 6,349,644</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 27,803</u>	<u>\$ 7,102,998</u>	<u>\$ 2,243,801</u>	<u>\$ 9,346,799</u>

Exhibit G-2

Sevier 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					
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Other Special Revenue
<u>Revenues</u>						
Local Taxes	\$ 773,318	\$ 7,821	\$ 3,057,575	\$ 1,628,197	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	120,117	101,348
Charges for Current Services	0	0	22,635	0	0	0
Other Local Revenues	0	0	109,774	536	0	0
State of Tennessee	0	0	68,478	63,825	0	90,135
Federal Government	0	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	13,388	0	0
Total Revenues	<u>\$ 773,318</u>	<u>\$ 7,821</u>	<u>\$ 3,258,462</u>	<u>\$ 1,705,946</u>	<u>\$ 120,117</u>	<u>\$ 191,483</u>
<u>Expenditures</u>						
Current:						
General Government	\$ 12,073	\$ 0	\$ 0	\$ 46,738	\$ 0	\$ 0
Finance	0	0	0	64,829	0	0
Administration of Justice	0	8,382	0	0	0	200,187
Public Safety	0	0	0	475,879	87,788	0
Public Health and Welfare	0	0	3,375,194	442,963	0	0
Social, Cultural, and Recreational Services	0	0	0	2,372	0	0
Other Operations	0	0	0	139,508	0	0
Capital Projects	0	0	0	58,860	0	0
Total Expenditures	<u>\$ 12,073</u>	<u>\$ 8,382</u>	<u>\$ 3,375,194</u>	<u>\$ 1,231,149</u>	<u>\$ 87,788</u>	<u>\$ 200,187</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 761,245</u>	<u>\$ (561)</u>	<u>\$ (116,732)</u>	<u>\$ 474,797</u>	<u>\$ 32,329</u>	<u>\$ (8,704)</u>

(Continued)

Exhibit G-2

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Other Special Revenue
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 215,000	\$ 0	\$ 0	\$ 50,000
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 215,000	\$ 0	\$ 0	\$ 50,000
Net Change in Fund Balances	\$ 761,245	\$ (561)	\$ 98,268	\$ 474,797	\$ 32,329	\$ 41,296
Fund Balance, July 1, 2020	1,186,963	13,470	581,318	976,985	50,144	100,089
Fund Balance, June 30, 2021	\$ 1,948,208	\$ 12,909	\$ 679,586	\$ 1,451,782	\$ 82,473	\$ 141,385

(Continued)



Exhibit G-2

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

	Special Revenue Funds (Cont.)		Capital Projects Fund	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	
<u>Revenues</u>				
Local Taxes	\$ 0	\$ 5,466,911	\$ 0	\$ 5,466,911
Fines, Forfeitures, and Penalties	0	221,465	0	221,465
Charges for Current Services	2,091	24,726	0	24,726
Other Local Revenues	0	110,310	0	110,310
State of Tennessee	0	222,438	0	222,438
Federal Government	0	0	162,040	162,040
Other Governments and Citizens Groups	0	13,388	0	13,388
Total Revenues	\$ 2,091	\$ 6,059,238	\$ 162,040	\$ 6,221,278
<u>Expenditures</u>				
Current:				
General Government	\$ 0	\$ 58,811	\$ 0	\$ 58,811
Finance	88	64,917	0	64,917
Administration of Justice	1,947	210,516	0	210,516
Public Safety	56	563,723	0	563,723
Public Health and Welfare	0	3,818,157	0	3,818,157
Social, Cultural, and Recreational Services	0	2,372	0	2,372
Other Operations	0	139,508	0	139,508
Capital Projects	0	58,860	1,762,861	1,821,721
Total Expenditures	\$ 2,091	\$ 4,916,864	\$ 1,762,861	\$ 6,679,725
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 1,142,374	\$ (1,600,821)	\$ (458,447)

(Continued)

Exhibit G-2

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

	Special Revenue Funds (Cont.)		Capital Projects Fund		Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects		
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 265,000	\$ 0	\$ 0	\$ 265,000
Total Other Financing Sources (Uses)	\$ 0	\$ 265,000	\$ 0	\$ 0	\$ 265,000
Net Change in Fund Balances	\$ 0	\$ 1,407,374	\$ (1,600,821)	\$ 0	\$ (193,447)
Fund Balance, July 1, 2020	0	2,908,969	3,634,122		6,543,091
Fund Balance, June 30, 2021	\$ 0	\$ 4,316,343	\$ 2,033,301	\$ 0	\$ 6,349,644

Exhibit G-3

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Courthouse and Jail Maintenance Fund  
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 773,318	\$ 968,000	\$ 968,000	\$ (194,682)
Total Revenues	\$ 773,318	\$ 968,000	\$ 968,000	\$ (194,682)
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 12,073	\$ 968,000	\$ 968,000	\$ 955,927
Total Expenditures	\$ 12,073	\$ 968,000	\$ 968,000	\$ 955,927
Excess (Deficiency) of Revenues Over Expenditures	\$ 761,245	\$ 0	\$ 0	\$ 761,245
Net Change in Fund Balance	\$ 761,245	\$ 0	\$ 0	\$ 761,245
Fund Balance, July 1, 2020	1,186,963	1,174,980	1,174,980	11,983
Fund Balance, June 30, 2021	\$ 1,948,208	\$ 1,174,980	\$ 1,174,980	\$ 773,228

Exhibit G-4

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Law Library Fund  
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,821	\$ 10,000	\$ 10,000	\$ (2,179)
Total Revenues	\$ 7,821	\$ 10,000	\$ 10,000	\$ (2,179)
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Other Administration of Justice	\$ 8,382	\$ 10,000	\$ 10,000	\$ 1,618
Total Expenditures	\$ 8,382	\$ 10,000	\$ 10,000	\$ 1,618
Excess (Deficiency) of Revenues Over Expenditures	\$ (561)	\$ 0	\$ 0	\$ (561)
Net Change in Fund Balance	\$ (561)	\$ 0	\$ 0	\$ (561)
Fund Balance, July 1, 2020	13,470	14,894	14,894	(1,424)
Fund Balance, June 30, 2021	\$ 12,909	\$ 14,894	\$ 14,894	\$ (1,985)

Exhibit G-5

Sevier 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>				
Local Taxes	\$ 3,057,575	\$ 2,681,000	\$ 3,057,575	\$ 0
Charges for Current Services	22,635	22,750	22,750	(115)
Other Local Revenues	109,774	85,827	85,827	23,947
State of Tennessee	68,478	60,000	68,478	0
Total Revenues	<u>\$ 3,258,462</u>	<u>\$ 2,849,577</u>	<u>\$ 3,234,630</u>	<u>\$ 23,832</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 3,375,194	\$ 2,849,577	\$ 3,449,630	\$ 74,436
Total Expenditures	<u>\$ 3,375,194</u>	<u>\$ 2,849,577</u>	<u>\$ 3,449,630</u>	<u>\$ 74,436</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (116,732)</u>	<u>\$ 0</u>	<u>\$ (215,000)</u>	<u>\$ 98,268</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 215,000	\$ 0	\$ 215,000	\$ 0
Total Other Financing Sources	<u>\$ 215,000</u>	<u>\$ 0</u>	<u>\$ 215,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 98,268	\$ 0	\$ 0	\$ 98,268
Fund Balance, July 1, 2020	<u>581,318</u>	<u>448,981</u>	<u>448,981</u>	<u>132,337</u>
Fund Balance, June 30, 2021	<u>\$ 679,586</u>	<u>\$ 448,981</u>	<u>\$ 448,981</u>	<u>\$ 230,605</u>

Exhibit G-6

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Special Purpose Fund  
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,628,197	\$ 1,490,502	\$ 1,490,502	\$ 137,695
Other Local Revenues	536	0	0	536
State of Tennessee	63,825	0	63,825	0
Other Governments and Citizens Groups	13,388	0	13,388	0
Total Revenues	<u>\$ 1,705,946</u>	<u>\$ 1,490,502</u>	<u>\$ 1,567,715</u>	<u>\$ 138,231</u>
<u>Expenditures</u>				
<u>General Government</u>				
Geographical Information Systems	\$ 21,242	\$ 26,000	\$ 26,000	\$ 4,758
County Buildings	15,770	30,000	30,000	14,230
Other General Administration	9,726	10,000	10,000	274
<u>Finance</u>				
Data Processing	64,829	65,000	65,000	171
<u>Public Safety</u>				
Sheriff's Department	445,228	380,000	445,250	22
Jail	20,000	20,000	20,000	0
Other Public Safety	10,651	13,000	13,000	2,349
<u>Public Health and Welfare</u>				
Ambulance/Emergency Medical Services	393,312	381,000	394,388	1,076
Sanitation Management	49,651	90,000	90,000	40,349
<u>Social, Cultural, and Recreational Services</u>				
Libraries	2,372	20,000	20,000	17,628
<u>Other Operations</u>				
Other Charges	24,430	35,000	35,000	10,570
Miscellaneous	115,078	100,000	115,100	22
<u>Capital Projects</u>				
Other General Government Projects	58,860	350,000	350,000	291,140
Total Expenditures	<u>\$ 1,231,149</u>	<u>\$ 1,520,000</u>	<u>\$ 1,613,738</u>	<u>\$ 382,589</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 474,797</u>	<u>\$ (29,498)</u>	<u>\$ (46,023)</u>	<u>\$ 520,820</u>
Net Change in Fund Balance	\$ 474,797	\$ (29,498)	\$ (46,023)	\$ 520,820
Fund Balance, July 1, 2020	976,985	816,629	816,629	160,356
Fund Balance, June 30, 2021	<u>\$ 1,451,782</u>	<u>\$ 787,131</u>	<u>\$ 770,606</u>	<u>\$ 681,176</u>

Exhibit G-7

Sevier 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	\$ 120,117	\$ 55,000	\$ 85,000	\$ 35,117
Total Revenues	\$ 120,117	\$ 55,000	\$ 85,000	\$ 35,117
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 87,788	\$ 55,000	\$ 89,100	\$ 1,312
Total Expenditures	\$ 87,788	\$ 55,000	\$ 89,100	\$ 1,312
Excess (Deficiency) of Revenues Over Expenditures	\$ 32,329	\$ 0	\$ (4,100)	\$ 36,429
Net Change in Fund Balance	\$ 32,329	\$ 0	\$ (4,100)	\$ 36,429
Fund Balance, July 1, 2020	50,144	6,719	6,719	43,425
Fund Balance, June 30, 2021	\$ 82,473	\$ 6,719	\$ 2,619	\$ 79,854

Exhibit G-8

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Other Special Revenue 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	\$ 101,348	\$ 67,300	\$ 67,300	\$ 34,048
State of Tennessee	90,135	130,000	130,000	(39,865)
Other Governments and Citizens Groups	0	50,000	50,000	(50,000)
Total Revenues	<u>\$ 191,483</u>	<u>\$ 247,300</u>	<u>\$ 247,300</u>	<u>\$ (55,817)</u>
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Drug Court	\$ 200,187	\$ 239,021	\$ 239,021	\$ 38,834
Total Expenditures	<u>\$ 200,187</u>	<u>\$ 239,021</u>	<u>\$ 239,021</u>	<u>\$ 38,834</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (8,704)</u>	<u>\$ 8,279</u>	<u>\$ 8,279</u>	<u>\$ (16,983)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 50,000	\$ 0	\$ 0	\$ 50,000
Total Other Financing Sources	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 50,000</u>
Net Change in Fund Balance	\$ 41,296	\$ 8,279	\$ 8,279	\$ 33,017
Fund Balance, July 1, 2020	<u>100,089</u>	<u>141,324</u>	<u>141,324</u>	<u>(41,235)</u>
Fund Balance, June 30, 2021	<u>\$ 141,385</u>	<u>\$ 149,603</u>	<u>\$ 149,603</u>	<u>\$ (8,218)</u>



# **Major Governmental Fund**

## **General Debt Service Fund**

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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.

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Exhibit H

Sevier 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	\$ 6,235,690	\$ 5,682,833	\$ 5,687,833	\$ 547,857
Other Local Revenues	1,161,260	1,000,000	1,000,000	161,260
Other Governments and Citizens Groups	7,245,034	7,324,251	7,324,251	(79,217)
Total Revenues	<u>\$ 14,641,984</u>	<u>\$ 14,007,084</u>	<u>\$ 14,012,084</u>	<u>\$ 629,900</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 3,785,000	\$ 7,300,000	\$ 3,785,000	\$ 0
Education	4,520,023	1,005,023	4,520,023	0
<u>Interest on Debt</u>				
General Government	959,798	4,459,664	2,449,410	1,489,612
Education	2,713,408	703,154	2,713,408	0
<u>Other Debt Service</u>				
General Government	151,713	153,905	158,905	7,192
Education	11,603	11,603	11,603	0
Total Expenditures	<u>\$ 12,141,545</u>	<u>\$ 13,633,349</u>	<u>\$ 13,638,349</u>	<u>\$ 1,496,804</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,500,439</u>	<u>\$ 373,735</u>	<u>\$ 373,735</u>	<u>\$ 2,126,704</u>
Net Change in Fund Balance	\$ 2,500,439	\$ 373,735	\$ 373,735	\$ 2,126,704
Fund Balance, July 1, 2020	<u>35,692,887</u>	<u>34,121,707</u>	<u>34,121,707</u>	<u>1,571,180</u>
Fund Balance, June 30, 2021	<u>\$ 38,193,326</u>	<u>\$ 34,495,442</u>	<u>\$ 34,495,442</u>	<u>\$ 3,697,884</u>

# Proprietary Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or to other governments, on a cost-reimbursement basis.

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Employee Insurance - Health Fund – The Employee Insurance - Health Fund is used to account for the county’s self-insured health insurance program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of medical claims of county employees.

Employee Insurance - Dental and Vision Fund – The Employee Insurance - Dental and Vision Fund is used to account for the county’s self-insured dental and vision insurance program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of dental and vision claims of county employees.

Workers’ Compensation Fund – The Workers’ Compensation Fund is used to account for the county’s self-insured workers’ compensation program. Premiums charged to the various county funds are placed in this fund for the payment of claims.

Exhibit I-1

Sevier County, Tennessee  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2021

	<u>Internal Service Funds</u>			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>ASSETS</u>				
Current Assets:				
Cash	\$ 887,711	\$ 107,599	\$ 727,835	\$ 1,723,145
Due from Other Funds	0	0	2,553	2,553
<b>Total Assets</b>	<b>\$ 887,711</b>	<b>\$ 107,599</b>	<b>\$ 730,388</b>	<b>\$ 1,725,698</b>
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts Payable	\$ 36,282	\$ 0	\$ 0	\$ 36,282
Other Current Liabilities	816,696	3,303	40,331	860,330
<b>Total Liabilities</b>	<b>\$ 852,978</b>	<b>\$ 3,303</b>	<b>\$ 40,331</b>	<b>\$ 896,612</b>
<u>NET POSITION</u>				
Unrestricted	\$ 34,733	\$ 104,296	\$ 690,057	\$ 829,086
<b>Total Net Position</b>	<b>\$ 34,733</b>	<b>\$ 104,296</b>	<b>\$ 690,057</b>	<b>\$ 829,086</b>

Exhibit I-2

Sevier County, Tennessee  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended June 30, 2021

	<u>Internal Service Funds</u>			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>Operating Revenues</u>				
Self-insurance Premiums	\$ 8,935,070	\$ 243,760	\$ 413,901	\$ 9,592,731
Patient Charges	296,334	0	0	296,334
Total Operating Revenues	<u>\$ 9,231,404</u>	<u>\$ 243,760</u>	<u>\$ 413,901</u>	<u>\$ 9,889,065</u>
<u>Operating Expenses</u>				
Handling Charges and Administrative Costs	\$ 752,819	\$ 3,712	\$ 75	\$ 756,606
Employee and Dependent Insurance	88,734	182,076	0	270,810
Disability and Life Insurance	139,811	0	0	139,811
Bank Charges	410	213	0	623
Other Supplies and Materials	3,589	0	0	3,589
Excess Risk Insurance	547,831	0	0	547,831
Medical Claims	5,242,068	46,424	371,099	5,659,591
Other Self-insured Claims	2,552,611	0	0	2,552,611
Total Operating Expenses	<u>\$ 9,327,873</u>	<u>\$ 232,425</u>	<u>\$ 371,174</u>	<u>\$ 9,931,472</u>
Operating Income (Loss)	<u>\$ (96,469)</u>	<u>\$ 11,335</u>	<u>\$ 42,727</u>	<u>\$ (42,407)</u>
<u>Nonoperating Revenues (Expenses)</u>				
Investment Income	\$ 640	\$ 122	\$ 4,092	\$ 4,854
Total Nonoperating Revenues (Expenses)	<u>\$ 640</u>	<u>\$ 122</u>	<u>\$ 4,092</u>	<u>\$ 4,854</u>
Change in Net Position	\$ (95,829)	\$ 11,457	\$ 46,819	\$ (37,553)
Net Position, July 1, 2020	<u>130,562</u>	<u>92,839</u>	<u>643,238</u>	<u>866,639</u>
Net Position, June 30, 2021	<u>\$ 34,733</u>	<u>\$ 104,296</u>	<u>\$ 690,057</u>	<u>\$ 829,086</u>

Exhibit I-3

Sevier County, Tennessee  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2021

	Internal Service Funds			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>Cash Flows from Operating Activities</u>				
Receipts for Self-Insurance Premiums	\$ 8,935,070	\$ 243,760	\$ 411,389	\$ 9,590,219
Receipts for Patient Charges	296,334	0	0	296,334
Receipts for Stop Loss Reimbursement	121,080	0	23,818	144,898
Receipts for Prescription Rebates	392,334	0	0	392,334
Payments to Insurers	(776,376)	(182,076)	0	(958,452)
Payments for Claims	(8,103,291)	(60,544)	(444,755)	(8,608,590)
Payments for Administrative Costs	(740,132)	(3,925)	(75)	(744,132)
Net Cash Provided By (Used In) Operating Activities	\$ 125,019	\$ (2,785)	\$ (9,623)	\$ 112,611
<u>Cash Flows from Investing Activities</u>				
Interest on Investments	\$ 640	\$ 122	\$ 4,092	\$ 4,854
Net Cash Provided By (Used In) Investing Activities	\$ 640	\$ 122	\$ 4,092	\$ 4,854
Increase (Decrease) in Cash	\$ 125,659	\$ (2,663)	\$ (5,531)	\$ 117,465
Cash, July 1, 2020	762,052	110,262	733,366	1,605,680
Cash, June 30, 2021	\$ 887,711	\$ 107,599	\$ 727,835	\$ 1,723,145
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ (96,469)	\$ 11,335	\$ 42,727	\$ (42,407)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from Other Funds	0	0	(2,512)	(2,512)
Increase (Decrease) in Accounts Payable	16,686	0	0	16,686
Increase (Decrease) in Other Current Liabilities	204,802	(14,120)	(49,838)	140,844
Net Cash Provided By (Used In) Operating Activities	\$ 125,019	\$ (2,785)	\$ (9,623)	\$ 112,611

# Custodial Funds

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

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

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

Exhibit J-1

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

	<u>Custodial Funds</u>				
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 5,669,499	\$ 100	\$ 0	\$ 5,669,599
Equity in Pooled Cash and Investments	0	0	81,872	39,211	121,083
Due from Other Governments	12,450,890	0	0	0	12,450,890
Total Assets	<u>\$ 12,450,890</u>	<u>\$ 5,669,499</u>	<u>\$ 81,972</u>	<u>\$ 39,211</u>	<u>\$ 18,241,572</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 2,411	\$ 0	\$ 2,411
Accrued Payroll	0	0	469	0	469
Payroll Deductions Payable	0	0	873	12	885
Due to Other Taxing Units	12,450,890	0	0	0	12,450,890
Total Liabilities	<u>\$ 12,450,890</u>	<u>\$ 0</u>	<u>\$ 3,753</u>	<u>\$ 12</u>	<u>\$ 12,454,655</u>
<u>NET POSITION</u>					
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 5,669,499</u>	<u>\$ 78,219</u>	<u>\$ 39,199</u>	<u>\$ 5,786,917</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 5,669,499</u>	<u>\$ 78,219</u>	<u>\$ 39,199</u>	<u>\$ 5,786,917</u>



Exhibit J-2

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

	Custodial Funds				
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Total
<u>Additions</u>					
Sales Tax Collections for Other Governments	\$ 64,868,386	\$ 0	\$ 0	\$ 0	\$ 64,868,386
Fines/Fees and Other Collections	0	26,999,446	0	0	26,999,446
Drug Task Force Collections	0	0	183,069	0	183,069
District Attorney General Collections	0	0	0	23,423	23,423
<b>Total Additions</b>	<b>\$ 64,868,386</b>	<b>\$ 26,999,446</b>	<b>\$ 183,069</b>	<b>\$ 23,423</b>	<b>\$ 92,074,324</b>
<u>Deductions</u>					
Payment of Sales Tax Collections for Other Governments	\$ 64,868,386	\$ 0	\$ 0	\$ 0	\$ 64,868,386
Payments to State	0	21,524,167	0	0	21,524,167
Payments to Individuals and Others	0	4,749,039	0	0	4,749,039
Payment of Drug Task Force Expenses	0	0	122,444	0	122,444
Payment of District Attorney General Expenses	0	0	0	16,907	16,907
<b>Total Deductions</b>	<b>\$ 64,868,386</b>	<b>\$ 26,273,206</b>	<b>\$ 122,444</b>	<b>\$ 16,907</b>	<b>\$ 91,280,943</b>
Change in Net Position	\$ 0	\$ 726,240	\$ 60,625	\$ 6,516	\$ 793,381
Net Position July 1, 2020	0	0	0	0	0
Restatement - See Note I.D.11	0	4,943,259	17,594	32,683	4,993,536
<b>Net Position June 30, 2021</b>	<b>\$ 0</b>	<b>\$ 5,669,499</b>	<b>\$ 78,219</b>	<b>\$ 39,199</b>	<b>\$ 5,786,917</b>

# Sevier County School Department

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

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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.

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.

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

Exhibit K-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 107,096,055	\$ 83,388	\$ 12,918,609	\$ 774,138	\$ (93,319,920)
Support Services	54,994,352	34,927	1,596,509	911,059	(52,451,857)
Operation of Non-instructional Services	14,311,352	202,600	11,776,074	0	(2,332,678)
Total Governmental Activities	<u>\$ 176,401,759</u>	<u>\$ 320,915</u>	<u>\$ 26,291,192</u>	<u>\$ 1,685,197</u>	<u>\$ (148,104,455)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 37,943,655
Local Option Sales Taxes					81,898,679
Other Local Taxes					301,170
Hotel/Motel Tax					7,240,483
Mixed Drink Tax					869,462
Grants and Contributions Not Restricted to Specific Programs					51,731,384
Unrestricted Investment Income					8,520
Gain on Investments					155,341
Miscellaneous					103,125
Total General Revenues					<u>\$ 180,251,819</u>
Change in Net Position					\$ 32,147,364
Net Position, July 1, 2020					196,020,762
Restatement - See Note I.D.11					<u>2,072,994</u>
Net Position, June 30, 2021					<u>\$ 230,241,120</u>

Exhibit K-2

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

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 0	\$ 2,347,989	\$ 2,347,989
Equity in Pooled Cash and Investments	62,363,702	2,041,754	64,405,456
Accounts Receivable	1,928,980	0	1,928,980
Due from Other Governments	16,854,489	488,673	17,343,162
Due from Primary Government	776	0	776
Property Taxes Receivable	39,392,247	0	39,392,247
Allowance for Uncollectible Property Taxes	(775,356)	0	(775,356)
Restricted Assets	962,319	0	962,319
Total Assets	<u>\$ 120,727,157</u>	<u>\$ 4,878,416</u>	<u>\$ 125,605,573</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 84,492	\$ 5,445	\$ 89,937
Other Current Liabilities	6,359,369	0	6,359,369
Total Liabilities	<u>\$ 6,443,861</u>	<u>\$ 5,445</u>	<u>\$ 6,449,306</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 37,811,520	\$ 0	\$ 37,811,520
Deferred Delinquent Property Taxes	721,592	0	721,592
Other Deferred/Unavailable Revenue	7,757,280	0	7,757,280
Total Deferred Inflows of Resources	<u>\$ 46,290,392</u>	<u>\$ 0</u>	<u>\$ 46,290,392</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 15,423	\$ 3,872,971	\$ 3,888,394
Restricted for Hybrid Retirement Stabilization Funds	962,319	0	962,319
Committed:			
Committed for Education	10,245	1,000,000	1,010,245
Assigned:			
Assigned for Education	19,467,750	0	19,467,750
Unassigned	47,537,167	0	47,537,167
Total Fund Balances	<u>\$ 67,992,904</u>	<u>\$ 4,872,971</u>	<u>\$ 72,865,875</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 120,727,157</u>	<u>\$ 4,878,416</u>	<u>\$ 125,605,573</u>

Exhibit K-3

Sevier County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
Discretely Presented Sevier 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 K-2)		\$	72,865,875
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	19,527,122	
Add: construction in progress		1,431,966	
Add: buildings and improvements net of accumulated depreciation		123,192,476	
Add: infrastructure net of accumulated depreciation		3,550,617	
Add: other capital assets net of accumulated depreciation		<u>7,001,740</u>	154,703,921
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: net OPEB liability			(38,464,365)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	13,455,901	
Less: deferred inflows of resources related to pensions		(8,022,733)	
Add: deferred outflows of resources related to OPEB		13,459,574	
Less: deferred inflows of resources related to OPEB		<u>(9,142,322)</u>	9,750,420
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	8,791,149	
Add: net pension asset - teacher retirement plan		607,655	
Add: net pension asset - teacher legacy pension plan		<u>13,507,593</u>	22,906,397
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>8,478,872</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>230,241,120</u></u>

Exhibit K-4

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

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 128,367,567	\$ 0	\$ 128,367,567
Licenses and Permits	122,653	0	122,653
Charges for Current Services	108,977	202,600	311,577
Other Local Revenues	1,538,197	5,377,644	6,915,841
State of Tennessee	50,009,974	76,523	50,086,497
Federal Government	1,630,809	19,174,787	20,805,596
Other Governments and Citizens Groups	1,074,138	0	1,074,138
Total Revenues	<u>\$ 182,852,315</u>	<u>\$ 24,831,554</u>	<u>\$ 207,683,869</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 86,128,963	\$ 11,464,381	\$ 97,593,344
Support Services	54,949,259	1,587,995	56,537,254
Operation of Non-Instructional Services	2,073,765	12,058,539	14,132,304
Capital Outlay	12,329,361	0	12,329,361
Debt Service:			
Other Debt Service	7,245,034	0	7,245,034
Total Expenditures	<u>\$ 162,726,382</u>	<u>\$ 25,110,915</u>	<u>\$ 187,837,297</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 20,125,933</u>	<u>\$ (279,361)</u>	<u>\$ 19,846,572</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 244,640	\$ 0	\$ 244,640
Total Other Financing Sources (Uses)	<u>\$ 244,640</u>	<u>\$ 0</u>	<u>\$ 244,640</u>
Net Change in Fund Balances	\$ 20,370,573	\$ (279,361)	\$ 20,091,212
Restatement	0	2,072,994	2,072,994
Fund Balance, July 1, 2020	<u>47,622,331</u>	<u>3,079,338</u>	<u>50,701,669</u>
Fund Balance, June 30, 2021	<u>\$ 67,992,904</u>	<u>\$ 4,872,971</u>	<u>\$ 72,865,875</u>

Sevier County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Sevier 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 K-4)		\$ 20,091,212
(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	\$ 12,534,622	
Less: current-year depreciation expense	<u>(6,306,745)</u>	6,227,877
(2) 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	\$ 8,478,872	
Less: deferred delinquent property taxes and other deferred June 30, 2020	<u>(8,072,327)</u>	406,545
(3) 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 OPEB liability	\$ (1,215,228)	
Change in net pension asset/liability	(5,718,406)	
Change in deferred outflows related to pensions	1,231,458	
Change in deferred inflows related to pensions	11,637,597	
Change in deferred outflows related to OPEB	1,699,197	
Change in deferred inflows related to OPEB	<u>(2,212,888)</u>	5,421,730
Change in net position of governmental activities (Exhibit B)		<u>\$ 32,147,364</u>

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>ASSETS</u>				
Cash	\$ 0	\$ 5,001	\$ 2,342,988	\$ 2,347,989
Equity in Pooled Cash and Investments	709,847	1,331,907	0	2,041,754
Due from Other Governments	380,467	108,206	0	488,673
Total Assets	<u>\$ 1,090,314</u>	<u>\$ 1,445,114</u>	<u>\$ 2,342,988</u>	<u>\$ 4,878,416</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 5,445	\$ 0	\$ 5,445
Total Liabilities	<u>\$ 0</u>	<u>\$ 5,445</u>	<u>\$ 0</u>	<u>\$ 5,445</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 90,314	\$ 1,439,669	\$ 2,342,988	\$ 3,872,971
Committed:				
Committed for Education	1,000,000	0	0	1,000,000
Total Fund Balances	<u>\$ 1,090,314</u>	<u>\$ 1,439,669</u>	<u>\$ 2,342,988</u>	<u>\$ 4,872,971</u>
Total Liabilities and Fund Balances	<u>\$ 1,090,314</u>	<u>\$ 1,445,114</u>	<u>\$ 2,342,988</u>	<u>\$ 4,878,416</u>



Exhibit K-7

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 202,600	\$ 0	\$ 202,600
Other Local Revenues	0	9,151	5,368,493	5,377,644
State of Tennessee	0	76,523	0	76,523
Federal Government	13,052,376	6,122,411	0	19,174,787
Total Revenues	<u>\$ 13,052,376</u>	<u>\$ 6,410,685</u>	<u>\$ 5,368,493</u>	<u>\$ 24,831,554</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 11,464,381	\$ 0	\$ 0	\$ 11,464,381
Support Services	1,587,995	0	0	1,587,995
Operation of Non-Instructional Services	0	6,960,040	5,098,499	12,058,539
Total Expenditures	<u>\$ 13,052,376</u>	<u>\$ 6,960,040</u>	<u>\$ 5,098,499</u>	<u>\$ 25,110,915</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ (549,355)</u>	<u>\$ 269,994</u>	<u>\$ (279,361)</u>
Net Change in Fund Balances	\$ 0	\$ (549,355)	\$ 269,994	\$ (279,361)
Restatement	0	0	2,072,994	2,072,994
Fund Balance, July 1, 2020	<u>1,090,314</u>	<u>1,989,024</u>	<u>0</u>	<u>3,079,338</u>
Fund Balance, June 30, 2021	<u>\$ 1,090,314</u>	<u>\$ 1,439,669</u>	<u>\$ 2,342,988</u>	<u>\$ 4,872,971</u>

Exhibit K-8

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier 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	\$ 128,367,567	\$ 0	\$ 0	\$ 128,367,567	\$ 102,155,738	\$ 106,835,063	\$ 21,532,504
Licenses and Permits	122,653	0	0	122,653	85,000	85,000	37,653
Charges for Current Services	108,977	0	0	108,977	198,413	98,613	10,364
Other Local Revenues	1,538,197	0	0	1,538,197	85,575	1,495,105	43,092
State of Tennessee	50,009,974	0	0	50,009,974	46,820,016	51,384,614	(1,374,640)
Federal Government	1,630,809	0	0	1,630,809	0	1,726,094	(95,285)
Other Governments and Citizens Groups	1,074,138	0	0	1,074,138	655,692	1,064,210	9,928
<b>Total Revenues</b>	<b>\$ 182,852,315</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 182,852,315</b>	<b>\$ 150,000,434</b>	<b>\$ 162,688,699</b>	<b>\$ 20,163,616</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 70,868,636	\$ (654,411)	\$ 152,079	\$ 70,366,304	\$ 72,275,718	\$ 72,925,430	\$ 2,559,126
Alternative Instruction Program	1,807,981	0	0	1,807,981	1,873,355	1,913,755	105,774
Special Education Program	10,246,940	(24,465)	30,543	10,253,018	10,621,847	10,531,182	278,164
Career and Technical Education Program	3,019,069	0	0	3,019,069	3,104,090	3,104,090	85,021
Student Body Education Program	6,973	0	0	6,973	5,000	21,115	14,142
COVID-19 Expenditures	179,364	0	0	179,364	0	179,364	0
<u>Support Services</u>							
Attendance	722,966	0	0	722,966	828,458	828,458	105,492
Health Services	2,059,225	(911)	142,764	2,201,078	2,185,888	2,323,902	122,824
Other Student Support	3,808,450	(137,898)	130,938	3,801,490	3,954,342	4,160,907	359,417
Regular Instruction Program	5,097,774	(191)	3,939	5,101,522	5,230,993	5,533,400	431,878
Alternative Instruction Program	35,607	0	0	35,607	35,766	36,786	1,179
Special Education Program	1,146,810	0	1,333	1,148,143	1,286,037	1,298,037	149,894
Career and Technical Education Program	93,761	0	0	93,761	202,173	202,173	108,412
Technology	1,455,216	(1,605)	11,568	1,465,179	1,895,924	1,806,924	341,745
Other Programs	608,139	0	0	608,139	0	608,139	0
Board of Education	7,131,057	0	0	7,131,057	6,732,419	8,091,936	960,879
Director of Schools	240,354	0	0	240,354	270,280	274,285	33,931

(Continued)

Exhibit K-8

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier 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>							
Office of the Principal	\$ 11,056,909	\$ 0	\$ 0	\$ 11,056,909	\$ 10,905,549	\$ 11,418,761	\$ 361,852
Fiscal Services	1,403,232	0	2,796	1,406,028	1,686,789	1,686,789	280,761
Operation of Plant	8,826,398	(9,015)	2,747	8,820,130	10,337,896	10,111,026	1,290,896
Maintenance of Plant	3,281,813	(7,005)	16,536	3,291,344	3,621,009	3,659,589	368,245
Transportation	6,850,873	(370,139)	77	6,480,811	6,415,283	8,022,480	1,541,669
COVID-19 Expenditures	1,130,675	(6,708)	0	1,123,967	0	1,123,967	0
<u>Operation of Non-Instructional Services</u>							
Food Service	1,234,040	0	0	1,234,040	1,734,206	1,857,794	623,754
Community Services	295,788	0	0	295,788	63,650	341,769	45,981
Early Childhood Education	167,469	0	0	167,469	252,125	192,880	25,411
COVID-19 Expenditures	376,468	(96,240)	0	280,228	0	280,228	0
<u>Capital Outlay</u>							
Regular Capital Outlay	12,329,361	(9,777,831)	4,765,737	7,317,267	6,081,440	28,234,722	20,917,455
<u>Principal on Debt</u>							
Education	0	0	0	0	4,520,023	0	0
<u>Interest on Debt</u>							
Education	0	0	0	0	2,804,229	0	0
<u>Other Debt Service</u>							
Education	7,245,034	0	0	7,245,034	0	7,324,252	79,218
Total Expenditures	\$ 162,726,382	\$ (11,086,419)	\$ 5,261,057	\$ 156,901,020	\$ 158,924,489	\$ 188,094,140	\$ 31,193,120
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 20,125,933	\$ 11,086,419	\$ (5,261,057)	\$ 25,951,295	\$ (8,924,055)	\$ (25,405,441)	\$ 51,356,736
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 244,640	\$ 0	\$ 0	\$ 244,640	\$ 0	\$ 234,446	\$ 10,194
Total Other Financing Sources	\$ 244,640	\$ 0	\$ 0	\$ 244,640	\$ 0	\$ 234,446	\$ 10,194

(Continued)

Exhibit K-8

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier 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	
Net Change in Fund Balance	\$ 20,370,573	\$ 11,086,419	\$ (5,261,057)	\$ 26,195,935	\$ (8,924,055)	\$ (25,170,995)	\$ 51,366,930
Fund Balance, July 1, 2020	47,622,331	(11,086,419)	0	36,535,912	45,439,161	45,439,161	(8,903,249)
Fund Balance, June 30, 2021	\$ 67,992,904	\$ 0	\$ (5,261,057)	\$ 62,731,847	\$ 36,515,106	\$ 20,268,166	\$ 42,463,681

Exhibit K-9

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Sevier 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	\$ 13,052,376	\$ 11,226,188	\$ 24,774,249	\$ (11,721,873)
Total Revenues	\$ 13,052,376	\$ 11,226,188	\$ 24,774,249	\$ (11,721,873)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 8,101,874	\$ 5,959,992	\$ 16,519,534	\$ 8,417,660
Special Education Program	3,120,152	3,280,632	3,678,637	558,485
Career and Technical Education Program	242,355	172,000	242,355	0
<u>Support Services</u>				
Health Services	45,939	25,502	351,694	305,755
Other Student Support	253,129	472,513	814,293	561,164
Regular Instruction Program	991,193	1,034,801	1,537,878	546,685
Special Education Program	8,280	13,773	26,869	18,589
Career and Technical Education Program	697	4,000	697	0
Technology	288,757	249,633	1,217,410	928,653
Operation of Plant	0	0	370,639	370,639
Transportation	0	8,620	14,240	14,240
<u>Capital Outlay</u>				
Regular Capital Outlay	0	0	90,314	90,314
Total Expenditures	\$ 13,052,376	\$ 11,221,466	\$ 24,864,560	\$ 11,812,184
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 4,722	\$ (90,311)	\$ 90,311
Net Change in Fund Balance	\$ 0	\$ 4,722	\$ (90,311)	\$ 90,311
Fund Balance, July 1, 2020	1,090,314	1,090,314	1,090,314	0
Fund Balance, June 30, 2021	\$ 1,090,314	\$ 1,095,036	\$ 1,000,003	\$ 90,311

Exhibit K-10

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier County School Department  
Central Cafeteria 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>							
Charges for Current Services	\$ 202,600	\$ 0	\$ 0	\$ 202,600	\$ 1,445,400	\$ 255,400	\$ (52,800)
Other Local Revenues	9,151	0	0	9,151	10,000	9,130	21
State of Tennessee	76,523	0	0	76,523	61,900	76,523	0
Federal Government	6,122,411	0	0	6,122,411	5,788,000	6,432,890	(310,479)
Total Revenues	<u>\$ 6,410,685</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,410,685</u>	<u>\$ 7,305,300</u>	<u>\$ 6,773,943</u>	<u>\$ (363,258)</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 6,960,040	\$ (31,763)	\$ 385	\$ 6,928,662	\$ 7,305,300	\$ 7,180,288	\$ 251,626
Total Expenditures	<u>\$ 6,960,040</u>	<u>\$ (31,763)</u>	<u>\$ 385</u>	<u>\$ 6,928,662</u>	<u>\$ 7,305,300</u>	<u>\$ 7,180,288</u>	<u>\$ 251,626</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (549,355)</u>	<u>\$ 31,763</u>	<u>\$ (385)</u>	<u>\$ (517,977)</u>	<u>\$ 0</u>	<u>\$ (406,345)</u>	<u>\$ (111,632)</u>
Net Change in Fund Balance	\$ (549,355)	\$ 31,763	\$ (385)	\$ (517,977)	\$ 0	\$ (406,345)	\$ (111,632)
Fund Balance, July 1, 2020	1,989,024	(31,763)	0	1,957,261	1,521,956	1,521,956	435,305
Fund Balance, June 30, 2021	<u>\$ 1,439,669</u>	<u>\$ 0</u>	<u>\$ (385)</u>	<u>\$ 1,439,284</u>	<u>\$ 1,521,956</u>	<u>\$ 1,115,611</u>	<u>\$ 323,673</u>

# MISCELLANEOUS SCHEDULES

Exhibit L-1

Sevier County, Tennessee  
Schedule of Changes in Long-term Bonds and Other Loans  
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	Paid and/or Matured During Period	Outstanding 6-30-21	
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Qualified School Construction Bonds, Series 2010	\$ 14,504,000	4.84	%	10-7-10	8-1-27	\$ 6,434,176	\$ 905,027	\$ 5,529,149
General Obligation Bonds, Series 2012	3,540,000	.4 to 2.4		11-5-12	4-1-32	2,825,000	325,000	2,500,000
General Obligation Refunding Bonds, Series 2012	6,410,000	.4 to 2		11-5-12	4-1-23	725,000	200,000	525,000
General Obligation Refunding Bonds, Series 2015	9,670,000	2 to 4		9-15-15	6-1-25	7,240,000	1,320,000	5,920,000
General Obligation Bonds, Series 2016	9,750,000	2 to 2.5		8-19-16	6-1-37	9,295,000	465,000	8,830,000
General Obligation Bonds, Series 2017	4,480,000	2.25 to 4		5-25-17	6-30-37	4,285,000	200,000	4,085,000
General Obligation Refunding Bonds, Series 2018A	4,135,000	5.0		6-29-18	6-30-24	2,670,000	700,000	1,970,000
General Obligation Bonds, Series 2018B	9,685,000	3 to 4		6-29-18	6-30-38	9,685,000	0	9,685,000
General Obligation Bonds, Series 2019	9,925,000	3 to 5		2-28-19	6-1-39	9,925,000	0	9,925,000
General Obligation Bonds, Series 2020A	10,000,000	3 to 5		6-2-20	6-1-40	10,000,000	0	10,000,000
General Obligation Refunding Bonds, Series 2020B	6,290,000	3 to 5		6-2-20	6-1-32	6,290,000	345,000	5,945,000
Total Bonds Payable through General Debt Service Fund						\$ 69,374,176	\$ 4,460,027	\$ 64,914,149
<u>OTHER LOANS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Public Building Authority, Series VII-A-4 (Refunding)	6,900,000	(1)	Variable	08-28-08	6-1-25	\$ 3,000,000	\$ 530,000	\$ 2,470,000
Public Building Authority, Series VII-B-1 (Refunding Portion)	42,495,000	(1)	Variable	11-20-08	6-1-32	25,180,000	3,215,000	21,965,000
Public Building Authority, Series VII-B-1	21,450,000		Variable	11-20-08	6-1-32	21,350,000	0	21,350,000
Energy Efficient Schools Initiative Loan, Series 2011	1,000,000		0	6-1-12	5-1-22	191,699	99,996	91,703
Total Other Loans Payable through General Debt Service Fund						\$ 49,721,699	\$ 3,844,996	\$ 45,876,703

(1) The loan agreements refunded by these issues were swapped from variable to a synthetic fixed rate by execution of swap agreements. Those swap agreements have been retained.



Exhibit L-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 5,410,027	\$ 2,569,160	\$ 7,979,187
2023	5,840,027	2,425,360	8,265,387
2024	5,475,027	2,259,147	7,734,174
2025	5,390,027	2,098,485	7,488,512
2026	3,870,027	1,954,179	5,824,206
2027	4,034,014	1,843,554	5,877,568
2028	3,130,000	1,041,902	4,171,902
2029	3,230,000	928,625	4,158,625
2030	3,315,000	840,125	4,155,125
2031	3,405,000	746,988	4,151,988
2032	3,465,000	650,275	4,115,275
2033	2,665,000	552,513	3,217,513
2034	2,735,000	475,062	3,210,062
2035	2,825,000	394,450	3,219,450
2036	2,910,000	311,150	3,221,150
2037	2,995,000	224,240	3,219,240
2038	2,090,000	132,680	2,222,680
2039	1,410,000	65,320	1,475,320
2040	720,000	21,600	741,600
Total	\$ 64,914,149	\$ 19,534,815	\$ 84,448,964

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2022	\$ 4,036,703	\$ 27,675	\$ 328,351	\$ 4,392,729
2023	4,245,000	23,956	301,523	4,570,479
2024	5,160,000	19,984	272,622	5,452,606
2025	5,030,000	15,513	237,099	5,282,612
2026	3,315,000	10,962	202,683	3,528,645
2027	3,515,000	9,636	178,166	3,702,802
2028	3,705,000	8,230	152,170	3,865,400
2029	3,905,000	6,748	124,768	4,036,516
2030	4,105,000	5,186	95,887	4,206,073
2031	4,305,000	3,544	65,527	4,374,071
2032	4,555,000	1,823	33,688	4,590,511
Total	\$ 45,876,703	\$ 133,257	\$ 1,992,484	\$ 48,002,444

Exhibit L-3

Sevier County, Tennessee  
Schedule of Transfers  
Primary Government  
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	Solid Waste/Sanitation	Operations of Sanitation Department	\$ 215,000
General	Other Special Revenue	Operations of Drug Court	<u>50,000</u>
Total Transfers - Primary Government			<u>\$ 265,000</u>

Note: The county also transferred capital assets (non-cash) with a value of \$129,097 from the Governmental Activities to the Business-type Activities during the year.

Exhibit L-4

Sevier County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Sevier 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>	\$ 153,476 (1,2)	\$ 400,000	Local Government Insurance Pool
Road Superintendent	Section 8-24-102, <i>TCA</i>	121,428 (2)	400,000	"
Director of Schools	State Board of Education and Sevier County Board of Education	168,068 (3,4)	100,000	Cincinnati Insurance Company
Trustee	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	5,998,241	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	50,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	400,000	Local Government Insurance Pool
Circuit Court Clerk	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	400,000	"
General Sessions and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	105,686 (5,6)	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	106,686 (2,5)	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	119,547 (7)	400,000	"

Employee Blanket Bonds - All County and School Employees:

Public Employee Dishonesty 400,000 Local Government Insurance Pool

(1) Includes longevity pay of \$2,250.

(2) Includes salary supplement for County Officials Certificate Training Program (COCTP) certification of \$1,000.

(3) Includes a chief executive officer training supplement of \$1,000.

(4) Includes longevity pay of \$3,000.

(5) Includes supplemental pay of \$1,300.

(6) Does not include special commissioner fees of \$1,947.

(7) Includes a law enforcement training supplement of \$800 and a salary supplement of \$2,500.

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 20,820,873	\$ 0	\$ 0	\$ 0	\$ 1,543,246	\$ 0
Trustee's Collections - Prior Year	586,504	0	0	0	32,585	0
Circuit Clerk/Clerk and Master Collections - Prior Years	259,359	0	0	0	14,409	0
Interest and Penalty	101,225	0	0	0	5,628	0
Payments in-Lieu-of Taxes - T.V.A.	2,602	0	0	0	145	0
Payments in-Lieu-of Taxes - Local Utilities	286,115	0	0	0	15,895	0
Payments in-Lieu-of Taxes - Other	121,101	0	0	0	6,728	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	7,815,945	0	0	3,057,575	0	0
Hotel/Motel Tax	7,236,511	0	0	0	0	0
Litigation Tax - General	255,792	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	7,821	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	766,890	0	0	0	0
Business Tax	3,721,894	0	0	0	0	0
Mixed Drink Tax	9,658	0	0	0	0	0
Other County Local Option Taxes	0	6,428	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	172,097	0	0	0	9,561	0
Wholesale Beer Tax	660,313	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 42,049,989</b>	<b>\$ 773,318</b>	<b>\$ 7,821</b>	<b>\$ 3,057,575</b>	<b>\$ 1,628,197</b>	<b>\$ 0</b>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 534,506	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 1,045	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	136,050	0	0	0	0	0
Other Permits	536,178	0	0	0	0	0
Total Licenses and Permits	<u>\$ 1,207,779</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	\$ 9,333	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines for Littering	28	0	0	0	0	0
Officers Costs	29,324	0	0	0	0	0
Drug Control Fines	14,489	0	0	0	0	18,487
Drug Court Fees	0	0	0	0	0	0
Jail Fees	19,933	0	0	0	0	0
DUI Treatment Fines	9,173	0	0	0	0	0
Data Entry Fee - Circuit Court	10,041	0	0	0	0	0
Courtroom Security Fee	237	0	0	0	0	0
Victims Assistance Assessments	19,643	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	26,786	0	0	0	0	0
Fines for Littering	190	0	0	0	0	0
Officers Costs	24,848	0	0	0	0	0
Game and Fish Fines	16	0	0	0	0	0
Drug Control Fines	6,802	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	59,897	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 14,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - General Sessions Court	28,807	0	0	0	0	0
Courtroom Security Fee	11,757	0	0	0	0	0
Victims Assistance Assessments	34,600	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	2,693	0	0	0	0	0
Officers Costs	857	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	5,640	0	0	0	0	0
Data Entry Fee - Chancery Court	6,968	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	3,838	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Fines	856	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	101,630
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 341,019</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 120,117</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Patient Charges	\$ 3,741,631	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Work Release Charges for Board	14,845	0	0	0	0	0
Health Department Collections	342,675	0	0	0	0	0
Other General Service Charges	3,290	0	0	22,635	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Copy Fees	\$ 14,859	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Library Fees	19,849	0	0	0	0	0
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	436,670	0	0	0	0	0
Vending Machine Collections	36,933	0	0	0	0	0
Tourism Fees	35,908	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	95,802	0	0	0	0	0
Probation Fees	465,498	0	0	0	0	0
Data Processing Fee - Sheriff	6,518	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,400	0	0	0	0	0
Vehicle Registration Reinstatement Fees	10,750	0	0	0	0	0
<u>Education Charges</u>						
TBI Criminal Background Fee	21,390	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 5,252,118</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 22,635</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	1	0	0	0	0	0
Sale of Materials and Supplies	820	0	0	0	0	0
Sale of Maps	20,325	0	0	0	0	0
Sale of Recycled Materials	0	0	0	109,774	0	0
E-Rate Funding	6,995	0	0	0	0	0
Miscellaneous Refunds	338,447	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Sale of Equipment	\$ 27,868	\$ 0	\$ 0	\$ 0	\$ 536	\$ 0
Damages Recovered from Individuals	2,848	0	0	0	0	0
Contributions and Gifts	2,457	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	47,371	0	0	0	0	0
Total Other Local Revenues	\$ 447,132	\$ 0	\$ 0	\$ 109,774	\$ 536	\$ 0
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 510,823	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	1,281,103	0	0	0	0	0
Circuit Court Clerk	594,441	0	0	0	0	0
General Sessions Court Clerk	450,864	0	0	0	0	0
Clerk and Master	200,805	0	0	0	0	0
Juvenile Court Clerk	22,509	0	0	0	0	0
Register	1,401,450	0	0	0	0	0
Sheriff	56,339	0	0	0	0	0
Trustee	4,031,020	0	0	0	0	0
Total Fees Received From County Officials	\$ 8,549,354	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	17,418	0	0	0	0	0
Other General Government Grants	1,594,495	0	0	0	0	0

(Continued)



Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>State of Tennessee (Cont.)</u>						
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	\$ 76,800	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Public Safety Grants	2,400	0	0	0	63,825	0
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	443,787	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	70,683	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	260,461	0	0	0	0	0
Beer Tax	18,369	0	0	0	0	0
Vehicle Certificate of Title Fees	91,731	0	0	0	0	0
Alcoholic Beverage Tax	263,566	0	0	0	0	0
State Revenue Sharing - T.V.A.	613,723	0	0	0	0	0
State Revenue Sharing - Telecommunications	142,806	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	23,930	0	0	0	0	0
Contracted Prisoner Boarding	1,031,752	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	35,006	0	0	0	0	0
Other State Revenues	100,486	0	0	68,478	0	0
Total State of Tennessee	\$ 4,811,577	\$ 0	\$ 0	\$ 68,478	\$ 63,825	\$ 0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Disaster Relief	117,325	0	0	0	0	0
Homeland Security Grants	90,830	0	0	0	0	0
Medicaid	81,704	0	0	0	0	0
Law Enforcement Grants	166,148	0	0	0	0	0
COVID-19 Grant #5	1,518,380	0	0	0	0	0
COVID-19 Grant B	23,007	0	0	0	0	0
COVID-19 Grant C	2,887	0	0	0	0	0
COVID-19 Grant D	51,028	0	0	0	0	0
Other Federal through State	632,288	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	662,371	0	0	0	0	0
Other Direct Federal Revenue	170,297	0	0	0	0	0
Total Federal Government	\$ 3,516,265	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 15,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	0
Contributions	3,471,096	0	0	0	13,388	0
Contracted Services	3,570	0	0	0	0	0
<u>Other</u>						
Other	1,107	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 3,490,773	\$ 0	\$ 0	\$ 0	\$ 13,388	\$ 0
Total	\$ 69,666,006	\$ 773,318	\$ 7,821	\$ 3,258,462	\$ 1,705,946	\$ 120,117

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service Fund
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 7,136,715	\$ 5,812,189
Trustee's Collections - Prior Year	0	0	0	197,237	144,232
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	88,855	76,848
Interest and Penalty	0	0	0	34,691	30,001
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	891	771
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	98,020	84,775
Payments in-Lieu-of Taxes - Other	0	0	0	41,488	35,882
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0
Other County Local Option Taxes	0	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	58,959	50,992
Wholesale Beer Tax	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,656,856</b>	<b>\$ 6,235,690</b>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	0	0	0	0	0
Other Permits	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines for Littering	0	0	0	0	0
Officers Costs	0	0	0	0	0
Drug Control Fines	0	501	0	0	0
Drug Court Fees	0	7,541	0	0	0
Jail Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
<u>General Sessions Court</u>					
Fines	0	0	0	0	0
Fines for Littering	0	0	0	0	0
Officers Costs	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0
Drug Control Fines	0	0	0	0	0
Drug Court Fees	0	6,495	0	0	0
Jail Fees	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - General Sessions Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
<u>Juvenile Court</u>					
Fines	0	0	0	0	0
Officers Costs	0	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	0	0	0	0	0
Drug Court Fees	0	86,811	0	0	0
<u>Judicial District Drug Program</u>					
Fines	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 101,348	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Work Release Charges for Board	0	0	0	0	0
Health Department Collections	0	0	0	0	0
Other General Service Charges	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>					
<u>Fees</u>					
Copy Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Library Fees	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0
Telephone Commissions	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0
Tourism Fees	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	144	0	0
Special Commissioner Fees/Special Master Fees	0	0	1,947	0	0
Data Processing Fee - Register	0	0	0	0	0
Probation Fees	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0
<u>Education Charges</u>					
TBI Criminal Background Fee	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 2,091	\$ 0	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 1,846	\$ 0	\$ 0	\$ 0	\$ 1,161,253
Lease/Rentals	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	2,911	0
Sale of Maps	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0
E-Rate Funding	0	0	0	0	0
Miscellaneous Refunds	0	0	0	203	7

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service Fund
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Sale of Equipment	\$ 0	\$ 0	\$ 0	\$ 135,652	\$ 0
Damages Recovered from Individuals	0	0	0	22,748	0
Contributions and Gifts	0	0	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	0
Total Other Local Revenues	\$ 1,846	\$ 0	\$ 0	\$ 161,514	\$ 1,161,260
<u>Fees Received From County Officials</u>					
<u>Excess Fees</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>					
County Clerk	0	0	0	0	0
Circuit Court Clerk	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0
Clerk and Master	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0
Register	0	0	0	0	0
Sheriff	0	0	0	0	0
Trustee	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	0	0	0	0	0
Other General Government Grants	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds				Debt Service Fund
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>					
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Public Safety Grants	0	0	0	0	0
<u>Health and Welfare Grants</u>					
Other Health and Welfare Grants	0	0	0	0	0
<u>Public Works Grants</u>					
State Aid Program	0	0	0	235,260	0
Litter Program	0	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	0
Beer Tax	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	3,283,327	0
Petroleum Special Tax	0	0	0	64,859	0
Registrar's Salary Supplement	0	0	0	0	0
Other State Grants	0	90,135	0	15,999	0
Other State Revenues	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 90,135	\$ 0	\$ 3,599,445	\$ 0

(Continued)



Exhibit L-5

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

	Special Revenue Funds				Debt Service
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Disaster Relief	0	0	0	329,154	0
Homeland Security Grants	0	0	0	0	0
Medicaid	0	0	0	0	0
Law Enforcement Grants	0	0	0	0	0
COVID-19 Grant #5	0	0	0	0	0
COVID-19 Grant B	0	0	0	0	0
COVID-19 Grant C	0	0	0	0	0
COVID-19 Grant D	0	0	0	0	0
Other Federal through State	0	0	0	0	0
<u>Direct Federal Revenue</u>					
Tax Credit Bond Rebate	0	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 329,154	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	87,301	0
Contributions	0	0	0	0	7,245,034
Contracted Services	0	0	0	0	0
<u>Other</u>					
Other	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 87,301	\$ 7,245,034
Total	\$ 1,846	\$ 191,483	\$ 2,091	\$ 11,834,270	\$ 14,641,984

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 35,313,023
Trustee's Collections - Prior Year	0	960,558
Circuit Clerk/Clerk and Master Collections - Prior Years	0	439,471
Interest and Penalty	0	171,545
Payments in-Lieu-of Taxes - T.V.A.	0	4,409
Payments in-Lieu-of Taxes - Local Utilities	0	484,805
Payments in-Lieu-of Taxes - Other	0	205,199
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	10,873,520
Hotel/Motel Tax	0	7,236,511
Litigation Tax - General	0	255,792
Litigation Tax - Special Purpose	0	7,821
Litigation Tax - Jail, Workhouse, or Courthouse	0	766,890
Business Tax	0	3,721,894
Mixed Drink Tax	0	9,658
Other County Local Option Taxes	0	6,428
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	291,609
Wholesale Beer Tax	0	660,313
Total Local Taxes	<u>\$ 0</u>	<u>\$ 61,409,446</u>
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Cable TV Franchise	\$ 0	\$ 534,506

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>		
<u>Permits</u>		
Beer Permits	\$ 0	\$ 1,045
Building Permits	0	136,050
Other Permits	0	536,178
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 1,207,779</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 9,333
Fines for Littering	0	28
Officers Costs	0	29,324
Drug Control Fines	0	33,477
Drug Court Fees	0	7,541
Jail Fees	0	19,933
DUI Treatment Fines	0	9,173
Data Entry Fee - Circuit Court	0	10,041
Courtroom Security Fee	0	237
Victims Assistance Assessments	0	19,643
<u>General Sessions Court</u>		
Fines	0	26,786
Fines for Littering	0	190
Officers Costs	0	24,848
Game and Fish Fines	0	16
Drug Control Fines	0	6,802
Drug Court Fees	0	6,495
Jail Fees	0	59,897

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>General Sessions Court (Cont.)</u>		
DUI Treatment Fines	\$ 0	\$ 14,263
Data Entry Fee - General Sessions Court	0	28,807
Courtroom Security Fee	0	11,757
Victims Assistance Assessments	0	34,600
<u>Juvenile Court</u>		
Fines	0	2,693
Officers Costs	0	857
<u>Chancery Court</u>		
Officers Costs	0	5,640
Data Entry Fee - Chancery Court	0	6,968
<u>Other Courts - In-county</u>		
Fines	0	3,838
Drug Court Fees	0	86,811
<u>Judicial District Drug Program</u>		
Fines	0	856
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	101,630
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 562,484</u>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Patient Charges	\$ 0	\$ 3,741,631
Work Release Charges for Board	0	14,845
Health Department Collections	0	342,675
Other General Service Charges	0	25,925

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Fees</u>		
Copy Fees	\$ 0	\$ 14,859
Library Fees	0	19,849
Greenbelt Late Application Fee	0	100
Telephone Commissions	0	436,670
Vending Machine Collections	0	36,933
Tourism Fees	0	35,908
Constitutional Officers' Fees and Commissions	0	144
Special Commissioner Fees/Special Master Fees	0	1,947
Data Processing Fee - Register	0	95,802
Probation Fees	0	465,498
Data Processing Fee - Sheriff	0	6,518
Sexual Offender Registration Fee - Sheriff	0	5,400
Vehicle Registration Reinstatement Fees	0	10,750
<u>Education Charges</u>		
TBI Criminal Background Fee	0	21,390
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 5,276,844</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 1,163,099
Lease/Rentals	0	1
Sale of Materials and Supplies	0	3,731
Sale of Maps	0	20,325
Sale of Recycled Materials	0	109,774
E-Rate Funding	0	6,995
Miscellaneous Refunds	0	338,657

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>		
<u>Nonrecurring Items</u>		
Sale of Equipment	\$ 0	\$ 164,056
Damages Recovered from Individuals	0	25,596
Contributions and Gifts	0	2,457
<u>Other Local Revenues</u>		
Other Local Revenues	0	47,371
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 1,882,062</u>
<u>Fees Received From County Officials</u>		
<u>Excess Fees</u>		
County Clerk	\$ 0	\$ 510,823
<u>Fees In-Lieu-of Salary</u>		
County Clerk	0	1,281,103
Circuit Court Clerk	0	594,441
General Sessions Court Clerk	0	450,864
Clerk and Master	0	200,805
Juvenile Court Clerk	0	22,509
Register	0	1,401,450
Sheriff	0	56,339
Trustee	0	4,031,020
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 8,549,354</u>
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 9,000
Aging Programs	0	17,418
Other General Government Grants	0	1,594,495

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>State of Tennessee (Cont.)</u>		
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	\$ 0	\$ 76,800
Other Public Safety Grants	0	66,225
<u>Health and Welfare Grants</u>		
Other Health and Welfare Grants	0	443,787
<u>Public Works Grants</u>		
State Aid Program	0	235,260
Litter Program	0	70,683
<u>Other State Revenues</u>		
Income Tax	0	260,461
Beer Tax	0	18,369
Vehicle Certificate of Title Fees	0	91,731
Alcoholic Beverage Tax	0	263,566
State Revenue Sharing - T.V.A.	0	613,723
State Revenue Sharing - Telecommunications	0	142,806
State Shared Sports Gaming Privilege Tax	0	23,930
Contracted Prisoner Boarding	0	1,031,752
Gasoline and Motor Fuel Tax	0	3,283,327
Petroleum Special Tax	0	64,859
Registrar's Salary Supplement	0	15,164
Other State Grants	0	141,140
Other State Revenues	0	168,964
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 8,633,460</u>

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Federal Government</u>		
<u>Federal Through State</u>		
Community Development	\$ 162,040	\$ 162,040
Disaster Relief	0	446,479
Homeland Security Grants	0	90,830
Medicaid	0	81,704
Law Enforcement Grants	0	166,148
COVID-19 Grant #5	0	1,518,380
COVID-19 Grant B	0	23,007
COVID-19 Grant C	0	2,887
COVID-19 Grant D	0	51,028
Other Federal through State	0	632,288
<u>Direct Federal Revenue</u>		
Tax Credit Bond Rebate	0	662,371
Other Direct Federal Revenue	0	170,297
Total Federal Government	<u>\$ 162,040</u>	<u>\$ 4,007,459</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Prisoner Board	\$ 0	\$ 15,000
Paving and Maintenance	0	87,301
Contributions	0	10,729,518
Contracted Services	0	3,570
<u>Other</u>		
Other	0	1,107
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 10,836,496</u>
Total	<u>\$ 162,040</u>	<u>\$ 102,365,384</u>



Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 36,629,884	\$ 0	\$ 0	\$ 0	\$ 36,629,884
Trustee's Collections - Prior Year	851,868	0	0	0	851,868
Circuit Clerk/Clerk and Master Collections - Prior Years	453,880	0	0	0	453,880
Interest and Penalty	177,175	0	0	0	177,175
Payments in-Lieu-of Taxes - T.V.A.	4,554	0	0	0	4,554
Payments in-Lieu-of Taxes - Local Utilities	500,701	0	0	0	500,701
Payments in-Lieu-of Taxes - Other	210,427	0	0	0	210,427
<u>County Local Option Taxes</u>					
Local Option Sales Tax	81,127,963	0	0	0	81,127,963
Hotel/Motel Tax	7,240,483	0	0	0	7,240,483
Mixed Drink Tax	869,462	0	0	0	869,462
<u>Statutory Local Taxes</u>					
Bank Excise Tax	301,170	0	0	0	301,170
Total Local Taxes	<u>\$ 128,367,567</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 128,367,567</u>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 122,653	\$ 0	\$ 0	\$ 0	\$ 122,653
Total Licenses and Permits	<u>\$ 122,653</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 122,653</u>
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Children	\$ 0	\$ 0	\$ 120,819	\$ 0	\$ 120,819
Lunch Payments - Adults	0	0	64,927	0	64,927

(Continued)

Exhibit L-6

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Income from Breakfast	\$ 0	\$ 0	\$ 6	\$ 0	\$ 6
A la Carte Sales	0	0	16,848	0	16,848
Receipts from Individual Schools	108,957	0	0	0	108,957
Other Charges for Services	20	0	0	0	20
Total Charges for Current Services	\$ 108,977	\$ 0	\$ 202,600	\$ 0	\$ 311,577
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 155,341	\$ 0	\$ 8,520	\$ 0	\$ 163,861
Lease/Rentals	9,148	0	0	0	9,148
Sale of Materials and Supplies	190	0	0	0	190
Miscellaneous Refunds	81,413	0	631	0	82,044
<u>Nonrecurring Items</u>					
Damages Recovered from Individuals	21,081	0	0	0	21,081
Contributions and Gifts	1,259,824	0	0	0	1,259,824
<u>Other Local Revenues</u>					
Other Local Revenues	11,200	0	0	5,368,493	5,379,693
Total Other Local Revenues	\$ 1,538,197	\$ 0	\$ 9,151	\$ 5,368,493	\$ 6,915,841
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 608,139	\$ 0	\$ 0	\$ 0	\$ 608,139
<u>State Education Funds</u>					
Basic Education Program	45,698,151	0	0	0	45,698,151

(Continued)

Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds (Cont.)</u>					
School Food Service	\$ 0	\$ 0	\$ 76,523	\$ 0	\$ 76,523
Energy Efficient School Initiative	200,682	0	0	0	200,682
Driver Education	34,441	0	0	0	34,441
Other State Education Funds	1,983,598	0	0	0	1,983,598
Career Ladder Program	364,962	0	0	0	364,962
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	664,867	0	0	0	664,867
Other State Grants	276,201	0	0	0	276,201
Other State Revenues	178,933	0	0	0	178,933
Total State of Tennessee	<u>\$ 50,009,974</u>	<u>\$ 0</u>	<u>\$ 76,523</u>	<u>\$ 0</u>	<u>\$ 50,086,497</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA - Commodities	\$ 0	\$ 0	\$ 465,641	\$ 0	\$ 465,641
USDA - Other	0	0	5,656,770	0	5,656,770
Vocational Education - Basic Grants to States	0	255,852	0	0	255,852
Title I Grants to Local Education Agencies	0	3,465,226	0	0	3,465,226
Special Education - Grants to States	39,618	3,025,105	0	0	3,064,723
Special Education Preschool Grants	0	103,326	0	0	103,326
English Language Acquisition Grants	0	153,297	0	0	153,297
21st Century Community Learning Centers	86,893	0	0	0	86,893
Eisenhower Professional Development State Grants	0	449,674	0	0	449,674
COVID-19 Grant #1	64,158	2,698,187	0	0	2,762,345
COVID-19 Grant #3	125,000	0	0	0	125,000

(Continued)

Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
COVID-19 Grant #4	\$ 377,258	\$ 0	\$ 0	\$ 0	\$ 377,258
COVID-19 Grant #5	47,299	0	0	0	47,299
COVID-19 Grant A	536,799	0	0	0	536,799
COVID-19 Grant B	0	2,620,525	0	0	2,620,525
Other Federal through State	353,784	281,184	0	0	634,968
Total Federal Government	<u>\$ 1,630,809</u>	<u>\$ 13,052,376</u>	<u>\$ 6,122,411</u>	<u>\$ 0</u>	<u>\$ 20,805,596</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 1,074,138	\$ 0	\$ 0	\$ 0	\$ 1,074,138
Total Other Governments and Citizens Groups	<u>\$ 1,074,138</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,074,138</u>
Total	<u>\$ 182,852,315</u>	<u>\$ 13,052,376</u>	<u>\$ 6,410,685</u>	<u>\$ 5,368,493</u>	<u>\$ 207,683,869</u>

Exhibit L-7

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

General Fund

General Government

County Commission

Educational Incentive - Other County Employees	\$	1,000	
Board and Committee Members Fees		149,780	
Social Security		6,287	
Pensions		5,402	
Employee and Dependent Insurance		276,870	
Unemployment Compensation		297	
Employer Medicare		1,470	
Advertising		1,137	
Audit Services		46,731	
Dues and Memberships		10,702	
Legal Services		5,736	
Travel		4,224	
Other Contracted Services		9,350	
Office Supplies		8,423	
Other Supplies and Materials		346	
Total County Commission			\$ 527,755

Beer Board

Board and Committee Members Fees	\$	1,250	
Social Security		44	
Pensions		25	
Employee and Dependent Insurance		884	
Employer Medicare		10	
Advertising		104	
Legal Services		800	
Other Supplies and Materials		200	
Total Beer Board			3,317

Other Boards and Committees

County Official/Administrative Officer	\$	57,627	
Assistant(s)		116,861	
Dispatchers/Radio Operators		428,495	
Educational Incentive - Other County Employees		16,000	
Longevity Pay		8,250	
Other Salaries and Wages		45,179	
Social Security		38,857	
Pensions		30,837	
Employee and Dependent Insurance		135,036	
Employer Medicare		9,088	
Advertising		1,249	
Communication		3,757	
Data Processing Services		1,935	
Dues and Memberships		375	
Maintenance and Repair Services - Office Equipment		792	
Maintenance and Repair Services - Vehicles		40	
Gasoline		2,355	
Office Supplies		5,218	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Other Boards and Committees (Cont.)

Uniforms	\$	2,024	
Other Supplies and Materials		9,970	
In Service/Staff Development		4,264	
Total Other Boards and Committees			\$ 918,209

County Mayor/Executive

County Official/Administrative Officer	\$	150,226	
Assistant(s)		85,468	
Accountants/Bookkeepers		230,006	
Secretary(ies)		28,556	
Clerical Personnel		50,252	
Educational Incentive - Other County Employees		5,000	
Longevity Pay		9,250	
Other Salaries and Wages		141,952	
Social Security		39,976	
Pensions		32,404	
Employee and Dependent Insurance		118,142	
Employer Medicare		9,518	
Advertising		1,118	
Communication		3,995	
Dues and Memberships		3,737	
Maintenance and Repair Services - Office Equipment		1,520	
Maintenance and Repair Services - Vehicles		270	
Postal Charges		4,111	
Travel		2,940	
Gasoline		1,950	
Library Books/Media		488	
Office Supplies		12,100	
Total County Mayor/Executive			932,979

Election Commission

County Official/Administrative Officer	\$	83,382	
Deputy(ies)		169,696	
Clerical Personnel		30,511	
Longevity Pay		6,500	
Other Salaries and Wages		11,500	
Election Commission		33,234	
Election Workers		127,901	
Social Security		23,933	
Pensions		14,809	
Employee and Dependent Insurance		47,880	
Unemployment Compensation		3	
Employer Medicare		5,597	
Advertising		12,653	
Communication		5,554	
Maintenance and Repair Services - Office Equipment		306	
Postal Charges		14,753	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Travel	\$	1,717	
Other Contracted Services		52,418	
Electricity		5,915	
Natural Gas		1,989	
Office Supplies		68,428	
Water and Sewer		997	
Liability Insurance		10,215	
Other Construction		43,752	
Total Election Commission			\$ 773,643

Register of Deeds

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		55,540	
Accountants/Bookkeepers		36,702	
Clerical Personnel		240,242	
Educational Incentive - Other County Employees		3,000	
Longevity Pay		11,550	
Social Security		25,959	
Pensions		22,167	
Employee and Dependent Insurance		93,055	
Employer Medicare		6,071	
Communication		1,591	
Dues and Memberships		696	
Maintenance and Repair Services - Office Equipment		1,896	
Postal Charges		1,010	
Travel		1,528	
Other Contracted Services		12,955	
Office Supplies		14,313	
Total Register of Deeds			632,661

Planning

County Official/Administrative Officer	\$	68,291	
Assistant(s)		35,661	
Supervisor/Director		45,860	
Longevity Pay		2,750	
Other Salaries and Wages		37,000	
Board and Committee Members Fees		14,100	
Social Security		10,595	
Pensions		9,511	
Employee and Dependent Insurance		55,411	
Employer Medicare		2,478	
Advertising		1,083	
Communication		3,215	
Dues and Memberships		175	
Legal Services		800	
Electricity		3,748	
Office Supplies		11,550	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

Water and Sewer	\$	321	
Refunds		100	
Total Planning			\$ 302,649

Building

County Official/Administrative Officer	\$	58,574	
Assistant(s)		41,451	
Secretary(ies)		35,579	
Longevity Pay		1,750	
Social Security		7,560	
Pensions		6,735	
Employee and Dependent Insurance		37,200	
Employer Medicare		1,768	
Communication		1,551	
Dues and Memberships		811	
Postal Charges		335	
Other Contracted Services		667	
Electricity		2,373	
Gasoline		4,693	
Office Supplies		4,695	
Water and Sewer		203	
Other Supplies and Materials		6,815	
Refunds		3,199	
Total Building			215,959

Geographical Information Systems

Supervisor/Director	\$	52,685	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		1,250	
Other Salaries and Wages		37,389	
Social Security		5,111	
Pensions		4,526	
Employee and Dependent Insurance		21,415	
Employer Medicare		1,195	
Communication		1,521	
Dues and Memberships		205	
Maintenance and Repair Services - Office Equipment		2,919	
Travel		3,830	
Other Contracted Services		50,000	
Electricity		2,373	
Office Supplies		5,910	
Water and Sewer		203	
Total Geographical Information Systems			191,532

County Buildings

County Official/Administrative Officer	\$	56,446	
Supervisor/Director		50,338	

(Continued)



Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Custodial Personnel	\$	348,192	
Longevity Pay		9,250	
Social Security		26,791	
Pensions		20,438	
Employee and Dependent Insurance		96,760	
Unemployment Compensation		492	
Employer Medicare		6,266	
Communication		97,216	
Dues and Memberships		714	
Maintenance and Repair Services - Buildings		270,928	
Pest Control		4,826	
Travel		1,495	
Other Contracted Services		1,140	
Electricity		196,026	
Gasoline		3,709	
Natural Gas		53,206	
Office Supplies		2,439	
Uniforms		4,342	
Water and Sewer		11,473	
Other Supplies and Materials		27,793	
Other Equipment		4,224	
Total County Buildings			\$ 1,294,504

Other Facilities

Advertising	\$	788	
Communication		4,147	
Maintenance and Repair Services - Buildings		23,097	
Pest Control		215	
Other Contracted Services		8,061	
Electricity		217,754	
Natural Gas		61,431	
Water and Sewer		6,155	
Other Supplies and Materials		2,152	
Total Other Facilities			323,800

Other General Administration

Mechanic(s)	\$	213,918	
Longevity Pay		5,750	
Social Security		12,408	
Pensions		10,777	
Employee and Dependent Insurance		53,760	
Employer Medicare		2,902	
Communication		3,744	
Maintenance and Repair Services - Vehicles		110,191	
Electricity		5,541	
Gasoline		2,102	
Lubricants		13,769	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Natural Gas	\$	2,930	
Tires and Tubes		59,261	
Water and Sewer		232	
Other Supplies and Materials		6,445	
Total Other General Administration	\$		503,730

Preservation of Records

County Official/Administrative Officer	\$	55,463	
Assistant(s)		69,878	
Longevity Pay		2,250	
Social Security		6,777	
Pensions		6,260	
Employee and Dependent Insurance		38,515	
Employer Medicare		1,585	
Communication		1,766	
Maintenance and Repair Services - Office Equipment		1,730	
Postal Charges		64	
Other Contracted Services		7,612	
Electricity		5,007	
Office Supplies		3,406	
Other Supplies and Materials		8,689	
Total Preservation of Records			209,002

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		151,312	
Clerical Personnel		212,163	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		15,050	
Other Salaries and Wages		285,345	
Board and Committee Members Fees		5,830	
Social Security		45,543	
Pensions		36,304	
Employee and Dependent Insurance		131,047	
Unemployment Compensation		1,375	
Employer Medicare		10,651	
Advertising		72	
Audit Services		80,280	
Communication		9,234	
Dues and Memberships		2,860	
Legal Services		10,386	
Maintenance and Repair Services - Office Equipment		13,096	
Maintenance and Repair Services - Vehicles		540	
Postal Charges		9,893	
Other Contracted Services		120,206	
Electricity		2,249	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Gasoline	\$	9,218	
Office Supplies		9,300	
Water and Sewer		192	
Total Property Assessor's Office			\$ 1,267,532

Reappraisal Program

Other Salaries and Wages	\$	2,462	
Social Security		144	
Pensions		123	
Employee and Dependent Insurance		388	
Employer Medicare		34	
Postal Charges		39,687	
Total Reappraisal Program			42,838

County Trustee's Office

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		44,827	
Accountants/Bookkeepers		50,892	
Clerical Personnel		261,338	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		9,050	
Social Security		26,965	
Pensions		22,518	
Employee and Dependent Insurance		94,615	
Employer Medicare		6,306	
Advertising		63	
Audit Services		5,600	
Communication		1,841	
Dues and Memberships		1,448	
Postal Charges		49,789	
Travel		1,535	
Other Contracted Services		19,823	
Office Supplies		27,880	
Total County Trustee's Office			729,876

County Clerk's Office

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		50,531	
Accountants/Bookkeepers		44,771	
Clerical Personnel		559,525	
Educational Incentive - Other County Employees		4,000	
Longevity Pay		19,550	
Social Security		42,304	
Pensions		37,207	
Employee and Dependent Insurance		193,050	
Employer Medicare		9,894	
Communication		10,920	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Dues and Memberships	\$	1,131	
Maintenance and Repair Services - Office Equipment		510	
Postal Charges		33,534	
Travel		2,321	
Other Contracted Services		5,865	
Data Processing Supplies		20,474	
Office Supplies		32,378	
Total County Clerk's Office			\$ 1,172,351

Data Processing

County Official/Administrative Officer	\$	66,210	
Assistant(s)		91,881	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		2,250	
Social Security		9,070	
Pensions		7,914	
Employee and Dependent Insurance		33,770	
Employer Medicare		2,121	
Communication		4,441	
Maintenance and Repair Services - Vehicles		90	
Postal Charges		13	
Travel		450	
Data Processing Supplies		38,321	
Gasoline		389	
Other Supplies and Materials		411	
In Service/Staff Development		300	
Total Data Processing			258,631

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		85,714	
Accountants/Bookkeepers		43,509	
Clerical Personnel		512,752	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		12,050	
Other Salaries and Wages		1,123	
Jury and Witness Expense		6,390	
Social Security		43,419	
Pensions		37,354	
Employee and Dependent Insurance		159,780	
Employer Medicare		10,155	
Communication		4,380	
Contracts with Other Public Agencies		668	
Dues and Memberships		1,691	
Maintenance and Repair Services - Office Equipment		6,476	
Postal Charges		7,780	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Travel	\$	44	
Other Contracted Services		28,452	
Office Supplies		35,267	
Total Circuit Court			\$ 1,102,390

General Sessions Court

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		56,282	
Accountants/Bookkeepers		39,169	
Clerical Personnel		324,563	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		12,550	
Other Salaries and Wages		80,872	
Social Security		36,136	
Pensions		30,465	
Employee and Dependent Insurance		102,591	
Employer Medicare		8,451	
Communication		3,200	
Contracts with Other Public Agencies		1,168	
Dues and Memberships		1,226	
Maintenance and Repair Services - Office Equipment		6,976	
Postal Charges		4,765	
Travel		296	
Other Contracted Services		26,132	
Office Supplies		20,473	
Total General Sessions Court			860,701

General Sessions Judge

Judge(s)	\$	356,106	
Secretary(ies)		38,903	
Longevity Pay		2,750	
Other Salaries and Wages		24,038	
Social Security		20,786	
Pensions		19,851	
Employee and Dependent Insurance		38,985	
Employer Medicare		5,957	
Communication		2,011	
Dues and Memberships		5,822	
Travel		139	
Other Contracted Services		4,359	
Library Books/Media		3,358	
Office Supplies		5,462	
Total General Sessions Judge			528,527

Chancery Court

County Official/Administrative Officer	\$	104,386	
Deputy(ies)		31,320	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Clerical Personnel	\$	165,204	
Longevity Pay		8,300	
Other Salaries and Wages		22,461	
Social Security		19,814	
Pensions		15,431	
Employee and Dependent Insurance		49,735	
Employer Medicare		4,634	
Communication		4,326	
Dues and Memberships		966	
Maintenance and Repair Services - Office Equipment		12,975	
Postal Charges		6,393	
Library Books/Media		16,478	
Office Supplies		6,035	
Total Chancery Court			\$ 468,458

Juvenile Court

Deputy(ies)	\$	42,574	
Clerical Personnel		75,128	
Longevity Pay		2,750	
Social Security		7,050	
Pensions		5,908	
Employee and Dependent Insurance		21,480	
Employer Medicare		1,649	
Postal Charges		3,159	
Travel		300	
Other Contracted Services		2,279	
Office Supplies		4,734	
Total Juvenile Court			167,011

District Attorney General

Assistant(s)	\$	71,222	
Supervisor/Director		76,484	
Social Security		8,647	
Pensions		7,245	
Employee and Dependent Insurance		26,460	
Employer Medicare		2,022	
Dues and Memberships		400	
Postal Charges		550	
Travel		346	
Office Supplies		4,192	
Total District Attorney General			197,568

Judicial Commissioners

County Official/Administrative Officer	\$	181,900	
Supervisor/Director		53,333	
Longevity Pay		2,500	
Social Security		13,680	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Judicial Commissioners (Cont.)

Pensions	\$	7,743	
Employee and Dependent Insurance		52,375	
Unemployment Compensation		550	
Employer Medicare		3,199	
Communication		903	
Library Books/Media		7,954	
Office Supplies		9,104	
In Service/Staff Development		800	
Total Judicial Commissioners			\$ 334,041

Probation Services

County Official/Administrative Officer	\$	58,715	
Assistant(s)		42,972	
Longevity Pay		2,000	
Other Salaries and Wages		262,088	
Social Security		20,590	
Pensions		17,136	
Employee and Dependent Insurance		83,400	
Unemployment Compensation		1,572	
Employer Medicare		4,815	
Communication		1,832	
Contracts with Private Agencies		73,779	
Legal Services		250	
Maintenance and Repair Services - Buildings		10,469	
Maintenance and Repair Services - Office Equipment		197	
Postal Charges		333	
Rentals		44,900	
Travel		945	
Other Contracted Services		80,972	
Electricity		5,048	
Natural Gas		2,366	
Office Supplies		11,856	
Utilities		3,721	
Water and Sewer		1,941	
Other Supplies and Materials		30,300	
Refunds		655	
Total Probation Services			762,852

Victim Assistance Programs

Clerical Personnel	\$	41,839	
Longevity Pay		250	
Social Security		2,130	
Pensions		2,065	
Employee and Dependent Insurance		16,380	
Employer Medicare		498	
Communication		1,276	
Travel		76	
Office Supplies		546	
Total Victim Assistance Programs			65,060

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	116,247	
Assistant(s)		74,341	
Supervisor/Director		162,402	
Deputy(ies)		3,023,783	
Investigator(s)		811,553	
Accountants/Bookkeepers		33,079	
Dispatchers/Radio Operators		378,003	
Guards		355,564	
Secretary(ies)		167,913	
Longevity Pay		71,500	
Other Salaries and Wages		147,753	
In-service Training		72,800	
Social Security		316,571	
Pensions		247,398	
Employee and Dependent Insurance		922,501	
Unemployment Compensation		825	
Employer Medicare		74,037	
Other Fringe Benefits		3,000	
Advertising		133	
Communication		46,601	
Contracts with Other Public Agencies		9,151	
Contributions		68,735	
Data Processing Services		33,980	
Dues and Memberships		5,025	
Legal Services		212	
Licenses		503	
Maintenance and Repair Services - Equipment		33,659	
Maintenance and Repair Services - Office Equipment		565	
Transportation - Other than Students		98	
Travel		6,315	
Other Contracted Services		71,900	
Electricity		24,739	
Gasoline		272,032	
Law Enforcement Supplies		82,572	
Natural Gas		5,002	
Water and Sewer		7,343	
Other Supplies and Materials		89,815	
In Service/Staff Development		32,721	
Other Charges		14,442	
Total Sheriff's Department			\$ 7,784,813

Drug Enforcement

Longevity Pay	\$	1,750
Other Salaries and Wages		236,749
Social Security		13,639
Pensions		11,807
Employee and Dependent Insurance		45,619

(Continued)



Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Employer Medicare	\$	3,190	
Other Fringe Benefits		1,500	
Other Supplies and Materials		24,711	
Total Drug Enforcement			\$ 338,965

Jail

Assistant(s)	\$	84,983	
Supervisor/Director		39,810	
Guards		2,859,438	
Cafeteria Personnel		141,480	
Longevity Pay		33,750	
Other Salaries and Wages		18,542	
In-service Training		21,600	
Social Security		186,000	
Pensions		135,358	
Employee and Dependent Insurance		606,267	
Unemployment Compensation		12,278	
Employer Medicare		43,500	
Other Fringe Benefits		1,500	
Advertising		135	
Communication		6,390	
Contracts with Other Public Agencies		22,520	
Data Processing Services		15,007	
Maintenance and Repair Services - Buildings		57,172	
Maintenance and Repair Services - Equipment		51,405	
Maintenance and Repair Services - Office Equipment		22,090	
Medical and Dental Services		1,964,049	
Postal Charges		1,639	
Rentals		2,694	
Transportation - Other than Students		13,642	
Electricity		149,616	
Food Supplies		354,943	
Law Enforcement Supplies		36,972	
Natural Gas		65,558	
Office Supplies		24,696	
Water and Sewer		94,473	
Other Supplies and Materials		233,666	
In Service/Staff Development		200	
Total Jail			7,301,373

Juvenile Services

Supervisor/Director	\$	66,328	
Youth Service Officer(s)		166,864	
Secretary(ies)		35,416	
Longevity Pay		7,000	
Social Security		15,643	
Pensions		13,514	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Employee and Dependent Insurance	\$	56,820	
Employer Medicare		3,659	
Communication		1,379	
Contributions		82,101	
Dues and Memberships		915	
Postal Charges		996	
Other Contracted Services		3,741	
Office Supplies		8,437	
Total Juvenile Services			\$ 462,813

Fire Prevention and Control

Supervisor/Director	\$	61,742	
Educational Incentive - Other County Employees		2,000	
Longevity Pay		250	
In-service Training		2,400	
Social Security		3,827	
Pensions		3,141	
Employee and Dependent Insurance		11,800	
Employer Medicare		895	
Communication		1,077	
Contributions		961,250	
Dues and Memberships		1,262	
Maintenance and Repair Services - Vehicles		653	
Travel		1,663	
Gasoline		1,882	
Office Supplies		1,400	
Uniforms		512	
Other Supplies and Materials		5,704	
Liability Insurance		500	
Other Equipment		20,494	
Other Capital Outlay		50,000	
Total Fire Prevention and Control			1,132,452

Civil Defense

Contributions	\$	4,000	
Total Civil Defense			4,000

Rescue Squad

Contributions	\$	53,750	
Total Rescue Squad			53,750

Other Emergency Management

County Official/Administrative Officer	\$	59,884	
Assistant(s)		46,772	
Longevity Pay		500	
Other Salaries and Wages		15,794	
Social Security		7,190	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Pensions	\$	5,256	
Employee and Dependent Insurance		19,340	
Employer Medicare		1,681	
Advertising		112	
Communication		5,481	
Dues and Memberships		645	
Maintenance and Repair Services - Equipment		15,564	
Maintenance and Repair Services - Vehicles		180	
Postal Charges		39	
Travel		2,036	
Other Contracted Services		5,184	
Electricity		635	
Gasoline		3,147	
Office Supplies		5,189	
Other Supplies and Materials		6,003	
In Service/Staff Development		951	
Other Capital Outlay		13,763	
Total Other Emergency Management	\$		215,346

County Coroner/Medical Examiner

Medical Personnel	\$	47,550	
Longevity Pay		250	
Other Salaries and Wages		17,931	
Social Security		3,968	
Pensions		2,239	
Employee and Dependent Insurance		7,200	
Unemployment Compensation		26	
Employer Medicare		928	
Communication		923	
Postal Charges		92	
Travel		346	
Other Contracted Services		340,856	
Gasoline		3,019	
Office Supplies		2,533	
Uniforms		1,086	
Other Supplies and Materials		8,704	
In Service/Staff Development		1,382	
Total County Coroner/Medical Examiner			439,033

Other Public Safety

County Official/Administrative Officer	\$	61,044	
Assistant(s)		52,611	
Sergeant(s)		169,572	
Medical Personnel		13,668	
Guards		245,916	
Secretary(ies)		34,342	
Educational Incentive - Other County Employees		1,000	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety (Cont.)

Longevity Pay	\$	6,250	
In-service Training		4,450	
Social Security		34,861	
Pensions		26,824	
Employee and Dependent Insurance		94,705	
Unemployment Compensation		3,527	
Employer Medicare		8,153	
Other Fringe Benefits		4,069	
Communication		5,861	
Contracts with Private Agencies		11,000	
Data Processing Services		4,425	
Dues and Memberships		953	
Maintenance and Repair Services - Buildings		5,258	
Maintenance and Repair Services - Equipment		2,349	
Maintenance and Repair Services - Office Equipment		2,911	
Maintenance and Repair Services - Vehicles		90	
Medical and Dental Services		13,644	
Postal Charges		328	
Rentals		349	
Travel		389	
Other Contracted Services		3,792	
Electricity		13,054	
Gasoline		1,013	
Natural Gas		2,858	
Office Supplies		4,516	
Water and Sewer		2,617	
Other Supplies and Materials		3,633	
In Service/Staff Development		3,507	
Total Other Public Safety			\$ 843,539

Public Health and Welfare

Local Health Center

Advertising	\$	76	
Communication		10,657	
Contracts with Government Agencies		20,000	
Maintenance and Repair Services - Buildings		10,943	
Maintenance and Repair Services - Office Equipment		708	
Medical and Dental Services		158	
Pest Control		672	
Postal Charges		570	
Office Supplies		1,200	
Other Supplies and Materials		4,581	
Office Equipment		1,817	
Total Local Health Center			51,382

Rabies and Animal Control

Contributions	\$	182,725	
Total Rabies and Animal Control			182,725

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	75,805	
Assistant(s)		72,327	
Medical Personnel		2,986,586	
Clerical Personnel		152,064	
Educational Incentive - Other County Employees		7,000	
Longevity Pay		40,250	
Other Salaries and Wages		574,268	
Social Security		229,452	
Pensions		157,722	
Employee and Dependent Insurance		526,394	
Unemployment Compensation		827	
Employer Medicare		53,662	
Advertising		200	
Communication		34,346	
Contracts with Private Agencies		211,856	
Contributions		100,000	
Legal Services		631,963	
Licenses		4,180	
Maintenance and Repair Services - Buildings		18,924	
Maintenance and Repair Services - Equipment		6,545	
Maintenance and Repair Services - Office Equipment		3,734	
Maintenance and Repair Services - Vehicles		2,509	
Pest Control		380	
Postal Charges		375	
Travel		1,936	
Tuition		6,773	
Other Contracted Services		142,368	
Custodial Supplies		6,316	
Drugs and Medical Supplies		183,472	
Gasoline		104,113	
Office Supplies		9,325	
Uniforms		27,375	
Utilities		39,350	
Other Supplies and Materials		54,930	
Refunds		25,627	
Fines, Assessments, and Penalties		156,326	
Motor Vehicles		92,000	
Total Ambulance/Emergency Medical Services			\$ 6,741,280

Maternal and Child Health Services

Medical Personnel	\$	36,054	
Clerical Personnel		445,788	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		5,500	
Social Security		27,571	
Pensions		18,483	
Employee and Dependent Insurance		123,895	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Maternal and Child Health Services (Cont.)

Employer Medicare	\$	6,448	
Transportation - Other than Students		4,782	
Travel		16	
Total Maternal and Child Health Services			\$ 669,537

Alcohol and Drug Programs

Supervisor/Director	\$	53,639	
Longevity Pay		250	
Other Salaries and Wages		35,539	
Social Security		5,087	
Pensions		3,410	
Employee and Dependent Insurance		17,580	
Employer Medicare		1,190	
Advertising		23,979	
Communication		1,479	
Postal Charges		110	
Printing, Stationery, and Forms		12,841	
Travel		13,513	
Other Contracted Services		45,887	
Office Supplies		15,784	
Total Alcohol and Drug Programs			230,288

Other Local Health Services

Contributions	\$	158,958	
Other Charges		39,575	
Total Other Local Health Services			198,533

Appropriation to State

Contributions	\$	86,261	
Total Appropriation to State			86,261

Other Local Welfare Services

Contributions	\$	108	
Pauper Burials		3,400	
Total Other Local Welfare Services			3,508

Other Public Health and Welfare

Supervisor/Director	\$	54,622	
Secretary(ies)		27,390	
Longevity Pay		3,500	
Other Salaries and Wages		125,750	
Social Security		12,352	
Pensions		10,314	
Employee and Dependent Insurance		34,440	
Unemployment Compensation		4,629	
Employer Medicare		2,889	
Communication		2,599	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Public Health and Welfare (Cont.)

Dues and Memberships	\$	200	
Legal Services		700	
Maintenance and Repair Services - Office Equipment		2,740	
Postal Charges		1,285	
Travel		18,388	
Other Contracted Services		1,563	
Electricity		3,748	
Gasoline		320	
Office Supplies		9,751	
Water and Sewer		321	
Refunds		7,075	
Total Other Public Health and Welfare			\$ 324,576

Social, Cultural, and Recreational Services

Senior Citizens Assistance

County Official/Administrative Officer	\$	47,845	
Supervisor/Director		38,163	
Dispatchers/Radio Operators		21,821	
Secretary(ies)		59,297	
Cafeteria Personnel		26,110	
Maintenance Personnel		27,865	
Longevity Pay		3,500	
Social Security		13,090	
Pensions		10,454	
Employee and Dependent Insurance		49,170	
Unemployment Compensation		811	
Employer Medicare		3,061	
Advertising		1,520	
Communication		1,893	
Maintenance and Repair Services - Buildings		11,971	
Other Contracted Services		8,063	
Electricity		42,211	
Natural Gas		7,595	
Office Supplies		1,392	
Water and Sewer		4,089	
Other Supplies and Materials		19,339	
Total Senior Citizens Assistance			399,260

Libraries

County Official/Administrative Officer	\$	68,279	
Assistant(s)		362,543	
Supervisor/Director		234,321	
Accountants/Bookkeepers		37,454	
Custodial Personnel		26,821	
Longevity Pay		9,000	
Other Salaries and Wages		125,103	
Social Security		50,952	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Pensions	\$	36,389	
Employee and Dependent Insurance		131,790	
Unemployment Compensation		105	
Employer Medicare		11,916	
Advertising		345	
Communication		17,592	
Dues and Memberships		2,545	
Janitorial Services		6,239	
Legal Services		100	
Maintenance and Repair Services - Buildings		19,848	
Maintenance and Repair Services - Equipment		19,746	
Postal Charges		835	
Printing, Stationery, and Forms		297	
Travel		3,984	
Tuition		192	
Maintenance and Repair Services - Records		545	
Other Contracted Services		30,310	
Data Processing Supplies		840	
Duplicating Supplies		2,303	
Electricity		62,808	
Equipment and Machinery Parts		23,482	
Instructional Supplies and Materials		30,000	
Library Books/Media		61,078	
Office Supplies		30,825	
Periodicals		2,720	
Utilities		3,669	
Water and Sewer		8,727	
Other Supplies and Materials		275	
Total Libraries			\$ 1,423,978

Parks and Fair Boards

Maintenance Personnel	\$	13,188	
Social Security		818	
Employer Medicare		191	
Contributions		83,500	
Total Parks and Fair Boards			97,697

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	73,805	
Longevity Pay		2,250	
Other Salaries and Wages		102,589	
Social Security		26,995	
Pensions		3,728	
Employee and Dependent Insurance		17,844	
Employer Medicare		1,038	
Communication		4,136	

(Continued)



Exhibit L-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Contributions	\$	4,500	
Pest Control		400	
Postal Charges		1,500	
Travel		1,955	
Electricity		3,407	
Water and Sewer		1,122	
Other Supplies and Materials		5,295	
Total Agricultural Extension Service			\$ 250,564

Forest Service

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

Soil Conservation

Clerical Personnel	\$	31,931	
Longevity Pay		250	
Social Security		1,929	
Pensions		1,579	
Employee and Dependent Insurance		5,940	
Employer Medicare		451	
Total Soil Conservation			42,080

Storm Water Management

County Official/Administrative Officer	\$	59,385	
Secretary(ies)		3,497	
Longevity Pay		1,750	
Other Salaries and Wages		45,736	
Social Security		6,625	
Pensions		5,242	
Employee and Dependent Insurance		14,400	
Employer Medicare		1,549	
Advertising		47	
Communication		1,006	
Legal Services		175	
Postal Charges		100	
Travel		6,290	
Electricity		2,998	
Office Supplies		4,125	
Water and Sewer		256	
Total Storm Water Management			153,181

Other Operations

Tourism

County Official/Administrative Officer	\$	50,195	
Longevity Pay		750	
Social Security		3,053	
Pensions		2,499	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

Employee and Dependent Insurance	\$	6,420	
Employer Medicare		714	
Advertising		116,093	
Contracts with Private Agencies		993,452	
Contributions		272,600	
Dues and Memberships		6,087	
Legal Services		150	
Postal Charges		191	
Travel		781	
Other Contracted Services		77,264	
Office Supplies		1,259	
Other Supplies and Materials		69	
Total Tourism			\$ 1,531,577

Veterans' Services

Supervisor/Director	\$	44,533	
Secretary(ies)		30,524	
Longevity Pay		750	
Social Security		4,253	
Pensions		3,717	
Employee and Dependent Insurance		16,380	
Employer Medicare		995	
Communication		4,204	
Contributions		10,000	
Dues and Memberships		50	
Postal Charges		106	
Other Contracted Services		2,360	
Gasoline		741	
Office Supplies		3,167	
Other Supplies and Materials		2,169	
Total Veterans' Services			123,949

Contributions to Other Agencies

Contracts with Other Public Agencies	\$	40,000	
Contributions		241,691	
Total Contributions to Other Agencies			281,691

Employee Benefits

Pensions	\$	2,750	
Employee and Dependent Insurance		847,237	
Communication		4,241	
Other Contracted Services		300	
Office Supplies		19,227	
Workers' Compensation Insurance		239,846	
Total Employee Benefits			1,113,601

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

COVID-19 Grant #2

Advertising	\$	6,420	
Other Supplies and Materials		<u>45,563</u>	
Total COVID-19 Grant #2			\$ 51,983

COVID-19 Grant #4

Other Salaries and Wages	\$	16,641	
Social Security		1,032	
Employer Medicare		241	
Other Supplies and Materials		<u>28,415</u>	
Total COVID-19 Grant #4			46,329

COVID-19 Grant #5

Contributions	\$	257,692	
Other Supplies and Materials		<u>378,322</u>	
Total COVID-19 Grant #5			636,014

COVID-19 Grant B

Other Supplies and Materials	\$	<u>21,649</u>	
Total COVID-19 Grant B			21,649

COVID-19 Grant C

Equipment and Machinery Parts	\$	<u>2,887</u>	
Total COVID-19 Grant C			2,887

COVID-19 Grant D

Other Supplies and Materials	\$	<u>68,037</u>	
Total COVID-19 Grant D			68,037

Miscellaneous

Advertising	\$	1,815	
Contributions		48,000	
Legal Services		7,079	
Legal Notices, Recording, and Court Costs		146	
Maintenance and Repair Services - Office Equipment		5,736	
Other Contracted Services		26,812	
Other Supplies and Materials		22,194	
Building and Contents Insurance		129,477	
Excess Risk Insurance		13,500	
Liability Insurance		446,832	
Refunds		4,140	
Trustee's Commission		1,041,545	
Vehicle and Equipment Insurance		130,776	
Other Debt Service		<u>662,371</u>	
Total Miscellaneous			2,540,423

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Highways

Litter and Trash Collection

Deputy(ies)	\$	202,987	
Longevity Pay		4,500	
In-service Training		2,800	
Social Security		12,002	
Pensions		10,176	
Employee and Dependent Insurance		52,190	
Employer Medicare		2,807	
Communication		1,824	
Maintenance and Repair Services - Vehicles		848	
Other Contracted Services		20,760	
Electricity		1,691	
Water and Sewer		425	
Other Supplies and Materials		4,345	
Total Litter and Trash Collection			\$ 317,355

Other Charges

Contracts with Private Agencies	\$	4,804	
Other Contracted Services		21,914	
Total Other Charges			26,718

Capital Projects

Public Health and Welfare Projects

Other Contracted Services	\$	33,500	
Total Public Health and Welfare Projects			33,500

Other General Government Projects

Contracts with Private Agencies	\$	11,062	
Other Charges		4,500	
Other Capital Outlay		250,521	
Total Other General Government Projects			266,083

Total General Fund \$ 51,281,306

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Maintenance and Repair Services - Buildings	\$	4,490	
Trustee's Commission		7,583	
Total County Buildings			\$ 12,073

Total Courthouse and Jail Maintenance Fund 12,073

Law Library Fund

Administration of Justice

Other Administration of Justice

Library Books/Media	\$	8,305	
Trustee's Commission		77	
Total Other Administration of Justice			\$ 8,382

Total Law Library Fund 8,382

(Continued)

Exhibit L-7

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	58,220	
Laborers		991,451	
Longevity Pay		22,250	
Social Security		62,652	
Pensions		46,379	
Employee and Dependent Insurance		295,705	
Unemployment Compensation		124	
Employer Medicare		14,653	
Communication		9,709	
Contracts with Government Agencies		1,333,361	
Contributions		68,350	
Maintenance and Repair Services - Buildings		3,040	
Maintenance and Repair Services - Equipment		37,067	
Maintenance and Repair Services - Vehicles		173,514	
Rentals		9,000	
Other Contracted Services		14,845	
Electricity		35,254	
Gasoline		80,480	
Lubricants		13,555	
Natural Gas		21,712	
Tires and Tubes		44,868	
Uniforms		9,942	
Water and Sewer		2,370	
Other Supplies and Materials		24,595	
Liability Insurance		1,000	
Trustee's Commission		1,098	
Total Sanitation Management			\$ 3,375,194

Total Solid Waste/Sanitation Fund \$ 3,375,194

Special Purpose Fund

General Government

Geographical Information Systems

Other Equipment	\$	21,242	
Total Geographical Information Systems			\$ 21,242

County Buildings

Maintenance and Repair Services - Buildings	\$	15,770	
Total County Buildings			15,770

Other General Administration

Maintenance Equipment	\$	9,726	
Total Other General Administration			9,726

Finance

Data Processing

Data Processing Equipment	\$	25,549	
Other Capital Outlay		39,280	
Total Data Processing			64,829

(Continued)

Exhibit L-7

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

Special Purpose Fund (Cont.)

Public Safety

Sheriff's Department

Motor Vehicles	\$ 445,228	
Total Sheriff's Department		\$ 445,228

Jail

Other Capital Outlay	\$ 20,000	
Total Jail		20,000

Other Public Safety

Other Capital Outlay	\$ 10,651	
Total Other Public Safety		10,651

Public Health and Welfare

Ambulance/Emergency Medical Services

Motor Vehicles	\$ 333,193	
Other Equipment	60,119	
Total Ambulance/Emergency Medical Services		393,312

Sanitation Management

Solid Waste Equipment	\$ 25,957	
Other Construction	23,694	
Total Sanitation Management		49,651

Social, Cultural, and Recreational Services

Libraries

Administration Equipment	\$ 2,372	
Total Libraries		2,372

Other Operations

Other Charges

Trustee's Commission	\$ 24,430	
Total Other Charges		24,430

Miscellaneous

Motor Vehicles	\$ 115,078	
Total Miscellaneous		115,078

Capital Projects

Other General Government Projects

Other Capital Outlay	\$ 58,860	
Total Other General Government Projects		58,860

Total Special Purpose Fund		\$ 1,231,149
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Drug Control Fund

Public Safety

Sheriff's Department

Confidential Drug Enforcement Payments	\$ 16,000	
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(Continued)

Exhibit L-7

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Supplies and Materials	\$	29,675	
Trustee's Commission		1,022	
Motor Vehicles		41,091	
Total Sheriff's Department			\$ 87,788

Total Drug Control Fund \$ 87,788

Other Special Revenue Fund

Administration of Justice

Drug Court

Supervisor/Director	\$	51,417	
Social Workers		51,767	
Social Security		5,839	
Pensions		4,381	
Employee and Dependent Insurance		23,000	
Employer Medicare		1,366	
Advertising		2,691	
Communication		9,960	
Dues and Memberships		580	
Licenses		1,345	
Maintenance and Repair Services - Buildings		1,856	
Maintenance and Repair Services - Office Equipment		3,225	
Pest Control		1,095	
Postal Charges		120	
Travel		2,014	
Drug Treatment		1,700	
Electricity		4,607	
Gasoline		787	
Office Supplies		7,624	
Propane Gas		2,770	
Utilities		1,165	
Liability Insurance		7,938	
Trustee's Commission		992	
Vehicle and Equipment Insurance		11,948	
Total Drug Court			\$ 200,187

Total Other Special Revenue Fund 200,187

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$	88	
Total County Clerk's Office			\$ 88

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	1,947	
Total Chancery Court			1,947

(Continued)

Exhibit L-7

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

Constitutional Officers - Fees Fund (Cont.)

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$ 56	
Total Sheriff's Department		\$ 56

Total Constitutional Officers - Fees Fund \$ 2,091

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 121,428	
Accountants/Bookkeepers	64,828	
Secretary(ies)	21,900	
Social Security	12,111	
Pensions	10,292	
Employee and Dependent Insurance	22,140	
Employer Medicare	2,833	
Data Processing Services	11,739	
Dues and Memberships	5,765	
Engineering Services	1,870	
Legal Services	500	
Legal Notices, Recording, and Court Costs	9,089	
Maintenance and Repair Services - Office Equipment	365	
Postal Charges	1,144	
Printing, Stationery, and Forms	2,035	
Travel	2,300	
Office Supplies	3,146	
Other Charges	5,526	
Total Administration		\$ 299,011

Highway and Bridge Maintenance

Foremen	\$ 510,398
Equipment Operators	467,350
Equipment Operators - Light	213,142
Truck Drivers	398,937
Laborers	262,354
Social Security	105,838
Pensions	86,789
Employee and Dependent Insurance	397,745
Employer Medicare	24,753
Rentals	956
Other Contracted Services	488,569
Asphalt	5,158,936
Concrete	16,176
Crushed Stone	14,069
Fertilizer, Lime, and Seed	7,633
General Construction Materials	76
Pipe - Metal	33,554
Road Signs	16,411

(Continued)



Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Salt	\$	46,796	
Small Tools		1,188	
Wood Products		12,046	
Other Supplies and Materials		1,196	
Other Charges		1,303	
Total Highway and Bridge Maintenance			\$ 8,266,215

Operation and Maintenance of Equipment

Foremen	\$	154,703	
Mechanic(s)		197,910	
Laborers		54,766	
Social Security		23,330	
Pensions		19,314	
Employee and Dependent Insurance		87,090	
Employer Medicare		5,456	
Maintenance and Repair Services - Equipment		32,549	
Towing Services		300	
Diesel Fuel		104,157	
Electricity		11,413	
Equipment and Machinery Parts		338,888	
Garage Supplies		79,866	
Gasoline		78,666	
Lubricants		36,477	
Natural Gas		2,854	
Office Supplies		2,160	
Propane Gas		1,287	
Small Tools		25,681	
Tires and Tubes		36,539	
Water and Sewer		11,466	
Other Supplies and Materials		3,840	
Total Operation and Maintenance of Equipment			1,308,712

Quarry Operations

Foremen	\$	37,701	
Equipment Operators		31,143	
Laborers		25,891	
Social Security		5,310	
Pensions		4,601	
Employee and Dependent Insurance		22,230	
Employer Medicare		1,242	
Engineering Services		845	
Explosive and Drilling Services		22,956	
Permits		3,580	
Electricity		13,126	
Equipment and Machinery Parts		1,173	
Other Supplies and Materials		215	
Other Charges		1,139	
Total Quarry Operations			171,152

(Continued)

Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges

Communication	\$	23,284	
Liability Insurance		16,741	
Trustee's Commission		183,712	
Vehicle and Equipment Insurance		62,928	
Total Other Charges	\$		286,665

Employee Benefits

Employee and Dependent Insurance	\$	170,048	
Medical and Dental Services		4,520	
Workers' Compensation Insurance		61,647	
Total Employee Benefits			236,215

Capital Outlay

Highway Equipment	\$	626,772	
Motor Vehicles		179,504	
State Aid Projects		228,825	
Other Equipment		10,970	
Total Capital Outlay			1,046,071

Total Highway/Public Works Fund \$ 11,614,041

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,990,000	
Principal on Other Loans		1,795,000	
Total General Government	\$		3,785,000

Education

Principal on Bonds	\$	2,470,027	
Principal on Other Loans		2,049,996	
Total Education			4,520,023

Interest on Debt

General Government

Interest on Bonds	\$	945,294	
Interest on Other Loans		14,504	
Total General Government			959,798

Education

Interest on Bonds	\$	1,739,812	
Interest on Other Loans		973,596	
Total Education			2,713,408

Other Debt Service

General Government

Fiscal Agent Charges	\$	10,382	
Trustee's Commission		141,331	
Total General Government			151,713

(Continued)

Exhibit L-7

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

<u>General Debt Service Fund (Cont.)</u>		
<u>Other Debt Service (Cont.)</u>		
<u>Education</u>		
Fiscal Agent Charges	\$ 11,603	
Total Education		\$ 11,603
Total General Debt Service Fund		\$ 12,141,545
<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Architects	\$ 54,150	
Other Contracted Services	3,935	
Total General Administration Projects		\$ 58,085
<u>Social, Cultural, and Recreation Projects</u>		
Architects	\$ 24,960	
Legal Services	150	
Other Contracted Services	9,513	
Other Supplies and Materials	5,411	
Other Capital Outlay	1,316,939	
Total Social, Cultural, and Recreation Projects		1,356,973
<u>Public Utility Projects</u>		
Other Contracted Services	\$ 332,082	
Other Supplies and Materials	15,721	
Total Public Utility Projects		347,803
Total General Capital Projects Fund		1,762,861
Total Governmental Funds - Primary Government		<u>\$ 81,716,617</u>

Exhibit L-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 47,589,091	
Career Ladder Program	163,915	
Career Ladder Extended Contracts	21,000	
Homebound Teachers	6,435	
Educational Assistants	1,467,699	
Other Salaries and Wages	202,016	
Certified Substitute Teachers	46,395	
Non-certified Substitute Teachers	941,676	
Social Security	2,918,753	
Pensions	4,547,490	
Life Insurance	25,500	
Medical Insurance	7,279,533	
Dental Insurance	105,314	
Employer Medicare	692,237	
Other Fringe Benefits	170,926	
Maintenance and Repair Services - Equipment	59,929	
Tuition	126,389	
Other Contracted Services	414,661	
Instructional Supplies and Materials	1,604,324	
Textbooks - Bound	284,794	
Software	247,090	
Fee Waivers	41,313	
Other Charges	127,363	
Regular Instruction Equipment	1,784,793	
Total Regular Instruction Program		\$ 70,868,636

Alternative Instruction Program

Teachers	\$ 1,231,219	
Career Ladder Program	3,400	
Clerical Personnel	27,007	
Educational Assistants	77,544	
Non-certified Substitute Teachers	2,225	
Social Security	74,860	
Pensions	118,635	
Life Insurance	718	
Medical Insurance	209,669	
Dental Insurance	2,982	
Employer Medicare	18,695	
Other Fringe Benefits	4,810	
Tuition	22,787	
Instructional Supplies and Materials	13,430	
Total Alternative Instruction Program		1,807,981

Special Education Program

Teachers	\$ 5,062,607
Career Ladder Program	13,955

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Educational Assistants	\$	469,480	
Speech Pathologist		458,890	
Other Salaries and Wages		86,590	
Certified Substitute Teachers		10,022	
Non-certified Substitute Teachers		151,985	
Social Security		512,821	
Pensions		639,919	
Life Insurance		7,526	
Medical Insurance		1,502,285	
Dental Insurance		28,798	
Employer Medicare		122,326	
Retirement - Hybrid Stabilization		1	
Other Fringe Benefits		50,464	
Contracts with Private Agencies		769,160	
Other Contracted Services		4,971	
Instructional Supplies and Materials		216,277	
Software		25,452	
Other Supplies and Materials		3,712	
Special Education Equipment		109,699	
Total Special Education Program			\$ 10,246,940

Career and Technical Education Program

Teachers	\$	2,191,058	
Career Ladder Program		7,000	
Certified Substitute Teachers		475	
Non-certified Substitute Teachers		45,005	
Social Security		132,955	
Pensions		209,592	
Life Insurance		1,108	
Medical Insurance		292,098	
Dental Insurance		4,830	
Employer Medicare		31,192	
Other Fringe Benefits		7,426	
Maintenance and Repair Services - Equipment		2,997	
Other Contracted Services		3,574	
Instructional Supplies and Materials		85,957	
Other Supplies and Materials		802	
Fee Waivers		3,000	
Total Career and Technical Education Program			3,019,069

Student Body Education Program

Other Charges	\$	6,973	
Total Student Body Education Program			6,973

COVID-19 Expenditures

Teachers	\$	40,220	
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(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

COVID-19 Expenditures (Cont.)

Other Salaries and Wages	\$	39,013	
Social Security		2,494	
Pensions		3,561	
Employer Medicare		583	
Regular Instruction Equipment		93,493	
Total COVID-19 Expenditures			\$ 179,364

Support Services

Attendance

Supervisor/Director	\$	118,708	
Career Ladder Program		1,500	
Social Workers		164,308	
Clerical Personnel		63,582	
Other Salaries and Wages		140,359	
Social Security		25,247	
Pensions		39,780	
Life Insurance		166	
Medical Insurance		79,734	
Dental Insurance		700	
Employer Medicare		6,707	
Other Fringe Benefits		1,110	
Travel		2,212	
Software		78,028	
In Service/Staff Development		825	
Total Attendance			722,966

Health Services

Supervisor/Director	\$	78,513	
Medical Personnel		1,434,283	
Other Salaries and Wages		103,446	
Social Security		97,147	
Pensions		116,764	
Life Insurance		221	
Medical Insurance		71,697	
Dental Insurance		1,120	
Employer Medicare		22,916	
Other Fringe Benefits		1,480	
Maintenance and Repair Services - Equipment		7,680	
Travel		4,579	
Other Contracted Services		22,027	
Drugs and Medical Supplies		36,803	
Other Supplies and Materials		32,571	
In Service/Staff Development		454	
Health Equipment		27,524	
Total Health Services			2,059,225

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	6,000	
Guidance Personnel		2,059,229	
Psychological Personnel		485,390	
Clerical Personnel		29,128	
Social Security		147,312	
Pensions		230,515	
Life Insurance		1,192	
Medical Insurance		317,681	
Dental Insurance		5,277	
Employer Medicare		35,755	
Other Fringe Benefits		7,989	
Evaluation and Testing		286,083	
Travel		2,335	
Other Supplies and Materials		16,060	
Other Equipment		178,504	
Total Other Student Support	\$		3,808,450

Regular Instruction Program

Supervisor/Director	\$	885,384	
Career Ladder Program		16,235	
Librarians		1,409,520	
Materials Supervisor		101,650	
Education Media Personnel		432,340	
Clerical Personnel		217,261	
Other Salaries and Wages		655,064	
Non-certified Substitute Teachers		1,012	
Social Security		207,485	
Pensions		311,533	
Life Insurance		1,814	
Medical Insurance		502,344	
Dental Insurance		7,775	
Employer Medicare		52,027	
Other Fringe Benefits		12,162	
Travel		34,129	
Other Contracted Services		8,705	
Library Books/Media		151,733	
Periodicals		1,202	
Other Supplies and Materials		20,530	
In Service/Staff Development		62,806	
Other Charges		2,933	
Other Equipment		2,130	
Total Regular Instruction Program			5,097,774

Alternative Instruction Program

Supervisor/Director	\$	35,098	
Employer Medicare		509	
Total Alternative Instruction Program			35,607

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	205,354	
Career Ladder Program		6,500	
Medical Personnel		154,951	
Clerical Personnel		68,237	
Other Salaries and Wages		409,334	
Social Security		47,486	
Pensions		77,883	
Life Insurance		304	
Medical Insurance		91,790	
Dental Insurance		1,260	
Employer Medicare		11,827	
Other Fringe Benefits		2,035	
Contracts with Private Agencies		16,702	
Travel		9,489	
Other Supplies and Materials		40,959	
In Service/Staff Development		2,699	
Total Special Education Program			\$ 1,146,810

Career and Technical Education Program

Supervisor/Director	\$	35,098	
Career Ladder Program		1,000	
Secretary(ies)		43,730	
Social Security		2,633	
Pensions		2,187	
Life Insurance		28	
Medical Insurance		7,023	
Dental Insurance		140	
Employer Medicare		1,139	
Other Fringe Benefits		185	
Travel		428	
In Service/Staff Development		150	
Other Charges		20	
Total Career and Technical Education Program			93,761

Technology

Supervisor/Director	\$	199,955	
Career Ladder Program		500	
Instructional Computer Personnel		180,553	
Other Salaries and Wages		258,220	
Social Security		38,460	
Pensions		52,000	
Life Insurance		257	
Medical Insurance		71,059	
Dental Insurance		1,078	
Employer Medicare		8,995	
Other Fringe Benefits		1,720	

(Continued)



Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Maintenance and Repair Services - Equipment	\$	84,800	
Internet Connectivity		245,932	
Travel		2,322	
Other Contracted Services		188,741	
Cabling		12,661	
Software		71,168	
Other Supplies and Materials		9,828	
In Service/Staff Development		2,955	
Other Equipment		24,012	
Total Technology	\$		1,455,216

Other Programs

On-behalf Payments to OPEB	\$	608,139	
Total Other Programs			608,139

Board of Education

Secretary to Board	\$	1,200	
Other Salaries and Wages		2,609,420	
Board and Committee Members Fees		27,000	
Social Security		134,142	
Pensions		170,666	
Life Insurance		334	
Medical Insurance		870,221	
Dental Insurance		980	
Unemployment Compensation		81,386	
Employer Medicare		38,136	
Other Fringe Benefits		1,617	
Audit Services		42,200	
Dues and Memberships		19,109	
Legal Services		104,192	
Travel		39,958	
Liability Insurance		410,380	
Trustee's Commission		1,996,808	
Workers' Compensation Insurance		429,150	
In Service/Staff Development		636	
Other Charges		153,522	
Total Board of Education			7,131,057

Director of Schools

County Official/Administrative Officer	\$	164,068	
Career Ladder Program		1,000	
Social Security		8,747	
Pensions		16,952	
Life Insurance		28	
Medical Insurance		9,433	
Dental Insurance		770	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Employer Medicare	\$	2,377	
Other Fringe Benefits		185	
Communication		25,220	
Postal Charges		10,000	
Travel		1,238	
In Service/Staff Development		336	
Total Director of Schools			\$ 240,354

Office of the Principal

Principals	\$	2,854,454	
Career Ladder Program		32,500	
Assistant Principals		3,132,161	
Secretary(ies)		27,289	
Clerical Personnel		2,384,045	
Other Salaries and Wages		29,152	
Social Security		492,645	
Pensions		731,876	
Life Insurance		4,083	
Medical Insurance		1,137,769	
Dental Insurance		16,893	
Employer Medicare		116,685	
Retirement - Hybrid Stabilization		255	
Other Fringe Benefits		27,367	
Communication		65,024	
Travel		730	
Other Contracted Services		3,275	
Other Charges		706	
Total Office of the Principal			11,056,909

Fiscal Services

Supervisor/Director	\$	117,968	
Accountants/Bookkeepers		509,656	
Purchasing Personnel		41,074	
Secretary(ies)		63,064	
Other Salaries and Wages		225,491	
Social Security		56,696	
Pensions		58,333	
Life Insurance		403	
Medical Insurance		116,703	
Dental Insurance		2,324	
Employer Medicare		13,341	
Other Fringe Benefits		2,701	
Data Processing Services		164,752	
Travel		292	
Other Contracted Services		17,725	
Office Supplies		7,035	

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

In Service/Staff Development	\$	790	
Other Charges		553	
Administration Equipment		4,331	
Total Fiscal Services			\$ 1,403,232

Operation of Plant

Guards	\$	82,029	
Custodial Personnel		2,240,896	
Other Salaries and Wages		35,098	
Social Security		136,246	
Pensions		112,168	
Life Insurance		2,331	
Medical Insurance		516,859	
Dental Insurance		7,210	
Employer Medicare		32,660	
Other Fringe Benefits		15,625	
Janitorial Services		1,102,017	
Other Contracted Services		138,434	
Custodial Supplies		348,752	
Electricity		2,681,395	
Natural Gas		369,102	
Water and Sewer		349,062	
Other Supplies and Materials		5,073	
Building and Contents Insurance		607,409	
Plant Operation Equipment		44,032	
Total Operation of Plant			8,826,398

Maintenance of Plant

Supervisor/Director	\$	151,889	
Secretary(ies)		85,537	
Maintenance Personnel		1,669,722	
Social Security		113,245	
Pensions		91,504	
Life Insurance		1,176	
Medical Insurance		314,438	
Dental Insurance		3,361	
Employer Medicare		26,683	
Retirement - Hybrid Stabilization		103	
Other Fringe Benefits		7,882	
Communication		6,558	
Laundry Service		3,170	
Maintenance and Repair Services - Buildings		45,931	
Maintenance and Repair Services - Equipment		60,521	
Maintenance and Repair Services - Vehicles		28,542	
Other Contracted Services		128,046	
Equipment and Machinery Parts		57,963	

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Uniforms	\$	11,270	
Other Supplies and Materials		422,465	
In Service/Staff Development		210	
Maintenance Equipment		51,597	
Total Maintenance of Plant			\$ 3,281,813

Transportation

Supervisor/Director	\$	76,902	
Mechanic(s)		515,785	
Bus Drivers		2,688,411	
Clerical Personnel		47,173	
Other Salaries and Wages		72,804	
Social Security		191,487	
Pensions		181,000	
Life Insurance		2,365	
Medical Insurance		671,938	
Dental Insurance		7,071	
Employer Medicare		46,615	
Retirement - Hybrid Stabilization		1,514	
Other Fringe Benefits		15,855	
Communication		7,101	
Laundry Service		7,760	
Travel		151	
Other Contracted Services		173,661	
Diesel Fuel		204,892	
Garage Supplies		32,788	
Gasoline		136,082	
Lubricants		32,521	
Natural Gas		7,856	
Tires and Tubes		91,518	
Uniforms		2,467	
Vehicle Parts		227,899	
Vehicle and Equipment Insurance		148,279	
Other Charges		16,030	
Transportation Equipment		1,242,948	
Total Transportation			6,850,873

COVID-19 Expenditures

Social Security	\$	2,419	
Pensions		4,021	
Unemployment Compensation		64,158	
Employer Medicare		566	
Other Contracted Services		123,795	
Software		37,141	
Other Supplies and Materials		798,363	
Other Equipment		100,212	
Total COVID-19 Expenditures			1,130,675

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	58,433	
Clerical Personnel		213,975	
Cafeteria Personnel		55,493	
Social Security		18,982	
Pensions		16,410	
Life Insurance		130	
Medical Insurance		857,939	
Dental Insurance		658	
Employer Medicare		4,673	
Other Fringe Benefits		870	
Food Supplies		6,477	
Total Food Service			\$ 1,234,040

Community Services

Other Salaries and Wages	\$	235,277	
Social Security		14,116	
Pensions		19,009	
Life Insurance		28	
Medical Insurance		6,573	
Dental Insurance		140	
Unemployment Compensation		3,245	
Employer Medicare		3,301	
Retirement - Hybrid Stabilization		643	
Other Fringe Benefits		185	
Travel		251	
Other Contracted Services		387	
Instructional Supplies and Materials		8,253	
Other Charges		4,380	
Total Community Services			295,788

Early Childhood Education

Educational Assistants	\$	111,873	
Social Security		6,018	
Pensions		5,594	
Life Insurance		185	
Medical Insurance		40,536	
Dental Insurance		616	
Employer Medicare		1,407	
Other Fringe Benefits		1,240	
Total Early Childhood Education			167,469

COVID-19 Expenditures

Other Supplies and Materials	\$	358,468	
Other Charges		18,000	
Total COVID-19 Expenditures			376,468

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Architects	\$	803,468	
Engineering Services		74,729	
Building Improvements		11,451,164	
Total Regular Capital Outlay			\$ 12,329,361

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	7,245,034	
Total Education			<u>7,245,034</u>

Total General Purpose School Fund \$ 162,726,382

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	2,470,938	
Educational Assistants		201,675	
Other Salaries and Wages		165,770	
Social Security		162,756	
Pensions		258,397	
Life Insurance		1,559	
Medical Insurance		434,532	
Dental Insurance		7,000	
Employer Medicare		38,772	
Other Fringe Benefits		10,452	
Instructional Supplies and Materials		355,367	
Textbooks - Bound		1,247,024	
Regular Instruction Equipment		2,747,632	
Total Regular Instruction Program			\$ 8,101,874

Special Education Program

Educational Assistants	\$	2,766,035	
Social Security		2,127	
Medical Insurance		331,990	
Other Contracted Services		20,000	
Total Special Education Program			3,120,152

Career and Technical Education Program

Instructional Supplies and Materials	\$	22,834	
Vocational Instruction Equipment		219,521	
Total Career and Technical Education Program			242,355

Support Services

Health Services

Social Workers	\$	39,686	
Social Security		2,461	

(Continued)

Exhibit L-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Pensions	\$	2,786	
Life Insurance		25	
Employer Medicare		575	
Other Fringe Benefits		166	
In Service/Staff Development		240	
Total Health Services			\$ 45,939

Other Student Support

Other Salaries and Wages	\$	94,189	
Social Security		5,541	
Pensions		7,390	
Life Insurance		55	
Medical Insurance		22,863	
Dental Insurance		140	
Employer Medicare		1,296	
Other Fringe Benefits		370	
Travel		1,355	
Other Supplies and Materials		79,114	
In Service/Staff Development		12,800	
Other Equipment		28,016	
Total Other Student Support			253,129

Regular Instruction Program

Supervisor/Director	\$	37,005	
Secretary(ies)		48,605	
Other Salaries and Wages		603,405	
Non-certified Substitute Teachers		28,750	
Social Security		42,307	
Pensions		68,095	
Life Insurance		276	
Medical Insurance		78,795	
Dental Insurance		1,260	
Unemployment Compensation		6,500	
Employer Medicare		9,894	
Other Fringe Benefits		1,850	
Travel		1,928	
Other Supplies and Materials		4,266	
In Service/Staff Development		55,375	
Other Equipment		2,882	
Total Regular Instruction Program			991,193

Special Education Program

Other Charges	\$	8,280	
Total Special Education Program			8,280

(Continued)

Exhibit L-8

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

<u>School Federal Projects Fund (Cont.)</u>		
<u>Support Services (Cont.)</u>		
<u>Career and Technical Education Program</u>		
Travel	\$ 697	
Total Career and Technical Education Program		\$ 697
 <u>Technology</u>		
Software	\$ 156,406	
In Service/Staff Development	1,000	
Other Equipment	131,351	
Total Technology		<u>288,757</u>
Total School Federal Projects Fund		\$ 13,052,376
 <u>Central Cafeteria Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Food Service</u>		
Cafeteria Personnel	\$ 3,005,762	
Social Security	170,210	
Pensions	141,372	
Life Insurance	3,941	
Medical Insurance	42,000	
Dental Insurance	12,614	
Employer Medicare	40,522	
Other Fringe Benefits	26,418	
Communication	5,398	
Maintenance and Repair Services - Equipment	42,717	
Transportation - Other than Students	28,479	
Travel	2,480	
Other Contracted Services	66,973	
Food Preparation Supplies	347,593	
Food Supplies	2,520,584	
USDA - Commodities	465,641	
Other Supplies and Materials	10,209	
In Service/Staff Development	1,193	
Food Service Equipment	25,934	
Total Food Service		<u>\$ 6,960,040</u>
Total Central Cafeteria Fund		6,960,040
 <u>Internal School Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Community Services</u>		
Other Charges	\$ 5,098,499	
Total Community Services		<u>\$ 5,098,499</u>
Total Internal School Fund		<u>5,098,499</u>
Total Governmental Funds - Sevier County School Department		<u>\$ 187,837,297</u>



Exhibit L-9

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

	<u>Cities - Sales Tax Fund</u>
<u>Additions</u>	
Local Option Sales Tax	\$ 64,855,722
Other Statutory Local Taxes	12,664
Total Additions	<u>\$ 64,868,386</u>
<u>Deductions</u>	
Remittance of Revenues Collected	\$ 64,264,531
Trustee's Commission	603,855
Total Deductions	<u>\$ 64,868,386</u>
Excess of Additions Over (Under) Deductions	\$ 0
Cash Balance, July 1, 2020	<u>0</u>
Cash Balance, June 30, 2021	<u><u>\$ 0</u></u>

# STATUTORY SECTION

This part of Sevier County’s annual financial report presents detailed information required by state statute for the Sevier County Board of Public Utilities. This information is presented solely for the purposes of statutory compliance and additional analysis and is not a required part of the financial statements. This information is unaudited. It has not been subjected to any auditing procedures.

	Table(s)	Page(s)
Demographic and Economic Information:		
These schedules offer water rates and water loss reports required by state statute to help the reader understand how well the utility is performing.	1-2	243-245

Source: Sevier County Public Utility Management.

Table 1

Sevier County, Tennessee  
Schedule of Utility Rates  
Public Utility Fund  
June 30, 2021

<u>Utility Rates in Effect</u>	<u>Residential</u>	
<u>Residential Rates</u>		
First 1,500 gallons	\$ 28.50	minimum charge
Over 1,500 gallons	13.50	per 1,000 gallons
<u>Commercial Rates</u>		
Base Rate	\$ 38.50	minimum charge
Each 1,000 gallons of usage	15.00	per 1,000 gallons
Number of Customers	2,085	

Sevier County Tennessee  
 Schedule of Unaccounted for Water  
 Public Utility Fund  
 For the Year Ended June 30, 2021

### AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0  
 American Water Works Association,  
 Copyright © 2014, All Rights Reserved.

? Click to access definition  
+ Click to add a comment

Water Audit Report for: **Sevier County Water Department (TN0008279)**

Reporting Year: **2021**

7/2020 - 6/2021

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

---

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

**WATER SUPPLIED**

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	+ ?	n/a		MG/Yr	
Water imported:	+ ?	10	149.255	MG/Yr	
Water exported:	+ ?	n/a		MG/Yr	

**WATER SUPPLIED:** 149.255 MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:  Value:  MG/Yr

Pcnt:  Value:  MG/Yr

Enter negative % or value for under-registration  
Enter positive % or value for over-registration

---

**AUTHORIZED CONSUMPTION**

Billed metered:	+ ?	9	129.739	MG/Yr	
Billed unmetered:	+ ?	n/a	0.000	MG/Yr	
Unbilled metered:	+ ?	8	3.500	MG/Yr	
Unbilled unmetered:	+ ?	8	1.866	MG/Yr	

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

**AUTHORIZED CONSUMPTION:** 135.105 MG/Yr

Click here: ? for help using option buttons below

Pcnt:  Value:  MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt:  Value:  MG/Yr

---

**WATER LOSSES (Water Supplied - Authorized Consumption)**

**14.150** MG/Yr

**Apparent Losses**

Unauthorized consumption:	+ ?		0.373	MG/Yr	
---------------------------	-----	--	-------	-------	--

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	+ ?	10	0.000	MG/Yr	
Systematic data handling errors:	+ ?		0.324	MG/Yr	

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

**Apparent Losses:** 0.697 MG/Yr

Pcnt:  Value:  MG/Yr

Pcnt:  Value:  MG/Yr

---

**Real Losses (Current Annual Real Losses or CARL)**

**Real Losses = Water Losses - Apparent Losses:** 13.453 MG/Yr

**WATER LOSSES:** 14.150 MG/Yr

---

**NON-REVENUE WATER**

**NON-REVENUE WATER:** 19.516 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

---

**SYSTEM DATA**

Length of mains:	+ ?	8	110.0	miles	
Number of active AND inactive service connections:	+ ?	8	2,198		
Service connection density:	?		20	conn./mile main	

Are customer meters typically located at the curbstop or property line?  (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure:	+ ?	8	85.0	psi	
-----------------------------	-----	---	------	-----	--

---

**COST DATA**

Total annual cost of operating water system:	+ ?	10	\$1,837,526	\$/Year	
Customer retail unit cost (applied to Apparent Losses):	+ ?	10	\$13.50	\$/1000 gallons (US)	
Variable production cost (applied to Real Losses):	+ ?	10	\$7,453.21	\$/Million gallons U	

---

**WATER AUDIT DATA VALIDITY SCORE:**

\*\*\* YOUR SCORE IS: 91 out of 100 \*\*\*

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

**PRIORITY AREAS FOR ATTENTION:**

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Unauthorized consumption

2: Systematic data handling errors

3: Unbilled metered

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Sevier County Tennessee  
 Schedule of Unaccounted for Water  
 Public Utility Fund  
 For the Year Ended June 30, 2021

AWWA Free Water Audit Software: System Attributes and Performance Indicators		WAS v5.0 American Water Works Association. Copyright © 2014. All Rights Reserved.
Water Audit Report for: <b>Sevier County Water Department (TN0008279)</b>		
Reporting Year: <b>2021</b>   <b>7/2020 - 6/2021</b>		
<b>*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 91 out of 100 ***</b>		
<b>System Attributes:</b>		
	Apparent Losses:	<b>0.697</b> MG/Yr
	+ Real Losses:	<b>13.453</b> MG/Yr
	= <b>Water Losses:</b>	<b>14.150</b> MG/Yr
	<b>Unavoidable Annual Real Losses (UARL):</b>	<b>28.69</b> MG/Yr
	Annual cost of Apparent Losses:	<b>\$9,416</b>
	Annual cost of Real Losses:	<b>\$100,267</b> Valued at <b>Variable Production Cost</b> Return to Reporting Worksheet to change this assumption
<b>Performance Indicators:</b>		
Financial:	Non-revenue water as percent by volume of Water Supplied:	<b>13.1%</b>
	Non-revenue water as percent by cost of operating system:	<b>8.1%</b> Real Losses valued at Variable Production Cost
Operational Efficiency:	Apparent Losses per service connection per day:	<b>0.87</b> gallons/connection/day
	Real Losses per service connection per day:	<b>N/A</b> gallons/connection/day
	Real Losses per length of main per day*:	<b>335.06</b> gallons/mile/day
	Real Losses per service connection per day per psi pressure:	<b>N/A</b> gallons/connection/day/psi
	From Above, Real Losses = Current Annual Real Losses (CARL):	<b>13.45</b> million gallons/year
	<b>Infrastructure Leakage Index (ILI) [CARL/UARL]:</b>	<b>0.47</b>
* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline		

# 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

Sevier County Mayor and  
Board of County Commissioners  
Sevier 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 Sevier County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Sevier County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 10, 2021. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Sevier County School Department, as described in our report on Sevier County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Sevier 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 Sevier County's internal control. Accordingly, we do not express an opinion on the effectiveness of Sevier 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 a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2021-002.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sevier County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2021-001.

### **Sevier County's Responses to the Findings**

Sevier County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Sevier County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Sevier 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

December 10, 2021

JEM/tg





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

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

To the County Mayor and Board of County Commissioners:

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

We have audited Sevier 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 Sevier County's major federal programs for the year ended June 30, 2021. Sevier 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 Sevier 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 Sevier 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 Sevier County's compliance.

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

In our opinion, Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Sevier County's basic financial statements. We issued our report thereon dated December 10, 2021, 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

December 10, 2021

JEM/tg

Sevier County, Tennessee, and the Sevier County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8)  
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:			
Direct Program:			
Emergency Watershed Protection Program	10.923	N/A	\$ 233,158
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	1,649,937
National School Lunch Program	10.555	N/A	3,980,532 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	465,641 (5)
National School Lunch Program (Commodities - Cash Assistance)	10.555	N/A	26,301 (5)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-21-66859	95,459
Total U.S. Department of Agriculture			<u>\$ 6,451,028</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	(3)	\$ 162,040
Total U.S. Department of Housing and Urban Development			<u>\$ 162,040</u>
U.S. Department of Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 356,034
Total U.S. Department of Interior			<u>\$ 356,034</u>
U.S. Department of Justice:			
Direct Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	\$ 1,380 (5)
Comprehensive Opioid Abuse Site-Based Program	16.838	N/A	131,603
Passed-through Office of Criminal Justice Programs:			
Crime Victim Assistance	16.575	(3)	129,975
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	166,148 (5)
Total U.S. Department of Justice			<u>\$ 429,106</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
COVID 19 - Unemployment Insurance	17.225	N/A	\$ 64,158
Total U.S. Department of Labor			<u>\$ 64,158</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	\$ 25,780
Total U.S. Department of Transportation			<u>\$ 25,780</u>
U.S. Department of the Treasury:			
Passed-through State Department of Finance and Administration:			
COVID 19 - Coronavirus Relief Fund	21.019	N/A	\$ 1,468,380 (5)
Passed-through State Department of Education:			
COVID 19 - Coronavirus Relief Fund	21.019	N/A	549,557 (5)
Passed-through State Department of Tourist Development:			
COVID 19 - Coronavirus Relief Fund	21.019	N/A	50,000 (5)
Total U.S. Department of Treasury			<u>\$ 2,067,937</u>
U.S. Institute of Museum and Library Services:			
Passed-through State Library and Archives:			
COVID 19 - Grants to States	45.310	N/A	\$ 2,887
Total U.S. Institute of Museum and Library Services			<u>\$ 2,887</u>

(Continued)

Sevier County, Tennessee, and the Sevier County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 3,465,226
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	3,064,723
Special Education - Preschool Grants	84.173	N/A	103,326
Career and Technical Education - Basic Grants to States	84.048	N/A	255,852
Twenty-First Century Community Learning Centers	84.287	N/A	86,893
English Language Acquisition State Grants	84.365	N/A	153,297
Improving Teacher Quality State Grants	84.367	N/A	449,674
Student Support and Academic Enrichment Program	84.424	N/A	281,184
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	N/A	2,698,187 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	2,620,525 (5)
Total U.S. Department of Education			<u>\$ 13,178,887</u>
U.S. Department of Health and Human Services:			
Passed-through East Tennessee Human Resource Agency:			
Aging Cluster: (4)			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	(3)	\$ 82,962 (5)
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers - Cares Act	93.044	(3)	23,007 (5)
Passed-through State Department of Health:			
Environmental Public Health and Emergency Response	93.070	GG-21-66859	12,795
Family Planning Services	93.217	GG-21-66859	14,659
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-21-66859	22,542 (5)
Maternal and Child Health Services Block Grant to the States	93.994	GG-21-66859	27,139
Passed-through State Department of Education:			
477 Cluster: (4)			
Temporary Assistance for Needy Families	93.558	(3)	353,784 (5)
Passed-through State Department of Mental Health and Substance Abuse:			
477 Cluster: (4)			
Temporary Assistance for Needy Families	93.558	(3)	55,786 (5)
Medicaid Cluster: (4)			
Opioid STR	93.788	(3)	93,721 (5)
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(3)	71,470
Total U.S. Department of Health and Human Services			<u>\$ 757,865</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(3)	\$ 213,321
Homeland Security Grant Program	97.067	(7)	90,830
Total U.S. Department of Homeland Security			<u>\$ 304,151</u>
Total Expenditures of Federal Grants			<u>\$ 23,799,873</u>

State Grants		Contract Number	
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Aging Program - State Office on Aging	N/A	(3)	17,418
Litter Program - State Department of Transportation	N/A	(3)	70,683
Waste Tire Grant - State Department of Environment and Conservation	N/A	(3)	68,478
Health Department Program - State Department of Health	N/A	GG-21-66859	443,787
Tennessee Certified Recovery Court Program - State Department of Mental Health	N/A	33901	90,135
Law Enforcement Training - State Department of Safety	N/A	(3)	76,800
Library Technology Training Grant - State Secretary of State	N/A	(3)	5,000
State Direct Appropriation Grant FY 2020 - State Department of Finance and Administration	N/A	(3)	1,578,968
Public Assistance Grant - State Emergency Management Agency	N/A	(3)	33,996
Mental Health Transport Grant - State Department of Finance and Administration	N/A	(3)	63,825
Family Resource Center - State Department of Education	N/A	(3)	29,612
Coordinated School Health - State Department of Education	N/A	(3)	100,000
Driver's Education - State Commission of Education	N/A	(3)	34,441

(Continued)

Sevier County, Tennessee, and the Sevier County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
<u>State Grants</u>			
Lottery for Education - State Department of Education	N/A	(3)	\$ 145,644
School Safety - State Department of Education	N/A	(3)	167,990
FastTrack Infrastructure Grant - State Department of Economic and Community Development	N/A	(3)	611,059
Summer Learning Camp - State Department of Education	N/A	(3)	453,846
Learning Camp Transportation - State Department of Education	N/A	(3)	149,368
Bridge Camp - State Department of Education	N/A	(3)	182,398
Stream Mini Camp - State Department of Education	N/A	(3)	<u>116,484</u>
Total State Grants			<u>\$ 4,448,932</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) Sevier County elected to not use the 10% de minimus cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$6,122,411; Highway Safety Cluster total \$25,780; Special Education Cluster total \$3,168,049; Aging Cluster total \$105,969; Medicaid Cluster total \$116,263; 477 Cluster total \$409,570.
- (5) Total for FAL No. 10.555 is \$4,472,474; Total for FAL No. 16.738 is \$167,528; Total for FAL No. 21.019 is \$2,067,937; Total for FAL No. 84.425D is \$5,318,712; Total for FAL No. 93.044 is \$105,969; Total for FAL No. 93.558 is \$409,570; Total for FAL No. 93.788 is \$116,263.
- (6) Z-20-THS229: \$17,786; Z-21-THS263: \$7,994.
- (7) 65931-33055 2019 HSGP: \$11,268; 68349-36326 2020 HSGP: \$40,500; 34101-25818 2021 HSGP: \$39,062.
- (8) For the year ended June 30, 2021, Sevier County received donated PPE valued at \$783,769 (\$587,827 federal and \$195,942 state) from the Tennessee Department of Military. These donations were unaudited.

Sevier 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 Sevier 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
-------------	-------------	----------------	------------------	------------	----------------

**OFFICE OF COUNTY CLERK**

2020	258	2020-001	Time sheets for an employee did not always reflect actual time worked.	N/A	Corrected
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***Prior-year Federal Awards Findings***

There were no prior-year federal award findings to report.

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**SEVIER COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2021**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Sevier 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 Number: 21.019 Coronavirus Relief Fund
  - \* Assistance Listings Number: 84.010 Title I Grants to Local Education Agencies
  - \* Assistance Listings Number: 84.425D Education Stabilization Fund -  
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? **YES**



## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### **OFFICE OF COUNTY CLERK**

#### **FINDING 2021-001**

#### **TWO EMPLOYEES OF THE COUNTY CLERK'S OFFICE WERE INDICTED BY THE SEVIER COUNTY GRAND JURY**

(Noncompliance Under *Government Auditing Standards*)

On October 7, 2021, two employees of the Sevier County Clerk's office were indicted by the Sevier County Grand Jury on multiple charges. Brandy Thornton was charged with six counts of official misconduct, three counts of bribery of a public servant, two counts of tampering with evidence, one count of forgery, and one count of criminal simulation. Roberta Lynne Webb-Allen was charged with four counts of tampering with governmental records, two counts of forgery, two counts of criminal simulation, and two counts of official misconduct.

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### **SEVIER COUNTY**

#### **FINDING 2021-002**

#### **PROPERTY TAX COLLECTIONS WERE NOT PRORATED ACCURATELY**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

On June 29, 2020, the county commission adopted a resolution fixing the property tax levy for the fiscal year beginning July 1, 2020. The tax rate of \$1.86 remained unchanged in total from the 2019 tax levy adopted in the prior year. However, the new 2020 tax levy included a change in the proration of \$0.01 which was reallocated from the General Debt Service Fund to the Special Purpose Fund.

During our audit procedures, we discovered that the 2019 property tax levy resolution was mistakenly recorded in the county commission minutes by the county clerk instead of the current 2020 property tax levy resolution. Therefore, the 2019 property tax levy resolution was certified by Sevier County officials. Due to certifying the incorrect property tax levy resolution, the trustee used the 2019 rate to prorate the current 2020 property tax collection,

which resulted in approximately \$386,504 of property tax collections being prorated to the General Debt Service Fund instead of to the Special Purpose Fund.

This proration error was a result of management not ensuring that the approved tax levy resolution was recorded accurately in the county commission minutes and that the correct property tax rate was used to prorate property tax collections. The proration error has been corrected in this report.

#### RECOMMENDATION

The county clerk should ensure that resolutions adopted by the county commission are recorded accurately in the minutes. The trustee should ensure that property tax collections are accurately prorated in accordance with the tax levy approved by the county commission.

#### MANAGEMENT'S RESPONSE – COUNTY CLERK, TRUSTEE AND VICE MAYOR

The minutes of the Sevier County Board of Commissioners included the incorrect allocation via the 2019 tax allocation. The resolution that was presented to Commission and that was duly approved by the Commission is reflected within the 2020 property tax allocation that was included in the distributed information to the Commissioners. This fund misallocation, once realized, was corrected by the County Clerk in the minutes and the Trustee's Office within their funds. The misallocation to another fund is easily corrected and misallocations are corrected frequently depending on the situation. In addition, this misallocation was not material to the financial statements. Going forward, the Sevier County Mayor's Office will coordinate post-budget meetings with several offices and departments to ensure the property tax collection rate and allocation reflects the properly approved property tax resolution.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no findings and recommendations, as a result of our audit of federal awards of Sevier County, Tennessee, for the year ended June 30, 2021.

**Sevier 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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**OFFICES OF COUNTY CLERK, TRUSTEE AND VICE MAYOR**

2021-002	Property tax collections were not prorated accurately.	261
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125 Court Avenue  
Suite 201E  
Sevierville, TN 37862

**Larry Waters** *County Mayor*

**Corrective Action Plan**

**FINDING: PROPERTY TAX COLLECTIONS WERE NOT PRORATED ACCURATELY**

**Response and Corrective Action Plan Prepared by:**  
Bryan McCarter, Sevier County Vice Mayor

**Person Responsible for Implementing the Corrective Action:**  
Karen Cotter, Sevier County Clerk  
Larry Waters, Sevier County Mayor  
Bryan McCarter, Sevier County Vice Mayor  
Brooke Huffaker, Sevier County Finance Director  
Greg Patterson, Trustee

**Anticipated Completion Date of Corrective Action:**  
N/A

**Repeat Finding:**  
No

**Planned Corrective Action:**  
The Sevier County Clerk will ensure resolutions are properly recorded by referencing the official copy provided to the Sevier County Board of Commissioners by the Sevier County Mayor prior to attestation. In addition, the Sevier County Mayor's Office will implement internal controls to provide a check and internal audit function for financial-related minutes of the Sevier County Board of Commissioners as maintained by the Sevier County Clerk. Further, an annual meeting post adoption of the budget will be coordinated between the offices of Sevier County Mayor, Sevier County Trustee, Sevier County Clerk, and the Sevier County Property Assessor to ensure proper communication and recording of the actions taken by the Board of Commissioners.

Signature:     *Karen Cotter*     - Sevier County Clerk  
Signature:     *Greg Patterson*     - Sevier County Trustee  
Signature:     *Larry Waters*     - Sevier County Mayor's Office

## **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 Sevier County.

### **SEVIER COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Sevier County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Sevier County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.