



ANNUAL FINANCIAL REPORT

Hartsville/Trousdale County Government, Tennessee

For the Year Ended June 30, 2021

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
HARTSVILLE/TROUSDALE
COUNTY GOVERNMENT, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2021

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

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Audit Manager

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

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Summary of Audit Findings

Annual Financial Report
Hartsville/Trousdale County Government, Tennessee
For the Year Ended June 30, 2021

Scope

We have audited the basic financial statements of Hartsville/Trousdale County Government as of and for the year ended June 30, 2021.

Results

Our report on Hartsville/Trousdale County Government is unmodified.

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

Findings

The following are summaries of the audit findings:

WATER AND SEWER UTILITY DEPARTMENT

- ◆ The department had deficiencies in the maintenance of capital asset records.
- ◆ Competitive bids were not solicited for some work on sewer lines.



INTRODUCTORY SECTION

Hartsville/Trousdale County Officials
June 30, 2021

Officials

Stephen Chambers, County Mayor
Billy Scruggs, Superintendent of Roads
Clint Satterfield, Director of Schools
Cindy Carman, Trustee
Mike Potts, Assessor of Property
Rita Crowder, County Clerk
Kim Taylor, Circuit, General Sessions, and Juvenile Courts Clerk
Shelly Brawner, Clerk and Master
Candice Hall, Register of Deeds
Ray Russell, Sheriff

Hartsville/Trousdale County Government Commissioners

| | |
|-------------------------|-----------------|
| Dwight Jewell, Chairman | David Nollner |
| Shane Burton | Landon Gulley |
| Jerry Ford | Gary Walsh |
| Lonnie Taylor | Terry Gregory |
| Coy Dickey | Rick Davis |
| Richard Harsh | Amber Russell |
| Gary Claridy | Ken Buckmaster |
| William Fergusson | Steve Whittaker |
| Richard Johnson | Rachel Jones |
| Beverly Atwood | Mary Ann Baker |

Highway Commission

Stephen Chambers, County Mayor, Chairman
Billy Scruggs, Superintendent of Roads
Bobby Joe Lewis

Board of Education

John Kerr, Chairman
Anthony Crook
Barbara Towns
Regina Waller
Jason Sullivan

Audit Committee

Richard Harsh, Chairman
Beverly Atwood
Mary Ann Baker
Coy Dickey
Rachel Jones
Dwight Jewell
Steve Whittaker

Water and Sewer Board

Craig Moreland, Chairman
Stephen Chambers, County Mayor
Todd Webber
Mark White
Heather Bay
Dwight Jewell

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Hartsville/Trousdale County Government Mayor and
Board of Metropolitan Commissioners
Hartsville/Trousdale County, Tennessee

To the County Mayor and Board of Metropolitan 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 Hartsville/Trousdale County Government, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the metropolitan government'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 Hartsville/Trousdale County School Department (discretely presented component unit), which represents .97 percent, 1.21 percent, and 2.73 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Hartsville/Trousdale 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 the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hartsville/Trousdale County Government, Tennessee, as of June 30, 2021, and the respective changes in financial position, and the respective budgetary comparison for the General and Special Purpose funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Changes in Accounting Principle

As described in Note V.B., Hartsville/Trousdale County Government 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.10., to the financial statements, which describes a restatement to the beginning Custodial Funds net position totaling \$1,235,858 on the Statement of Changes in Net Position – Fiduciary Funds and a restatement to the discretely presented Hartsville/Trousdale County School Department's beginning net position totaling \$201,488 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 metropolitan government's net pension liability (asset) and related ratios, schedules of metropolitan government and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of metropolitan government and school changes in the total OPEB liability 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 Hartsville/Trousdale County Government's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Hartsville/Trousdale 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, combining and individual fund financial statements of the Hartsville/Trousdale County School Department (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, combining and individual fund financial statements of the Hartsville/Trousdale County School Department (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 20, 2021, on our consideration of Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

December 20, 2021

JEM/sl

BASIC FINANCIAL STATEMENTS

Exhibit A

Hartsville/Trousdale County Government, Tennessee
Statement of Net Position
June 30, 2021

| | Primary Government | | | Component Unit |
|---|--------------------|---------------|---------------|--|
| | Governmental | Business-type | Total | Hartsville/ Trousdale County School Department |
| | Activities | Activities | | |
| <u>ASSETS</u> | | | | |
| Cash | \$ 364 | \$ 4,321,594 | \$ 4,321,958 | \$ 228,321 |
| Equity in Pooled Cash and Investments | 9,136,952 | 0 | 9,136,952 | 3,825,839 |
| Accounts Receivable | 357,993 | 328,753 | 686,746 | 2,353 |
| Allowance for Uncollectibles | (7,426) | 0 | (7,426) | 0 |
| Due from Other Governments | 10,686,527 | 0 | 10,686,527 | 570,630 |
| Due from Other Funds - Custodial | 5,686 | 0 | 5,686 | 0 |
| Due from Component Units | 1,936,735 | 0 | 1,936,735 | 0 |
| Property Taxes Receivable | 5,402,229 | 0 | 5,402,229 | 1,715,579 |
| Allowance for Uncollectible Property Taxes | (469,446) | 0 | (469,446) | (149,131) |
| Net Pension Asset - Agent Plan | 656,268 | 32,639 | 688,907 | 57,414 |
| Net Pension Asset - Teacher Retirement Plan | 0 | 0 | 0 | 86,127 |
| Net Pension Asset - Teacher Legacy Pension Plan | 0 | 0 | 0 | 838,570 |
| Prepaid Items | 0 | 85,008 | 85,008 | 0 |
| Internal Balances | 22,477 | (22,477) | 0 | 0 |
| Restricted Assets: | | | | |
| Revenue Bond Future Debt Service | 0 | 98,248 | 98,248 | 0 |
| Amounts Accumulated for Pension Benefits | 0 | 0 | 0 | 133,182 |
| Capital Assets: | | | | |
| Assets Not Depreciated: | | | | |
| Land | 1,316,215 | 408,043 | 1,724,258 | 689,883 |
| Construction in Progress | 417,706 | 783,409 | 1,201,115 | 0 |
| Assets Net of Accumulated Depreciation: | | | | |
| Buildings and Improvements | 4,775,699 | 6,475 | 4,782,174 | 14,789,802 |
| Infrastructure | 5,024,034 | 18,069,408 | 23,093,442 | 0 |
| Other Capital Assets | 3,074,762 | 741,459 | 3,816,221 | 627,548 |
| Intangibles | 0 | 0 | 0 | 18,071 |
| Total Assets | \$ 42,336,775 | \$ 24,852,559 | \$ 67,189,334 | \$ 23,434,188 |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | | | |
| Pension Changes in Experience | \$ 285,954 | \$ 45,335 | \$ 331,289 | \$ 114,824 |
| Pension Changes in Assumptions | 49,360 | 7,877 | 57,237 | 92,737 |
| Pension Changes in Proportion | 0 | 0 | 0 | 26,567 |
| Pension Changes in Investment Earnings | 126,172 | 13,743 | 139,915 | 218,476 |
| Pension Contributions After Measurement Date | 249,058 | 40,968 | 290,026 | 494,905 |
| OPEB Changes in Experience | 1,189 | 0 | 1,189 | 163,896 |
| OPEB Changes in Assumptions | 1,947 | 0 | 1,947 | 119,677 |
| OPEB Changes in Proportion | 0 | 0 | 0 | 41,043 |
| OPEB Benefits Paid After Measurement Date | 5,437 | 0 | 5,437 | 33,677 |
| Total Deferred Outflows of Resources | \$ 719,117 | \$ 107,923 | \$ 827,040 | \$ 1,305,802 |

(Continued)

Exhibit A

Hartsville/Trousdale County Government, Tennessee
Statement of Net Position (Cont.)

| | Primary Government | | | Component Unit |
|---|--------------------|---------------|---------------|--------------------------------|
| | Governmental | Business-type | Total | Hartsville/ Trousdale |
| | Activities | Activities | | County School Department |
| <u>LIABILITIES</u> | | | | |
| Accounts Payable | \$ 10,238,389 | \$ 237,412 | \$ 10,475,801 | \$ 220,647 |
| Accrued Payroll | 50,281 | 12,565 | 62,846 | 40,600 |
| Payroll Deductions Payable | 46,293 | 241 | 46,534 | 248,693 |
| Accrued Interest Payable | 3,315 | 0 | 3,315 | 0 |
| Contracts Payable | 26,000 | 0 | 26,000 | 0 |
| Due to Primary Government | 0 | 0 | 0 | 1,936,735 |
| Due to State of Tennessee | 1,260 | 16,356 | 17,616 | 0 |
| Due to Litigants, Heirs, and Others | 314 | 0 | 314 | 0 |
| Current Liabilities Payable from Restricted Assets: | | | | |
| Customer Deposits Payable | 1,200 | 4,000 | 5,200 | 0 |
| Noncurrent Liabilities: | | | | |
| Due Within One Year - Debt | 1,242,446 | 98,248 | 1,340,694 | 0 |
| Due Within One Year - Other | 53,335 | 28,382 | 81,717 | 0 |
| Due in More Than One Year - Debt | 6,199,848 | 4,966,127 | 11,165,975 | 0 |
| Due in More Than One Year - Other | 234,954 | 0 | 234,954 | 1,074,218 |
| Total Liabilities | \$ 18,097,635 | \$ 5,363,331 | \$ 23,460,966 | \$ 3,520,893 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Deferred Current Property Taxes | \$ 4,812,675 | \$ 0 | \$ 4,812,675 | \$ 1,528,612 |
| Pension Changes in Experience | 426,809 | 68,112 | 494,921 | 544,565 |
| Pension Changes in Proportion | 0 | 0 | 0 | 30,090 |
| OPEB Changes in Experience | 0 | 0 | 0 | 106,914 |
| OPEB Changes in Assumptions | 6,848 | 0 | 6,848 | 90,087 |
| OPEB Changes in Proportion | 0 | 0 | 0 | 24,185 |
| Total Deferred Inflows of Resources | \$ 5,246,332 | \$ 68,112 | \$ 5,314,444 | \$ 2,324,453 |
| <u>NET POSITION</u> | | | | |
| Net Investment in Capital Assets | \$ 12,824,716 | \$ 14,944,419 | \$ 27,769,135 | \$ 16,125,304 |
| Restricted for: | | | | |
| General Government | 80,941 | 0 | 80,941 | 0 |
| Finance | 21,316 | 0 | 21,316 | 0 |
| Administration of Justice | 75,445 | 0 | 75,445 | 0 |
| Public Safety | 159,807 | 0 | 159,807 | 0 |
| Public Health and Welfare | 750 | 0 | 750 | 0 |
| Highway/Public Works | 1,364,744 | 0 | 1,364,744 | 0 |
| Debt Service | 67,913 | 347,882 | 415,795 | 0 |
| Capital Projects | 21,684 | 0 | 21,684 | 0 |
| Pensions | 656,268 | 0 | 656,268 | 1,115,293 |
| Education | 0 | 0 | 0 | 375,886 |
| Unrestricted | 4,438,341 | 4,236,738 | 8,675,079 | 1,278,161 |
| Total Net Position | \$ 19,711,925 | \$ 19,529,039 | \$ 39,240,964 | \$ 18,894,644 |

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

Exhibit B

Hartsville/Trousdale County Government, Tennessee
 Statement of Activities
 For the Year Ended June 30, 2021

| Functions/Programs | Net (Expense) Revenue and Changes in Net Position | | | | | | | Component Unit Hartsville/ Trousdale County School Department |
|---|--|----------------------------|---|---|----------------------------|-----------------------------|----------------|---|
| | Expenses | Program Revenues | | | Primary Government | | | |
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | |
| Primary Government: | | | | | | | | |
| Governmental Activities: | | | | | | | | |
| General Government | \$ 1,515,716 | \$ 314,451 | \$ 30,337 | \$ 781,001 | \$ (389,927) | \$ 0 | \$ (389,927) | \$ 0 |
| Finance | 511,796 | 354,621 | 0 | 0 | (157,175) | 0 | (157,175) | 0 |
| Administration of Justice | 521,292 | 215,974 | 20,000 | 0 | (285,318) | 0 | (285,318) | 0 |
| Public Safety | 57,899,114 | 54,457,746 | 337,946 | 290,000 | (2,813,422) | 0 | (2,813,422) | 0 |
| Public Health and Welfare | 2,353,161 | 1,053,542 | 124,941 | 0 | (1,174,678) | 0 | (1,174,678) | 0 |
| Social, Cultural, and Recreational Services | 322,245 | 8,400 | 14,689 | 0 | (299,156) | 0 | (299,156) | 0 |
| Agriculture and Natural Resources | 64,861 | 0 | 0 | 0 | (64,861) | 0 | (64,861) | 0 |
| Highways/Public Works | 2,163,317 | 0 | 1,766,949 | 222,065 | (174,303) | 0 | (174,303) | 0 |
| Education | 1,068,476 | 0 | 0 | 576,902 | (491,574) | 0 | (491,574) | 0 |
| Interest on Long-term Debt | 218,858 | 0 | 0 | 0 | (218,858) | 0 | (218,858) | 0 |
| Total Governmental Activities | \$ 66,638,836 | \$ 56,404,734 | \$ 2,294,862 | \$ 1,869,968 | \$ (6,069,272) | \$ 0 | \$ (6,069,272) | \$ 0 |
| Business-type Activities: | | | | | | | | |
| Public Utility - Water and Sewer | \$ 3,420,979 | \$ 3,656,467 | \$ 0 | \$ 495,222 | \$ 0 | \$ 730,710 | \$ 730,710 | \$ 0 |
| Total Business-type Activities | \$ 3,420,979 | \$ 3,656,467 | \$ 0 | \$ 495,222 | \$ 0 | \$ 730,710 | \$ 730,710 | \$ 0 |
| Total Primary Government | \$ 70,059,815 | \$ 60,061,201 | \$ 2,294,862 | \$ 2,365,190 | \$ (6,069,272) | \$ 730,710 | \$ (5,338,562) | \$ 0 |
| Component Unit: | | | | | | | | |
| Hartsville/Trousdale County | | | | | | | | |
| School Department | \$ 14,321,152 | \$ 425,932 | \$ 1,986,682 | \$ 1,049,170 | \$ 0 | \$ 0 | \$ 0 | \$ (10,859,368) |
| Total Component Unit | \$ 14,321,152 | \$ 425,932 | \$ 1,986,682 | \$ 1,049,170 | \$ 0 | \$ 0 | \$ 0 | \$ (10,859,368) |

(Continued)

Exhibit B

Hartsville/Trousdale County Government, Tennessee
Statement of Activities (Cont.)

| Functions/Programs | Net (Expense) Revenue and Changes in Net Position | | | | | | | Component Unit Hartsville/ Trousdale County School Department |
|---|--|----------------------------|---|---|----------------------------|-----------------------------|---------------|---|
| | Expenses | Program Revenues | | | Primary Government | | | |
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | |
| | | | | | | | | |
| General Revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property Taxes Levied for General Purposes | | | | \$ 4,736,172 | \$ 0 | \$ 4,736,172 | \$ 1,643,249 | |
| Property Taxes Levied for Debt Service | | | | 461,760 | 0 | 461,760 | 0 | |
| Local Option Sales Tax | | | | 806,790 | 0 | 806,790 | 933,051 | |
| Hotel/Motel Tax | | | | 1,721 | 0 | 1,721 | 0 | |
| Local Amusement Tax | | | | 97 | 0 | 97 | 0 | |
| Wheel Tax | | | | 389,626 | 0 | 389,626 | 0 | |
| Litigation Tax | | | | 107,164 | 0 | 107,164 | 0 | |
| Business Tax | | | | 109,066 | 0 | 109,066 | 40,640 | |
| Mixed Drink Tax | | | | 6,202 | 0 | 6,202 | 5,845 | |
| Adequate Facilities/Development Tax | | | | 139,678 | 0 | 139,678 | 0 | |
| Wholesale Beer Tax | | | | 162,425 | 0 | 162,425 | 0 | |
| Grants and Contributions Not Restricted for Specific Programs | | | | 299,866 | 0 | 299,866 | 9,112,478 | |
| Unrestricted Investment Income | | | | 74,605 | 39,535 | 114,140 | 21,802 | |
| Miscellaneous | | | | 0 | 12,852 | 12,852 | 155,843 | |
| Total General Revenues | | | | \$ 7,295,172 | \$ 52,387 | \$ 7,347,559 | \$ 11,912,908 | |
| Change in Net Position | | | | \$ 1,225,900 | \$ 783,097 | \$ 2,008,997 | \$ 1,053,540 | |
| Restatement - See Note I.D.10 | | | | 0 | 0 | 0 | 201,488 | |
| Net Position, July 1, 2020 | | | | 18,486,025 | 18,745,942 | 37,231,967 | 17,639,616 | |
| Net Position, June 30, 2021 | | | | \$ 19,711,925 | \$ 19,529,039 | \$ 39,240,964 | \$ 18,894,644 | |

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

Exhibit C-1

Hartsville/Trousdale County Government, Tennessee
Balance Sheet
Governmental Funds
June 30, 2021

| | <u>Major Funds</u> | | <u>Nonmajor</u> <u>Funds</u> | |
|--|---------------------|----------------------------------|---|---|
| | <u>General</u> | <u>Special</u> <u>Purpose</u> | <u>Other</u> <u>Govern-</u> <u>mental</u> <u>Funds</u> | <u>Total</u> <u>Governmental</u> <u>Funds</u> |
| <u>ASSETS</u> | | | | |
| Cash | \$ 50 | \$ 0 | \$ 314 | \$ 364 |
| Equity in Pooled Cash and Investments | 4,253,220 | 0 | 4,883,732 | 9,136,952 |
| Accounts Receivable | 197,324 | 0 | 160,669 | 357,993 |
| Allowance for Uncollectibles | 0 | 0 | (7,426) | (7,426) |
| Due from Other Governments | 234,921 | 10,099,806 | 351,800 | 10,686,527 |
| Due from Other Funds | 17,077 | 0 | 19,042 | 36,119 |
| Property Taxes Receivable | 3,192,265 | 0 | 2,209,964 | 5,402,229 |
| Allowance for Uncollectible Property Taxes | (277,494) | 0 | (191,952) | (469,446) |
| Total Assets | <u>\$ 7,617,363</u> | <u>\$ 10,099,806</u> | <u>\$ 7,426,143</u> | <u>\$ 25,143,312</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts Payable | \$ 24,324 | \$ 10,099,806 | \$ 114,259 | \$ 10,238,389 |
| Accrued Payroll | 0 | 0 | 50,281 | 50,281 |
| Payroll Deductions Payable | 46,293 | 0 | 0 | 46,293 |
| Contracts Payable | 26,000 | 0 | 0 | 26,000 |
| Due to Other Funds | 0 | 0 | 7,956 | 7,956 |
| Due to State of Tennessee | 0 | 0 | 1,260 | 1,260 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 314 | 314 |
| Current Liabilities Payable From Restricted Assets | 1,200 | 0 | 0 | 1,200 |
| Total Liabilities | <u>\$ 97,817</u> | <u>\$ 10,099,806</u> | <u>\$ 174,070</u> | <u>\$ 10,371,693</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Deferred Current Property Taxes | \$ 2,844,367 | \$ 0 | \$ 1,968,308 | \$ 4,812,675 |

(Continued)

Exhibit C-1

Hartsville/Trousdale County Government, Tennessee
Balance Sheet
Governmental Funds (Cont.)

| | <u>Major Funds</u> | | <u>Nonmajor</u> | <u>Total</u> |
|---|---------------------|------------------------|---|---------------------|
| | <u>General</u> | <u>Special Purpose</u> | <u>Funds</u> <u>Other</u> <u>Governmental</u> <u>Funds</u> | |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | | | |
| Deferred Delinquent Property Taxes | \$ 62,875 | \$ 0 | \$ 44,604 | \$ 107,479 |
| Other Deferred/Unavailable Revenue | 40,000 | 0 | 211,339 | 251,339 |
| Total Deferred Inflows of Resources | <u>\$ 2,947,242</u> | <u>\$ 0</u> | <u>\$ 2,224,251</u> | <u>\$ 5,171,493</u> |
| <u>FUND BALANCES</u> | | | | |
| Restricted: | | | | |
| Restricted for General Government | \$ 18,066 | \$ 0 | \$ 0 | \$ 18,066 |
| Restricted for Finance | 21,316 | 0 | 0 | 21,316 |
| Restricted for Administration of Justice | 75,445 | 0 | 0 | 75,445 |
| Restricted for Public Safety | 86,406 | 0 | 73,401 | 159,807 |
| Restricted for Public Health and Welfare | 750 | 0 | 0 | 750 |
| Restricted for Highways/Public Works | 0 | 0 | 1,233,912 | 1,233,912 |
| Restricted for Debt Service | 0 | 0 | 61,770 | 61,770 |
| Restricted for Capital Projects | 0 | 0 | 21,684 | 21,684 |
| Committed: | | | | |
| Committed for General Government | 0 | 0 | 1,222,448 | 1,222,448 |
| Committed for Public Safety | 3,541 | 0 | 0 | 3,541 |
| Committed for Public Health and Welfare | 0 | 0 | 1,200,413 | 1,200,413 |
| Committed for Social, Cultural, and Recreational Services | 87,370 | 0 | 0 | 87,370 |
| Committed for Debt Service | 0 | 0 | 924,506 | 924,506 |
| Committed for Other Purposes | 767,149 | 0 | 273,000 | 1,040,149 |
| Assigned: | | | | |
| Assigned for General Government | 1,783,112 | 0 | 12,491 | 1,795,603 |
| Assigned for Finance | 589 | 0 | 0 | 589 |
| Assigned for Administration of Justice | 3,546 | 0 | 0 | 3,546 |

(Continued)

Exhibit C-1

Hartsville/Trousdale County Government, Tennessee
Balance Sheet
Governmental Funds (Cont.)

| | <u>Major Funds</u> | | <u>Nonmajor</u> | <u>Total</u> |
|---|---------------------|------------------------|---|----------------------|
| | <u>General</u> | <u>Special Purpose</u> | <u>Funds</u> <u>Other</u> <u>Governmental</u> <u>Funds</u> | |
| <u>FUND BALANCES (Cont.)</u> | | | | |
| Assigned (Cont.): | | | | |
| Assigned for Public Safety | \$ 160,445 | \$ 0 | \$ 0 | \$ 160,445 |
| Assigned for Public Health and Welfare | 2,787 | 0 | 4,197 | 6,984 |
| Assigned for Social, Cultural, and Recreational Services | 5,817 | 0 | 0 | 5,817 |
| Assigned for Other Operations | 205,153 | 0 | 0 | 205,153 |
| Unassigned | 1,350,812 | 0 | 0 | 1,350,812 |
| Total Fund Balances | <u>\$ 4,572,304</u> | <u>\$ 0</u> | <u>\$ 5,027,822</u> | <u>\$ 9,600,126</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 7,617,363</u> | <u>\$ 10,099,806</u> | <u>\$ 7,426,143</u> | <u>\$ 25,143,312</u> |

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

Hartsville/Trousdale County Government, 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) | | \$ | 9,600,126 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | | |
| Add: land | \$ | 1,316,215 | |
| Add: construction in progress | | 417,706 | |
| Add: buildings and improvements net of accumulated depreciation | | 4,775,699 | |
| Add: infrastructure net of accumulated depreciation | | 5,024,034 | |
| Add: other capital assets net of accumulated depreciation | | <u>3,074,762</u> | 14,608,416 |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | | |
| Less: notes payable | \$ | (1,284,700) | |
| Less: other loans payable | | (6,157,594) | |
| Add: debt to be contributed by the school department | | 1,936,735 | |
| Less: compensated absences payable | | (107,597) | |
| Less: landfill postclosure care costs | | (108,424) | |
| Less: OPEB liability - Medicare supplement plan | | (72,268) | |
| Less: accrued interest on notes | | <u>(3,315)</u> | (5,797,163) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years. | | | |
| Add: deferred outflows of resources related to pensions | \$ | 710,544 | |
| Less: deferred inflows of resources related to pensions | | (426,809) | |
| Add: deferred outflows of resources related to OPEB | | 8,573 | |
| Less: deferred inflows of resources related to OPEB | | <u>(6,848)</u> | 285,460 |
| (4) Net pension assets of the county agent plans are not current financial resources and therefore are not reported in the governmental funds. | | | |
| Add: net pension asset - county agent plan | \$ | 204,527 | |
| Add: net pension asset - former city of Hartsville agent plan | | <u>451,741</u> | 656,268 |
| (5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. | | | <u>358,818</u> |
| Net position of governmental activities (Exhibit A) | | \$ | <u><u>19,711,925</u></u> |

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

Exhibit C-3

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

| | Major Funds | | Nonmajor Funds | Total Governmental Funds |
|---|--------------|--------------------|-------------------------------------|--------------------------------|
| | General | Special Purpose | Other Govern- mental Funds | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 4,479,732 | \$ 0 | \$ 2,685,505 | \$ 7,165,237 |
| Licenses and Permits | 149,753 | 0 | 64,782 | 214,535 |
| Fines, Forfeitures, and Penalties | 98,025 | 0 | 12,707 | 110,732 |
| Charges for Current Services | 37,893 | 0 | 1,013,546 | 1,051,439 |
| Other Local Revenues | 135,496 | 0 | 94,138 | 229,634 |
| Fees Received From County Officials | 550,615 | 0 | 0 | 550,615 |
| State of Tennessee | 1,047,491 | 54,196,717 | 2,311,942 | 57,556,150 |
| Federal Government | 588,958 | 0 | 231,065 | 820,023 |
| Other Governments and Citizens Groups | 16,400 | 0 | 458,440 | 474,840 |
| Total Revenues | \$ 7,104,363 | \$ 54,196,717 | \$ 6,872,125 | \$ 68,173,205 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| General Government | \$ 1,075,636 | \$ 0 | \$ 0 | \$ 1,075,636 |
| Finance | 482,887 | 0 | 0 | 482,887 |
| Administration of Justice | 545,292 | 0 | 2,419 | 547,711 |
| Public Safety | 3,356,635 | 54,196,717 | 532,407 | 58,085,759 |
| Public Health and Welfare | 148,314 | 0 | 2,133,935 | 2,282,249 |
| Social, Cultural, and Recreational Services | 279,224 | 0 | 4,600 | 283,824 |
| Agriculture and Natural Resources | 62,889 | 0 | 0 | 62,889 |
| Other Operations | 354,201 | 0 | 147,897 | 502,098 |
| Highways | 0 | 0 | 1,852,771 | 1,852,771 |
| Debt Service: | | | | |
| Principal on Debt | 0 | 0 | 1,335,854 | 1,335,854 |
| Interest on Debt | 0 | 0 | 217,633 | 217,633 |
| Other Debt Service | 0 | 0 | 32,647 | 32,647 |

(Continued)

Exhibit C-3

Hartsville/Trousdale County Government, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds (Cont.)

| | Major Funds | | Nonmajor Funds | Total Governmental Funds |
|--|--------------|--------------------|-------------------------------------|--------------------------------|
| | General | Special Purpose | Other Govern- mental Funds | |
| <u>Expenditures (Cont.)</u> | | | | |
| Capital Projects | \$ 0 | \$ 0 | \$ 1,389,801 | \$ 1,389,801 |
| Total Expenditures | \$ 6,305,078 | \$ 54,196,717 | \$ 7,649,964 | \$ 68,151,759 |
| Excess (Deficiency) of Revenues Over Expenditures | | | | |
| | \$ 799,285 | \$ 0 | \$ (777,839) | \$ 21,446 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 1,049,170 | \$ 1,049,170 |
| Insurance Recovery | 44,832 | 0 | 12,162 | 56,994 |
| Transfers In | 0 | 0 | 146,108 | 146,108 |
| Transfers Out | (122,315) | 0 | (23,793) | (146,108) |
| Total Other Financing Sources (Uses) | \$ (77,483) | \$ 0 | \$ 1,183,647 | \$ 1,106,164 |
| Net Change in Fund Balances | | | | |
| Fund Balance, July 1, 2020 | \$ 3,850,502 | \$ 0 | \$ 4,622,014 | \$ 8,472,516 |
| Fund Balance, June 30, 2021 | | | | |
| | \$ 4,572,304 | \$ 0 | \$ 5,027,822 | \$ 9,600,126 |

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

Hartsville/Trousdale County Government, 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) | | \$ 1,127,610 |
| (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 outlays purchased in the current period | \$ 1,080,027 | |
| Less: current-year depreciation expense | <u>(861,533)</u> | 218,494 |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position. | | |
| Less: book value of capital assets disposed | | (17,704) |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Less: deferred delinquent property taxes and other deferred June 30, 2020 | \$ (384,640) | |
| Add: deferred delinquent property taxes and other deferred June 30, 2021 | <u>358,818</u> | (25,822) |
| (4) The issuance of long-term debt (e.g., 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. | | |
| Less: note proceeds | \$ (1,049,170) | |
| Add: principal payments on notes | 289,070 | |
| Add: principal payments on other loans | 1,046,784 | |
| Less: contributions from the school department for other loans payable | <u>(266,784)</u> | 19,900 |
| (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 landfill postclosure care costs | \$ 20,078 | |
| Change in compensated absences | 9,264 | |
| Change in OPEB liability - Medicare supplement plan | (10,354) | |
| Change in accrued interest payable | (1,225) | |
| Change in deferred outflows of resources related to pensions | (149,044) | |
| Change in deferred inflows of resources related to pensions | (8,230) | |
| Change in deferred outflows of resources related to OPEB | (8,028) | |
| Change in deferred inflows of resources related to OPEB | 1,397 | |
| Change in net pension liability/asset - county agent plan | 189,742 | |
| Change in net pension liability/asset - former city of Hartsville agent plan | <u>(140,178)</u> | <u>(96,578)</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 1,225,900</u> |

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

Exhibit C-5

Hartsville/Trousdale County Government, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General 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 | \$ 4,479,732 | \$ 0 | \$ 0 | \$ 4,479,732 | \$ 3,931,863 | \$ 4,125,579 | \$ 354,153 |
| Licenses and Permits | 149,753 | 0 | 0 | 149,753 | 109,100 | 110,100 | 39,653 |
| Fines, Forfeitures, and Penalties | 98,025 | 0 | 0 | 98,025 | 81,650 | 81,650 | 16,375 |
| Charges for Current Services | 37,893 | 0 | 0 | 37,893 | 26,425 | 26,425 | 11,468 |
| Other Local Revenues | 135,496 | 0 | 0 | 135,496 | 134,000 | 152,150 | (16,654) |
| Fees Received From County Officials | 550,615 | 0 | 0 | 550,615 | 514,000 | 514,000 | 36,615 |
| State of Tennessee | 1,047,491 | 0 | 0 | 1,047,491 | 825,157 | 947,013 | 100,478 |
| Federal Government | 588,958 | 0 | 0 | 588,958 | 122,000 | 378,607 | 210,351 |
| Other Governments and Citizens Groups | 16,400 | 0 | 0 | 16,400 | 15,000 | 15,000 | 1,400 |
| Total Revenues | \$ 7,104,363 | \$ 0 | \$ 0 | \$ 7,104,363 | \$ 5,759,195 | \$ 6,350,524 | \$ 753,839 |
| <u>Expenditures</u> | | | | | | | |
| <u>General Government</u> | | | | | | | |
| County Commission | \$ 150,286 | \$ (857) | \$ 418 | \$ 149,847 | \$ 105,029 | \$ 177,029 | \$ 27,182 |
| Beer Board | 285 | 0 | 0 | 285 | 423 | 423 | 138 |
| County Mayor/Executive | 332,122 | (362) | 549 | 332,309 | 302,139 | 352,754 | 20,445 |
| County Attorney | 25,976 | 0 | 0 | 25,976 | 30,100 | 30,100 | 4,124 |
| Election Commission | 115,706 | (2,062) | 534 | 114,178 | 136,576 | 143,708 | 29,530 |
| Register of Deeds | 113,966 | (573) | 53 | 113,446 | 116,544 | 116,544 | 3,098 |
| Planning | 89,478 | (555) | 0 | 88,923 | 88,090 | 107,284 | 18,361 |
| Codes Compliance | 258 | 0 | 0 | 258 | 1,500 | 1,500 | 1,242 |
| County Buildings | 246,100 | (4,067) | 2,957 | 244,990 | 281,140 | 299,679 | 54,689 |
| Preservation of Records | 1,459 | (167) | 0 | 1,292 | 1,200 | 1,843 | 551 |
| <u>Finance</u> | | | | | | | |
| Property Assessor's Office | 140,070 | (70) | 87 | 140,087 | 144,810 | 144,810 | 4,723 |
| County Trustee's Office | 143,121 | 0 | 27 | 143,148 | 147,035 | 147,035 | 3,887 |
| County Clerk's Office | 135,814 | (1,111) | 475 | 135,178 | 137,589 | 137,589 | 2,411 |
| Data Processing | 63,882 | 0 | 0 | 63,882 | 75,150 | 75,150 | 11,268 |
| <u>Administration of Justice</u> | | | | | | | |
| Circuit Court | 188,443 | (317) | 266 | 188,392 | 206,405 | 206,405 | 18,013 |

(Continued)

Exhibit C-5

Hartsville/Trousdale County Government, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General 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>Administration of Justice (Cont.)</u> | | | | | | | |
| General Sessions Court | \$ 96,757 | \$ 0 | \$ 69 | \$ 96,826 | \$ 100,219 | \$ 100,219 | \$ 3,393 |
| Chancery Court | 133,318 | (861) | 547 | 133,004 | 134,461 | 134,461 | 1,457 |
| Judicial Commissioners | 28,266 | (150) | 0 | 28,116 | 32,522 | 32,522 | 4,406 |
| Courtroom Security | 98,508 | 0 | 2,664 | 101,172 | 136,614 | 147,614 | 46,442 |
| <u>Public Safety</u> | | | | | | | |
| Sheriff's Department | 1,732,532 | (104,672) | 132,966 | 1,760,826 | 1,621,200 | 1,946,694 | 185,868 |
| Drug Enforcement | 70,069 | 0 | 0 | 70,069 | 71,346 | 71,346 | 1,277 |
| Administration of the Sexual Offender Registry | 0 | 0 | 0 | 0 | 6,400 | 6,400 | 6,400 |
| Jail | 1,025,598 | (11,066) | 14,651 | 1,029,183 | 1,184,163 | 1,184,163 | 154,980 |
| Workhouse | 90,961 | (8,087) | 17 | 82,891 | 101,487 | 101,787 | 18,896 |
| Juvenile Services | 46,133 | 0 | 164 | 46,297 | 49,002 | 49,002 | 2,705 |
| Fire Prevention and Control | 152,619 | (9,104) | 7,136 | 150,651 | 166,610 | 181,580 | 30,929 |
| Rescue Squad | 60,974 | (3,680) | 3,688 | 60,982 | 72,080 | 72,080 | 11,098 |
| Other Emergency Management | 146,149 | (923) | 1,823 | 147,049 | 100,997 | 164,416 | 17,367 |
| Inspection and Regulation | 0 | 0 | 0 | 0 | 1,500 | 1,500 | 1,500 |
| County Coroner/Medical Examiner | 31,600 | 0 | 0 | 31,600 | 22,500 | 34,350 | 2,750 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Local Health Center | 22,095 | (39) | 135 | 22,191 | 32,589 | 32,589 | 10,398 |
| Rabies and Animal Control | 65,009 | (424) | 384 | 64,969 | 68,120 | 73,620 | 8,651 |
| Alcohol and Drug Programs | 1,957 | (600) | 700 | 2,057 | 8,980 | 8,980 | 6,923 |
| Sanitation Education/Information | 47,753 | (5,807) | 1,568 | 43,514 | 44,200 | 44,200 | 686 |
| Other Public Health and Welfare | 11,500 | 0 | 0 | 11,500 | 11,500 | 11,500 | 0 |
| <u>Social, Cultural, and Recreational Services</u> | | | | | | | |
| Senior Citizens Assistance | 75,540 | (87) | 3,421 | 78,874 | 44,833 | 99,400 | 20,526 |
| Libraries | 131,915 | (894) | 401 | 131,422 | 136,322 | 139,984 | 8,562 |
| Parks and Fair Boards | 71,769 | (498) | 1,995 | 73,266 | 155,949 | 155,949 | 82,683 |
| <u>Agriculture and Natural Resources</u> | | | | | | | |
| Agricultural Extension Service | 49,662 | 0 | 0 | 49,662 | 67,375 | 67,375 | 17,713 |
| Soil Conservation | 13,227 | 0 | 0 | 13,227 | 13,228 | 13,228 | 1 |

(Continued)

Exhibit C-5

Hartsville/Trousdale County Government, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General 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>Other Operations</u> | | | | | | | |
| Other Economic and Community Development | \$ 3,439 | \$ (1,675) | \$ 185,925 | \$ 187,689 | \$ 446,058 | \$ 451,058 | \$ 263,369 |
| Veterans' Services | 9,820 | (191) | 0 | 9,629 | 18,601 | 18,601 | 8,972 |
| Other Charges | 319,353 | (13,970) | 19,228 | 324,611 | 380,200 | 382,600 | 57,989 |
| Employee Benefits | 2,257 | 0 | 0 | 2,257 | 10,500 | 10,500 | 8,243 |
| Miscellaneous | 19,332 | 0 | 0 | 19,332 | 20,000 | 20,000 | 668 |
| Total Expenditures | \$ 6,305,078 | \$ (172,869) | \$ 382,848 | \$ 6,515,057 | \$ 7,033,286 | \$ 7,699,571 | \$ 1,184,514 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 799,285 | \$ 172,869 | \$ (382,848) | \$ 589,306 | \$ (1,274,091) | \$ (1,349,047) | \$ 1,938,353 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 44,832 | \$ 0 | \$ 0 | \$ 44,832 | \$ 0 | \$ 44,832 | \$ 0 |
| Transfers Out | (122,315) | 0 | 0 | (122,315) | (122,316) | (122,316) | 1 |
| Total Other Financing Sources | \$ (77,483) | \$ 0 | \$ 0 | \$ (77,483) | \$ (122,316) | \$ (77,484) | \$ 1 |
| Net Change in Fund Balance | \$ 721,802 | \$ 172,869 | \$ (382,848) | \$ 511,823 | \$ (1,396,407) | \$ (1,426,531) | \$ 1,938,354 |
| Fund Balance, July 1, 2020 | 3,850,502 | (172,869) | 0 | 3,677,633 | 3,481,529 | 3,481,529 | 196,104 |
| Fund Balance, June 30, 2021 | \$ 4,572,304 | \$ 0 | \$ (382,848) | \$ 4,189,456 | \$ 2,085,122 | \$ 2,054,998 | \$ 2,134,458 |

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

Exhibit C-6

Hartsville/Trousdale County Government, Tennessee
Statement 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> | | | | |
| State of Tennessee | \$ 54,196,717 | \$ 55,000,000 | \$ 55,000,000 | \$ (803,283) |
| Total Revenues | \$ 54,196,717 | \$ 55,000,000 | \$ 55,000,000 | \$ (803,283) |
| <u>Expenditures</u> | | | | |
| <u>Public Safety</u> | | | | |
| Other Public Safety | \$ 54,196,717 | \$ 55,000,000 | \$ 55,000,000 | \$ 803,283 |
| Total Expenditures | \$ 54,196,717 | \$ 55,000,000 | \$ 55,000,000 | \$ 803,283 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Net Change in Fund Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Fund Balance, July 1, 2020 | 0 | 43,750 | 43,750 | (43,750) |
| Fund Balance, June 30, 2021 | \$ 0 | \$ 43,750 | \$ 43,750 | \$ (43,750) |

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

Exhibit D-1

Hartsville/Trousdale County Government, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2021

| | <u>Business-type Activities Major Enterprise Fund Water and Sewer Fund</u> |
|---|--|
| <u>ASSETS</u> | |
| Current Assets: | |
| Cash | \$ 4,321,594 |
| Accounts Receivable | 328,753 |
| Prepaid Items | 85,008 |
| Total Current Assets | <u>\$ 4,735,355</u> |
| Noncurrent Assets: | |
| Restricted Assets: | |
| Revenue Bond Future Debt Service | \$ 98,248 |
| Net Pension Asset | 32,639 |
| Capital Assets (Net of Accumulated Depreciation): | |
| Land | 408,043 |
| Construction in Progress | 783,409 |
| Buildings and Improvements | 6,475 |
| Infrastructure | 18,069,408 |
| Other Capital Assets | 741,459 |
| Total Noncurrent Assets | <u>\$ 20,139,681</u> |
| Total Assets | <u>\$ 24,875,036</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | |
| Pension Changes in Experience | \$ 45,335 |
| Pension Changes in Assumptions | 7,877 |
| Pension Changes in Investment Earnings | 33,135 |
| Pension Contributions After Measurement Date | 40,968 |
| Total Deferred Outflows of Resources | <u>\$ 127,315</u> |
| <u>LIABILITIES</u> | |
| Current Liabilities: | |
| Accounts Payable | \$ 237,412 |
| Accrued Payroll | 12,565 |
| Payroll Deductions Payable | 241 |
| Compensated Absences Payable | 28,382 |
| Due to Other Funds | 22,477 |
| Due to State of Tennessee | 16,356 |
| Revenue Bonds Payable | 98,248 |
| Customer Deposits Payable | 4,000 |
| Total Current Liabilities | <u>\$ 419,681</u> |
| Noncurrent Liabilities: | |
| Revenue Bonds Payable | \$ 4,966,127 |
| Total Noncurrent Liabilities | <u>\$ 4,966,127</u> |
| Total Liabilities | <u>\$ 5,385,808</u> |

(Continued)

Exhibit D-1

Hartsville/Trousdale County Government, Tennessee
Statement of Net Position
Proprietary Fund (Cont.)

| | Business-type Activities |
|---|--------------------------------------|
| | <u>Major Enterprise Fund</u> |
| | <u>Water and Sewer Fund</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | |
| Pension Changes in Experience | \$ 68,112 |
| Pension Changes in Investment Earnings | <u>19,392</u> |
| Total Deferred Inflows of Resources | <u>\$ 87,504</u> |
| <u>NET POSITION</u> | |
| Net Investment in Capital Assets | \$ 14,944,419 |
| Restricted for Rural Development Bond Covenants | 347,882 |
| Unrestricted | <u>4,236,738</u> |
| Total Net Position | <u>\$ 19,529,039</u> |

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

Exhibit D-2

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

| | Business-type Activities |
|---|-----------------------------|
| | Major Enterprise Fund |
| | Water and Sewer Fund |
| <u>Operating Revenues</u> | |
| Charges for Current Services | \$ 3,602,338 |
| Other Local Revenues | 7,800 |
| Total Operating Revenues | <u>\$ 3,610,138</u> |
| <u>Operating Expenses</u> | |
| Public Health and Welfare | \$ 2,519,519 |
| Depreciation Expense | 798,911 |
| Total Operating Expenses | <u>\$ 3,318,430</u> |
| Operating Income (Loss) | <u>\$ 291,708</u> |
| <u>Nonoperating Revenues (Expenses)</u> | |
| Grant Income | \$ 477,790 |
| Investment Income | 39,535 |
| Interest Expense | (102,549) |
| Sale of Equipment | 17,432 |
| Damages Recovered from Individuals | 1,087 |
| Contributions and Gifts | 3,965 |
| Total Nonoperating Revenues (Expenses) | <u>\$ 437,260</u> |
| Income (Loss) Before Contributions | \$ 728,968 |
| Capital Contributions | 54,129 |
| Change in Net Position | <u>\$ 783,097</u> |
| Net Position, July 1, 2020 | <u>18,745,942</u> |
| Net Position, June 30, 2021 | <u><u>\$ 19,529,039</u></u> |

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

Exhibit D-3

Hartsville/Trousdale County Government, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2021

| | Business-type Activities |
|--|-----------------------------|
| | Major Enterprise Fund |
| | Water and Sewer Fund |
| <u>Cash Flows from Operating Activities</u> | |
| Receipts from Customers and Users | \$ 3,649,371 |
| Payments to Suppliers | (1,257,868) |
| Payments to Employees | (1,086,444) |
| Other Receipts (Payments) | 6,735 |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ 1,311,794</u> |
| <u>Cash Flows from Capital and Related Financing Activities</u> | |
| Capital Contributions | \$ 54,129 |
| Acquisition of Capital Assets | (1,377,304) |
| Principal Paid on Capital Debt | (96,315) |
| Interest Paid on Capital Debt | (102,549) |
| Proceeds from Sale of Equipment | 17,432 |
| Net Cash Provided By (Used For) Capital and Related Financing Activities | <u>\$ (1,504,607)</u> |
| <u>Cash Flows from Noncapital Financing Activities</u> | |
| Grants Received | \$ 477,790 |
| Damages Recovered from Individuals | 1,087 |
| Contributions | 3,965 |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>\$ 482,842</u> |
| <u>Cash Flows from Investing Activities</u> | |
| Investment Income | \$ 39,535 |
| Net Cash Provided By (Used In) Investing Activities | <u>\$ 39,535</u> |
| Net Increase (Decrease) in Cash | \$ 329,564 |
| Cash, July 1, 2020 | <u>4,090,278</u> |
| Cash, June 30, 2021 | <u>\$ 4,419,842</u> |

(Continued)

Exhibit D-3

Hartsville/Trousdale County Government, Tennessee
Statement of Cash Flows
Proprietary Fund (Cont.)

| | Business-type Activities |
|---|-----------------------------|
| | Major Enterprise Fund |
| | Water and Sewer Fund |
| <u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u> | |
| Operating Income (Loss) | \$ 291,708 |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | |
| Depreciation Expense | 798,911 |
| Changes in deferred inflows of resources related to pensions | 32,888 |
| Changes in deferred outflows of resources related to pensions | 4,130 |
| Changes in Assets and Liabilities: | |
| (Increase) Decrease in Accounts Receivable | 20,996 |
| (Increase) Decrease in Due From Other Governments | 18,237 |
| (Increase) Decrease in Prepaid Items | (1,895) |
| (Increase) Decrease in Net Pension Asset | (30,283) |
| Increase (Decrease) in Accounts Payable | 175,196 |
| Increase (Decrease) in Payroll Deductions Payable | (68) |
| Increase (Decrease) in Accrued Payroll | (12,957) |
| Increase (Decrease) in Due to Other Funds | 603 |
| Increase (Decrease) in Due to State of Tennessee | 16,356 |
| Increase (Decrease) in Compensated Absences | (2,028) |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ 1,311,794</u> |
| <u>Reconciliation of Cash With Statement of Net Position</u> | |
| Cash and Cash Equivalents Per Net Position | \$ 4,321,594 |
| Revenue Bond Future Debt Service Account Per Net Position | <u>98,248</u> |
| Cash, June 30, 2021 | <u>\$ 4,419,842</u> |

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

Exhibit E-1

Hartsville/Trousdale County Government, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2021

| | <u>Custodial Funds</u> |
|---|----------------------------|
| <u>ASSETS</u> | |
| Cash | \$ 697,395 |
| Equity in Pooled Cash and Investments | 566,272 |
| Accounts Receivable | 6,466 |
| Due from Other Governments | <u>13,000</u> |
| Total Assets | <u>\$ 1,283,133</u> |
| <u>LIABILITIES</u> | |
| Accounts Payable | \$ 5,019 |
| Due to Other Funds | 5,686 |
| Due to Litigants, Heirs, and Others | <u>39,666</u> |
| Total Liabilities | <u>\$ 50,371</u> |
| <u>NET POSITION</u> | |
| Restricted for Individuals, Organizations and Other Governments | <u>\$ 1,232,762</u> |
| Total Net Position | <u><u>\$ 1,232,762</u></u> |

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

Exhibit E-2

Hartsville/Trousdale County Government, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

| | <u>Custodial Funds</u> |
|--|----------------------------|
| <u>ADDITIONS</u> | |
| Fines/Fees and Other Collections | \$ 3,270,335 |
| Drug Task Force Collections | 233,778 |
| District Attorney General Collections | 24,623 |
| Total Additions | <u>\$ 3,528,736</u> |
| <u>DEDUCTIONS</u> | |
| Payments to State | \$ 1,131,167 |
| Payments to County/City | 1,385,715 |
| Payments to Individuals and Others | 766,762 |
| Payment of Drug Task Force Expenses | 228,768 |
| Payment of District Attorney General Expenses | 19,420 |
| Total Deductions | <u>\$ 3,531,832</u> |
| Net Increase (Decrease) in Fiduciary in Net Position | \$ (3,096) |
| Net Position, July 1, 2020 | 0 |
| Restatement - See Note I.D.10 | <u>1,235,858</u> |
| Net Position, June 30, 2021 | <u><u>\$ 1,232,762</u></u> |

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

**HARTSVILLE/TROUSDALE COUNTY
GOVERNMENT, TENNESSEE
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HARTSVILLE/TROUSDALE COUNTY GOVERNMENT, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hartsville/Trousdale County Government's (the metropolitan government) 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 the metropolitan government:

A. Reporting Entity

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

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

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

The Trousdale County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Trousdale County, and the metropolitan 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 metropolitan commission's

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

The school department does not issue separate financial statements from those of the metropolitan government. 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 Trousdale County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Trousdale County Emergency
Communications District
210 Broadway
Hartsville, TN 37074

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 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.

The metropolitan government issues all debt for the discretely presented school department. Net debt issues totaling \$1,049,170 were contributed by the metropolitan government to the school department during the year ended June 30, 2021.

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

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

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

Fund financial statements of the metropolitan government 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 fund categories. The metropolitan government only reports one proprietary fund, a major enterprise fund.

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. Fiduciary funds in total are reported in a single column.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the metropolitan government 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. The metropolitan government 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 debt service funds 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 metropolitan government receives cash.

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

The metropolitan government reports the following major governmental funds:

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

Special Purpose Fund – This special revenue fund accounts for prisoner boarding revenues from the State of Tennessee and contracted expenditures remitted to the Corrections Corporation of America.

The metropolitan government reports the following major proprietary fund:

Water and Sewer Fund – This fund accounts for transactions of the metropolitan government’s water and sewer department.

Additionally, the metropolitan government reports the following fund types:

Debt Service Funds – These funds account for the resources accumulated and payments made for principal and interest on long-term general obligation and education debt of governmental funds.

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

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, funds 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 school department reports the following major governmental funds:

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.

Internal School Fund – This special revenue 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. 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 metropolitan government has one proprietary fund, an enterprise fund, used to account for the transactions of the water and sewer department. Operating revenues and expenses generally result from providing services in connection with the fund’s principal ongoing operations. The principal operating revenues of the enterprise fund are customer fees for water and sewer usage. Operating expenses for the enterprise fund consist primarily of operation and maintenance of the 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 and demand deposits, including cash restricted for future debt service.

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 metropolitan government's own legally issued bonds or notes.

The metropolitan trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented 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, General Debt Service, and General Purpose School funds. The metropolitan government 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. The metropolitan government had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

Activity between funds for remitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to eight 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. Current liabilities payable from restricted assets reflected in the primary government funds represent deposits placed with the metropolitan government for building rentals (\$1,200) and the enterprise fund for water taps (\$4,000).

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the enterprise fund. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased.

4. Restricted Assets

Certain resources set aside for the repayment of enterprise fund revenue bonds are classified as restricted assets on the Statement of Net Assets because their use is limited by applicable bond covenants. The Revenue Bond Future Debt Service account is used to report resources set aside to comply with those covenants.

Restricted assets also consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the 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 school department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the 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, infrastructure assets (e.g., roads, bridges, and similar items), and intangibles (e.g., computer software 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 (school department \$10,000) or more and an estimated useful life of more than one (school

department three) year(s). 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, infrastructure, and intangibles of the metropolitan 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 | 7 - 40 |
| Other Capital Assets | 5 - 30 |
| Infrastructure: | |
| Roads | 20 - 50 |
| Bridges | 75 |
| Water and Sewage Lines | 40 - 50 |
| Intangibles | 12 |

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 metropolitan 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 pension changes in experience, assumptions, proportion, and investment earnings; employer contributions made to the pension plan after the measurement date; other postemployment benefits changes in experience, assumptions, and proportion; and other postemployment benefits paid after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The metropolitan 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 revenues are from the following sources: current and delinquent property taxes; pension changes in experience and proportion; other postemployment benefits changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. **Compensated Absences**

Primary Government

It is the metropolitan government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the metropolitan government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements and the proprietary fund for the metropolitan government. 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.

Discretely Presented School Department

The school department does not allow for the accumulation of unused vacation and sick days beyond year-end, except for professional personnel of the school department. The school department allows professional personnel (teachers) to accumulate an unlimited amount of unused sick leave. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

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 amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, other postemployment benefits, and landfill closure/postclosure care costs, 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 fund in the fund financial statements, equity is classified as net position and displayed in three components:

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

As of June 30, 2021, the metropolitan government had \$5,658,594 in outstanding debt for capital purposes for the discretely presented school department. This debt is a liability of the metropolitan government, but the capital assets acquired are reported in the financial statements of the school department. Therefore, the metropolitan government has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the metropolitan government's capital assets.

It is the metropolitan government's policy that restricted amounts would be reduced first followed by unrestricted amounts when

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

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

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the metropolitan commission, the metropolitan government'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 metropolitan government's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The metropolitan commission has authorized by resolution the metropolitan government's Finance/Budget Committee to make assignments for the general government. The Board of Education makes assignments for the school department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. 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. 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 Hartsville/Trousdale County School Department. A restatement of \$201,488 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, this fund has been restated by \$1,235,858 using the economic measurement focus and the accrual basis of accounting.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the metropolitan government's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the metropolitan government'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 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 the

metropolitan government. For this purpose, the metropolitan government recognizes benefit payments when due and payable in accordance with benefit terms. The metropolitan government's OPEB plan is not administered through a trust.

Discretely Presented 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 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 School Department

Exhibit I-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 School Department

Exhibit I-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

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 and the school department’s Internal School Fund (special revenue funds), which are not budgeted, and the General Capital Projects Fund, which adopts project length budgets. All annual appropriations lapse at fiscal year-end.

The metropolitan government 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 metropolitan commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

The metropolitan government'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 metropolitan government had the following encumbrances:

| <u>Funds</u> | <u>Amount</u> |
|------------------------|---------------|
| Primary Government: | |
| Major Fund: | |
| General | \$ 382,848 |
| Nonmajor Funds: | |
| Urban Services | 12,491 |
| Solid/Waste Sanitation | 3,104 |
| Ambulance Service | 1,093 |

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The metropolitan government and the discretely presented school department participate in an internal cash and investment pool through the Office of Trustee. The metropolitan trustee is the treasurer of the metropolitan government and in this capacity is responsible for receiving, disbursing, and investing most metropolitan government 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 metropolitan government.

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 metropolitan government's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The metropolitan government 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 metropolitan government 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 metropolitan government 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.

The metropolitan government had no pooled and nonpooled investments as of June 30, 2021.

TCRS Stabilization Trust

Legal Provisions. The Hartsville/Trousdale 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 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 school department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

| Investment | Weighted Average Maturity (days) | Maturities | Fair Value |
|--|---|------------|---------------|
| Investments at Fair Value: | | | |
| U.S. Equity | N/A | N/A | \$ 41,286 |
| Developed Market International Equity | N/A | N/A | 18,646 |
| Emerging Market International Equity | N/A | N/A | 5,327 |
| U.S. Fixed Income | N/A | N/A | 26,637 |
| Real Estate | N/A | N/A | 13,318 |
| Short-term Securities | N/A | N/A | 1,332 |
| NAV - Private Equity and Strategic Lending | N/A | N/A | 26,636 |
| Total | | | \$ 133,182 |

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

B. Capital Assets

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

Primary Government – Governmental Activities:

| | Balance 7-1-20 | Increases | Decreases | Balance 6-30-21 |
|--|----------------------|-------------------|--------------------|----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 1,225,244 | \$ 90,971 | \$ 0 | \$ 1,316,215 |
| Construction in Progress | 417,706 | 0 | 0 | 417,706 |
| Total Capital Assets Not Depreciated | <u>\$ 1,642,950</u> | <u>\$ 90,971</u> | <u>\$ 0</u> | <u>\$ 1,733,921</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 6,256,217 | \$ 23,832 | \$ 0 | \$ 6,280,049 |
| Infrastructure | 16,257,726 | 100,956 | 0 | 16,358,682 |
| Other Capital Assets | 8,100,531 | 864,268 | (42,849) | 8,921,950 |
| Total Capital Assets Depreciated | <u>\$ 30,614,474</u> | <u>\$ 989,056</u> | <u>\$ (42,849)</u> | <u>\$ 31,560,681</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | \$ 1,366,031 | \$ 138,319 | \$ 0 | \$ 1,504,350 |
| Infrastructure | 11,177,756 | 156,892 | 0 | 11,334,648 |
| Other Capital Assets | 5,306,011 | 566,322 | (25,145) | 5,847,188 |
| Total Accumulated Depreciation | <u>\$ 17,849,798</u> | <u>\$ 861,533</u> | <u>\$ (25,145)</u> | <u>\$ 18,686,186</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 12,764,676</u> | <u>\$ 127,523</u> | <u>\$ (17,704)</u> | <u>\$ 12,874,495</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 14,407,626</u> | <u>\$ 218,494</u> | <u>\$ (17,704)</u> | <u>\$ 14,608,416</u> |

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

Governmental Activities:

| | |
|---|--------------------------|
| General Government | \$ 111,112 |
| Finance | 23,533 |
| Administration of Justice | 735 |
| Public Safety | 267,691 |
| Public Health and Welfare | 196,381 |
| Social, Cultural, and Recreational Services | 36,881 |
| Highways/Public Works | <u>225,200</u> |
| Total Depreciation Expense - Governmental Activities | <u><u>\$ 861,533</u></u> |

Business-type Activities:

| | Balance 7-1-20 | Increases | Decreases | Balance 6-30-21 |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 408,043 | \$ 0 | \$ 0 | \$ 408,043 |
| Construction in Progress | 433,670 | 1,166,230 | (816,491) | 783,409 |
| Total Capital Assets Not Depreciated | <u>\$ 841,713</u> | <u>\$ 1,166,230</u> | <u>\$ (816,491)</u> | <u>\$ 1,191,452</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 26,000 | \$ 0 | \$ 0 | \$ 26,000 |
| Infrastructure | 28,644,074 | 832,959 | 0 | 29,477,033 |
| Other Capital Assets | 1,523,051 | 194,606 | 0 | 1,717,657 |
| Total Capital Assets Depreciated | <u>\$ 30,193,125</u> | <u>\$ 1,027,565</u> | <u>\$ 0</u> | <u>\$ 31,220,690</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | \$ 15,900 | \$ 3,625 | \$ 0 | \$ 19,525 |
| Infrastructure | 10,799,343 | 608,282 | 0 | 11,407,625 |
| Other Capital Assets | 789,194 | 187,004 | 0 | 976,198 |
| Total Accumulated Depreciation | <u>\$ 11,604,437</u> | <u>\$ 798,911</u> | <u>\$ 0</u> | <u>\$ 12,403,348</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 18,588,688</u> | <u>\$ 228,654</u> | <u>\$ 0</u> | <u>\$ 18,817,342</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 19,430,401</u> | <u>\$ 1,394,884</u> | <u>\$ (816,491)</u> | <u>\$ 20,008,794</u> |

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

Business-type Activities:

Water and Sewer \$ 798,911

Discretely Presented School Department- Governmental Activities:

| | Balance 7-1-20 | Increases | Decreases | Balance 6-30-21 |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 719,043 | \$ 0 | \$ (29,160) | \$ 689,883 |
| Construction in Progress | 0 | 0 | 0 | 0 |
| Total Capital Assets Not Depreciated | \$ 719,043 | \$ 0 | \$ (29,160) | \$ 689,883 |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 25,838,477 | \$ 1,023,725 | \$ 0 | \$ 26,862,202 |
| Other Capital Assets | 1,801,881 | 92,040 | (243,863) | 1,650,058 |
| Intangibles | 118,756 | 0 | 0 | 118,756 |
| Total Capital Assets Depreciated | \$ 27,759,114 | \$ 1,115,765 | \$ (243,863) | \$ 28,631,016 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | \$ 11,438,668 | \$ 633,732 | \$ 0 | \$ 12,072,400 |
| Other Capital Assets | 1,008,858 | 97,587 | (83,935) | 1,022,510 |
| Intangibles | 90,789 | 9,896 | 0 | 100,685 |
| Total Accumulated Depreciation | \$ 12,538,315 | \$ 741,215 | \$ (83,935) | \$ 13,195,595 |
| Total Capital Assets Depreciated, Net | \$ 15,220,799 | \$ 374,550 | \$ (159,928) | \$ 15,435,421 |
| Governmental Activities Capital Assets, Net | \$ 15,939,842 | \$ 374,550 | \$ (189,088) | \$ 16,125,304 |

Depreciation expense was charged to functions of the discretely presented school department as follows:

Governmental Activities:

| | |
|---|--------------------------|
| Instruction | \$ 646,201 |
| Support Services | <u>95,014</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 741,215</u> |

C. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---|---------------|
| Primary Government: | | |
| General | Nonmajor governmental | \$ 7,956 |
| " | Judicial District Drug (custodial fund) | 5,686 |
| " | Water and Sewer (enterprise fund) | 3,435 |
| Nonmajor governmental | Water and Sewer (enterprise fund) | 19,042 |

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

Due to/from Primary Government and Component Unit:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|-------------------------|-------------------------|---------------|
| Primary Government: | School Department: | |
| Governmental Activities | Governmental Activities | \$ 1,936,735 |

The payable of \$1,936,735 from the school department to the primary government is for debt retirement.

Interfund Transfers:

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

Primary Government

| <u>Transfers Out</u> | <u>Transfers In</u> | |
|-----------------------|-----------------------------------|----------------------|
| | Nonmajor Governmental Funds | Purpose |
| General Fund | \$ 122,315 | QSCB subsidy payment |
| Nonmajor governmental | 23,793 | Debt contribution |
| Total | <u>\$ 146,108</u> | |

Discretely Presented Hartsville/Trousdale County School Department

| Transfer Out | <div style="text-align: center;"> <u>Transfer In</u> Nonmajor Governmental Fund </div> | Purpose |
|-----------------------------|---|----------------------|
| General Purpose School Fund | \$ 54,045 | Salary Reimbursement |

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.

D. Long-term Debt

Primary Government

General Obligation Notes and Other Loans

Direct Borrowing and Direct Placements - The metropolitan government 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. In addition, 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 and credit of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 10 years for notes and up to 21 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. As of June 30, 2021, all capital outlay notes outstanding will be retired from the Urban Services and General Debt Service funds and other loans outstanding will be retired from the General Debt Service and Education Debt Service funds.

Capital outlay notes 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 |
|--|------------------|-------------------|--------------------------------|--------------------|
| Direct Borrowing and Direct Placement: | | | | |
| Capital Outlay Notes | 2.48 to 3.04 % | 6-1-30 | \$ 2,137,715 | \$ 1,284,700 |
| Other Loans | Variable | 5-25-37 | 16,776,036 | 6,157,594 |

In prior years, the metropolitan government entered into a loan agreement with the Montgomery County Public Building Authority. Under this

agreement, the authority loaned the metropolitan government \$8,500,000 for the construction of a new high school. This loan is repayable at a variable interest rate based on the daily LIBOR. In addition, the government pays various other fees (trustee, debt remarketing, etc.) in connection with this loan. At June 30, 2021, the variable interest rate was 0.22 percent, and other fees totaled approximately .57 percent (letter of credit) and .08 percent (remarketing) of the outstanding loan principal. A trustee fee of \$85 per month is also included on this loan.

Also, in prior years, the metropolitan government entered into a loan agreement with the Tennessee State School Board Authority. Under this loan agreement, the authority loaned the metropolitan government \$2,523,000 for rehabilitation and repairs of metropolitan government school buildings. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The metropolitan government pays an annual administrative fee of \$2,018 under this agreement. The loan retirement schedule also includes equal monthly payments of interest; however, the metropolitan government will receive a federal interest subsidy semi-annually, which will offset these payments.

Also, in prior years, the metropolitan government entered into a loan agreement with the Tennessee Energy Efficient Schools Council. Under this loan agreement the council loaned \$1,352,974 to the metropolitan government on an as-needed basis for energy efficiency upgrades. This loan is repayable at a one percent interest rate.

Also, in prior years, the metropolitan government entered into a loan agreement with the City of Clarksville Public Building Authority. Under this loan agreement the authority loaned \$2,650,062 to the metropolitan government on an as-needed basis for energy saving improvements and renovations for the elementary school. This loan is repayable at a variable interest rate based on the daily LIBOR. In addition, the government pays various other fees (trustee, debt remarketing, etc.) in connection with this loan. At June 30, 2021, the variable interest rate was 1.05 percent, and other fees totaled approximately .15 percent (administration fee). A trustee fee of \$125 per month is also included on this loan.

Also, in prior years, the metropolitan government entered into another loan agreement with the City of Clarksville Public Building Authority. Under this loan agreement the authority loaned \$1,750,000 to the metropolitan government on an as-needed basis for renovation of a metropolitan government owned building for use as a criminal justice center. This loan is repayable at a variable interest rate based on the daily LIBOR. In addition, the government pays various other fees (trustee, debt remarketing, etc.) in connection with this loan. At June 30, 2021, the variable interest rate was 1.05 percent, and other fees totaled approximately .15 percent (administration fee). A trustee fee of \$125 per month is also included on this loan.

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

| Year Ending June 30 | Notes - Direct Placement | | |
|------------------------|--------------------------|------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 216,700 | \$ 35,765 | \$ 252,465 |
| 2023 | 194,200 | 29,563 | 223,763 |
| 2024 | 195,800 | 24,052 | 219,852 |
| 2025 | 118,000 | 18,813 | 136,813 |
| 2026 | 106,000 | 15,512 | 121,512 |
| 2027-2030 | 454,000 | 31,855 | 485,855 |
| Total | \$ 1,284,700 | \$ 155,560 | \$ 1,440,260 |

| Year Ending June 30 | Other Loans - Direct Placement | | | |
|------------------------|--------------------------------|--------------|----------------|--------------|
| | Principal | Interest | (1) Other Fees | Total |
| 2022 | \$ 1,025,746 | \$ 172,951 | \$ 12,677 | \$ 1,211,374 |
| 2023 | 467,993 | 168,659 | 8,098 | 644,750 |
| 2024 | 474,122 | 165,437 | 7,803 | 647,362 |
| 2025 | 478,251 | 162,164 | 7,501 | 647,916 |
| 2026 | 484,392 | 158,845 | 7,195 | 650,432 |
| 2027-2031 | 1,713,090 | 247,523 | 31,129 | 1,991,742 |
| 2032-2036 | 1,249,000 | 52,710 | 22,427 | 1,324,137 |
| 2037 | 265,000 | 2,550 | 3,110 | 270,660 |
| Total | \$ 6,157,594 | \$ 1,130,839 | \$ 99,940 | \$ 7,388,373 |

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

There is \$600,628 available in the General Debt Service Fund and \$385,648 available in the Education Debt Service Fund to service long-term debt. Total debt per capita, including notes and other loans totaled \$641 based on the 2020 federal census.

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

| <u>Description of Debt</u> | <u>Outstanding 6-30-21</u> |
|---|--------------------------------|
| <u>Other Loans - Direct Placement</u> | |
| <u>Contributions from the General Purpose School Fund</u> | |
| Qualified School Construction Bonds, Series 2010 | \$ 961,808 |
| Energy Efficient School Improvements | <u>974,927</u> |
| Total | <u>\$ 1,936,735</u> |

Changes in Long-term Debt

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

| Governmental Activities: | Notes - Direct Placement | Other Loans - Direct Placement |
|-----------------------------|--------------------------------|---|
| Balance, July 1, 2020 | \$ 524,600 | \$ 7,204,378 |
| Additions | 1,049,170 | 0 |
| Reductions | <u>(289,070)</u> | <u>(1,046,784)</u> |
| Balance, June 30, 2021 | <u>\$ 1,284,700</u> | <u>\$ 6,157,594</u> |
| Balance Due Within One Year | <u>\$ 216,700</u> | <u>\$ 1,025,746</u> |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

| | |
|--|---------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2021 | \$ 7,442,294 |
| Less: Balance Due Within One Year - Debt | <u>(1,242,446)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A | <u>\$ 6,199,848</u> |

**Hartsville/Trousdale County Government Water and Sewer Fund
(enterprise fund)**

Revenue Bonds

Revenue bonds were issued for original terms of up to 40 years for bonds. 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 Water and Sewer Fund.

Revenue bonds outstanding as of June 30, 2021, for business-type activities are as follows:

| Type | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-21 |
|---------------|----------------|----------------|--------------------------|-----------------|
| Revenue Bonds | 1.88 to 2.25 % | 11-1-57 | \$ 5,455,000 | \$ 5,064,375 |

The annual requirements to amortize all revenue bonds outstanding as of June 30, 2021, including interest payments, are presented in the following tables:

| Year Ending June 30 | Bonds | | |
|------------------------|--------------|--------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 98,248 | \$ 100,616 | \$ 198,864 |
| 2023 | 100,226 | 98,639 | 198,865 |
| 2024 | 102,141 | 96,723 | 198,864 |
| 2025 | 104,301 | 94,563 | 198,864 |
| 2026 | 106,403 | 92,460 | 198,863 |
| 2027-2031 | 564,949 | 429,372 | 994,321 |
| 2032-2036 | 624,178 | 370,142 | 994,320 |
| 2037-2041 | 689,848 | 304,473 | 994,321 |
| 2042-2046 | 762,383 | 231,937 | 994,320 |
| 2047-2051 | 842,612 | 151,708 | 994,320 |
| 2052-2056 | 931,321 | 62,966 | 994,287 |
| 2057-2058 | 137,765 | 1,564 | 139,329 |
| Total | \$ 5,064,375 | \$ 2,035,163 | \$ 7,099,538 |

Changes in Long-term Debt

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

Business-type Activities:

| | Bonds |
|-----------------------------|--------------|
| Balance, July 1, 2020 | \$ 5,160,690 |
| Reductions | (96,315) |
| Balance, June 30, 2021 | \$ 5,064,375 |
| Balance Due Within One Year | \$ 98,248 |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

| | |
|--|----------------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2021 | \$ 5,064,375 |
| Less: Balance Due Within One Year - Debt | <u>(98,248)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A | <u><u>\$ 4,966,127</u></u> |

E. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

| Governmental Activities: | Compensated Absences | Landfill Postclosure Care Cost | Other Postemployment Benefits - Medicare Supplement Plan |
|-----------------------------|--------------------------|--------------------------------------|--|
| Balance, July 1, 2020 | \$ 116,861 | \$ 128,502 | \$ 61,914 |
| Additions | 167,088 | 1,339 | 36,011 |
| Reductions | <u>(176,352)</u> | <u>(21,417)</u> | <u>(25,657)</u> |
| Balance, June 30, 2021 | <u><u>\$ 107,597</u></u> | <u><u>\$ 108,424</u></u> | <u><u>\$ 72,268</u></u> |
| Balance Due Within One Year | <u><u>\$ 17,335</u></u> | <u><u>\$ 36,000</u></u> | <u><u>\$ 0</u></u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|--------------------------|
| Total Noncurrent Liabilities - Other, June 30, 2021 | \$ 288,289 |
| Less: Balance Due Within One Year - Other | <u>(53,335)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u><u>\$ 234,954</u></u> |

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

**Hartsville/Trousdale County Government Water and Sewer Fund
(enterprise fund)**

Changes in Long-term Obligations

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

Business-type Activities:

| | <u>Compensated Absences</u> |
|-----------------------------|---------------------------------|
| Balance, July 1, 2020 | \$ 30,410 |
| Additions | 37,876 |
| Reductions | <u>(39,904)</u> |
| Balance, June 30, 2021 | <u>\$ 28,382</u> |
| Balance Due Within One Year | <u>\$ 28,382</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|-----------------|
| Total Noncurrent Liabilities - Other, June 30, 2021 | \$ 28,382 |
| Less: Balance Due Within One Year - Other | <u>(28,382)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 0</u> |

Discretely Presented 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 | \$ 886,177 |
| Additions | 281,139 |
| Reductions | <u>(93,098)</u> |
| Balance, June 30, 2021 | <u>\$ 1,074,218</u> |
| Balance Due Within One Year | <u>\$ 0</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|---------------------|
| Total Noncurrent Liabilities - Other, June 30, 2021 | \$ 1,074,218 |
| Less: Due Within One Year - Other | <u>0</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 1,074,218</u> |

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

F. On-Behalf Payments

Discretely Presented School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the school department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2021, were \$24,633. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

The metropolitan government is exposed to various risks related to general liability, property, and casualty losses. The metropolitan government decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The metropolitan government participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The metropolitan government pays an annual premium to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

The metropolitan government participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, *Tennessee Code Annotated (TCA)*, all local

governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by the fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

Discretely Presented School Department

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

The discretely presented 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, *TCA*, all local education agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

B. Accounting Changes

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

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

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

C. Contingent Liabilities

The metropolitan government 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. Metropolitan government management is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

The metropolitan government attorney advised there was no outstanding litigation as of the date of this report.

D. Change in Administration

On August 31, 2020, DeWayne Byrd left the Office of Assessor of Property and was succeeded by Mike Potts.

E. Landfill Postclosure Care Costs

The metropolitan government has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The metropolitan government has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the metropolitan government to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the metropolitan government reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The metropolitan government closed its sanitary landfill in 1996. The \$108,424 reported as postclosure care liability at June 30, 2021, represents amounts based on what it would cost to perform all postclosure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Venture

The Fifteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifteenth Judicial District, Jackson, Smith, Trousdale, and Wilson 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. The metropolitan government made no contributions to the DTF for the year ended June 30, 2021.

The metropolitan government does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Fifteenth Judicial District
P.O. Box 178
Hartsville, TN 37074

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description – Metropolitan Government. Employees of the metropolitan government, the water department employees, and non-certified employees of the discretely presented metropolitan 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 69.43 percent, the water department employees comprise 11.08 percent, and the non-certified employees of the discretely presented school department comprise 19.49 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>.

Plan Description – Former City of Hartsville. Former City of Hartsville employees are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent 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 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:

Metropolitan Government Plan:

| | |
|--|------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 75 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 198 |
| Active Employees | <u>185</u> |
| Total | <u>458</u> |

Former City of Hartsville Plan:

| | |
|--|-----------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 35 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 31 |
| Active Employees | <u>3</u> |
| Total | <u>69</u> |

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Metropolitan Government Plan employees contribute five percent of salary while Former City of Hartsville Plan employees are non-contributory. The metropolitan government makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2021, the employer contribution for the Metropolitan Government Plan was \$345,725 based on a rate of 5.00 percent of covered payroll. For the year ended June 30, 2021, the employer contribution for the Former City of Hartsville Plan was \$11,623 based on a rate of 8.14 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the metropolitan government'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)

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

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

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and 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 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 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 the metropolitan government 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)

Metropolitan Government Plan:

| | Increase (Decrease) | | |
|---|--------------------------------------|--|--|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a)-(b) |
| Balance, July 1, 2019 | \$ 16,300,206 | \$ 16,321,702 | \$ (21,496) |
| Changes for the Year: | | | |
| Service Cost | \$ 516,278 | \$ 0 | \$ 516,278 |
| Interest | 1,196,433 | 0 | 1,196,433 |
| Differences Between Expected and Actual Experience | (542,667) | 0 | (542,667) |
| Contributions-Employer | 0 | 325,024 | (325,024) |
| Contributions-Employees | 0 | 325,025 | (325,025) |
| Net Investment Income | 0 | 809,707 | (809,707) |
| Benefit Payments, Including Refunds of Employee Contributions | (627,915) | (627,915) | 0 |
| Administrative Expense | 0 | (16,628) | 16,628 |
| Net Changes | \$ 542,129 | \$ 815,213 | \$ (273,084) |
| Balance, June 30, 2020 | \$ 16,842,335 | \$ 17,136,915 | \$ (294,580) |

Metropolitan Government Plan:

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

| | | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|--|
| Primary Government | 69.43% | \$ 11,693,633 | \$ 11,898,160 | \$ (204,527) |
| Water Department | 11.08% | 1,866,131 | 1,898,770 | (32,639) |
| School Department | 19.49% | 3,282,571 | 3,339,985 | (57,414) |
| Total | | \$ 16,842,335 | \$ 17,136,915 | \$ (294,580) |

Former City of Hartsville Plan:

| | Increase (Decrease) | | |
|---|--------------------------------------|--|--|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a)-(b) |
| Balance, July 1, 2019 | \$ 5,707,705 | \$ 6,299,624 | \$ (591,919) |
| Changes for the Year: | | | |
| Service Cost | \$ 46,581 | \$ 0 | \$ 46,581 |
| Interest | 406,142 | 0 | 406,142 |
| Differences Between Expected and Actual Experience | 3,745 | 0 | 3,745 |
| Contributions-Employer | 0 | 11,369 | (11,369) |
| Net Investment Income | 0 | 305,187 | (305,187) |
| Benefit Payments, Including Refunds of Employee Contributions | (304,647) | (304,647) | 0 |
| Administrative Expense | 0 | (266) | 266 |
| Net Changes | \$ 151,821 | \$ 11,643 | \$ 140,178 |
| Balance, June 30, 2020 | \$ 5,859,526 | \$ 6,311,267 | \$ (451,741) |

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

| | Current Discount Rate | | |
|-------------------------------|-----------------------------|--------------|-------------------------|
| | 1% Decrease 6.25% | 7.25% | 1% Increase 8.25% |
| Net Pension Liability (Asset) | | | |
| Metropolitan Government | \$ 1,955,313 | \$ (294,580) | \$ (2,157,144) |
| Former City of Harsville Plan | 149,029 | (451,741) | (966,618) |

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

Pension Expense or (Negative Pension Expense). For the year ended June 30, 2021, the Metropolitan Government Plan recognized pension

expense of \$434,841 and the Former City of Hartsville Plan recognized pension expense of \$57,390.

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

| Metropolitan Government Plan | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 409,161 | \$ 614,731 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 124,032 | 0 |
| Changes in Assumptions | 71,093 | 0 |
| Contributions Subsequent to the Measurement Date of June 30, 2020 (1) | 345,725 | N/A |
| Total | \$ 950,011 | \$ 614,731 |

(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.

Metropolitan Government Plan:

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 656,991 | \$ 426,808 |
| Water Department | 107,923 | 68,112 |
| School Department | 185,097 | 119,811 |
| Total | \$ 950,011 | \$ 614,731 |

| Former City Of Hartsville Plan | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 1,872 | \$ 0 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 40,057 | 0 |
| Contributions Subsequent to the Measurement Date of June 30, 2020 (1) | 11,623 | N/A |
| Total | \$ 53,552 | \$ 0 |

- (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.

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 | Metropolitan Government Plan | Former City of Hartsville Plan |
|------------------------|------------------------------------|--------------------------------------|
| 2022 | \$ (1,865) | \$ (25,813) |
| 2023 | (28,103) | 13,726 |
| 2024 | 53,291 | 25,835 |
| 2025 | (33,770) | 28,179 |
| 2026 | 0 | 0 |
| Thereafter | 0 | 0 |

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

Discretely Presented Metropolitan Government School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, most employees of metropolitan government and the non-certified employees

of the discretely presented metropolitan school department are provided a defined benefit pension plan (Metropolitan Government Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 69.43 percent, the water department employees comprise 11.08 percent, and the non-certified employees of the discretely presented school department comprise 19.49 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the metropolitan 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 \$41,629, which is 2.03 percent of covered payroll. In addition, employer contributions of \$39,218, which is 1.97 percent of covered payroll 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 (\$86,127) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions

of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was .151461 percent. The proportion as of June 30, 2019, was .160341 percent.

Pension Expense. For the year ended June 30, 2021, the school department recognized pension expense of \$34,710.

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 | \$ 3,200 | \$ 21,583 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 7,016 | 0 |
| Changes in Assumptions | 2,701 | 0 |
| Changes in Proportion of Net Pension Liability (Asset) | 4,914 | 6,065 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2020 | <u>41,629</u> | N/A |
| Total | <u>\$ 59,460</u> | <u>\$ 27,648</u> |

The school department's employer contributions of \$41,629, 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 | \$ (821) |
| 2023 | 193 |
| 2024 | 710 |
| 2025 | 857 |
| 2026 | (1,519) |
| Thereafter | (9,238) |

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 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 class are summarized in the following table:

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

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

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

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

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

Net Pension Liability (Asset) \$ 66,992 \$ (86,127) \$ (198,995)

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 metropolitan 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 metropolitan school department for the year ended June 30, 2021, to the Teacher Legacy Pension Plan were \$385,955, which is 10.27 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2021, the school department reported a liability (asset) of (\$838,570) 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 .109966 percent. The proportion measured at June 30, 2019, was .115142 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, the school department recognized (negative) pension expense of (\$33,521).

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 | \$ 31,879 | \$ 403,170 |
| Changes in Assumptions | 76,180 | 0 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 187,286 | 0 |
| Changes in Proportion of Net Pension Liability (Asset) | 21,653 | 24,025 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2020 | <u>385,955</u> | <u>N/A</u> |
| Total | <u>\$ 702,953</u> | <u>\$ 427,195</u> |

The school department's employer contributions of \$385,955 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year 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 | \$ (212,374) |
| 2023 | (31,793) |
| 2024 | 9,907 |
| 2025 | 124,064 |
| 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 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 class are summarized in the following table:

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

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

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

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

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

Net Pension Liability (Asset) \$ 2,607,935 \$ (838,570) \$ (3,696,533)

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

The discretely presented school department offers its employees one deferred compensation plan, established pursuant to IRC Section 403(b). All costs of administering and funding this program is the responsibility of plan participants. The Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 403(b) establishes participation, contribution, and withdrawal provisions for the plans.

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 \$104,275 and teachers contributed \$39,426 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

The metropolitan government and the discretely presented school department provide OPEB benefits to it retirees through state administered public entity risk pools. 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). All of 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 State Administered Public Entity Risk Pools

Retirees of the metropolitan government and the water department are not provided healthcare. Once the retirees of the former City of Hartsville reach Medicare eligibility, then they may join the Tennessee Plan – Medicare (TN-Ms), which provides supplemental medical insurance for retirees with Medicare.

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

The metropolitan government and school department’s total OPEB liability for the 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 | TNM - The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable LEP - Based on the Getzen Model, with trend starting at 9.02% for the 2021 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5% |
| Retirees Share of Benefit Related Cost | Discussed under each plan |

The discount rate was 2.21 percent, based on an average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

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

Changes in Assumptions. The discount rate changed from 3.51 percent as of the beginning of the measurement period to 2.21 percent as of the measurement date of June 30, 2020. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2021 plan year was revised from 6.03 percent to 9.02 percent. The assumed long term inflation rate was changed from 2.2 percent to 2.1 percent.

Closed Tennessee (TNM) OPEB Plan – Medicare (Primary Government)

Plan Description. Employees of the former City of Hartsville 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 metropolitan 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 Sections 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 (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. The metropolitan government provided a direct subsidy 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 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:

| | Total |
|--|--------|
| Inactive Employees Currently Receiving Benefit Payments | 10 |
| Inactive Employees Entitled To But Not Yet Receiving Benefit Payments | 2 |
| Active Employees Eligible for Benefits | 3 |
| Total | 15 |

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 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 metropolitan government paid \$5,437 to the TNM for OPEB benefits as they came due.

Changes in the Total OPEB Liability

| | <u>Metropolitan Government</u> |
|--|------------------------------------|
| Balance July 1, 2019 | \$ 61,914 |
| Changes for the Year: | |
| Service Cost | \$ 117 |
| Interest | 2,083 |
| Difference between Expected and Actuarial Experience | 5,152 |
| Changes in Assumptions and Other Inputs | 8,437 |
| Benefit Payments | <u>(5,435)</u> |
| Net Changes | <u>\$ 10,354</u> |
| Balance June 30, 2020 | <u>\$ 72,268</u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the metropolitan government recognized OPEB expense of \$22,422. At June 30, 2021, the metropolitan government 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 | \$ 1,189 | \$ 0 |
| Changes of Assumptions/Inputs | 1,947 | 6,848 |
| Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2020 | <u>5,437</u> | <u>0</u> |
| Total | <u>\$ 8,573</u> | <u>\$ 6,848</u> |

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction to total 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>Metropolitan Government</u> |
|--------------------------------|------------------------------------|
| 2022 | \$ 1,739 |
| 2023 | (1,397) |
| 2024 | (1,397) |
| 2025 | (1,397) |
| 2026 | (1,260) |
| Thereafter | 0 |

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 metropolitan government 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 1.21% | Current Discount Rate 2.21% | 1% Increase 3.21% |
|-------------------------|-------------------------|--------------------------------------|-------------------------|
| Metropolitan Government | \$ 79,998 | \$ 72,268 | \$ 65,685 |

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 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 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. The school department does not provide a direct subsidy and is only subject to the implicit subsidy. Also, the state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

| | |
|--|-----|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 5 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 0 |
| Active Employees Eligible for Benefits | 97 |
| Total | 102 |

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 \$33,677 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

| | Share of Collective Liability | | |
|--|-------------------------------|----------------------------|-------------------------|
| | School Department 66.2254% | State of TN 33.7746% | Total OPEB Liability |
| Balance July 1, 2019 | \$ 886,177 | \$ 509,440 | \$ 1,395,617 |
| Changes for the Year: | | | |
| Service Cost | \$ 41,816 | \$ 21,326 | \$ 63,142 |
| Interest | 33,301 | 16,983 | 50,284 |
| Difference between Expected and Actuarial Experience | (12,913) | (6,586) | (19,499) |
| Changes in Proportion | 38,076 | (38,076) | 0 |
| Changes in Assumptions and Other Inputs | 122,710 | 62,581 | 185,291 |
| Benefit Payments | (34,948) | (17,823) | (52,771) |
| Net Changes | \$ 188,041 | \$ 38,406 | \$ 226,447 |
| Balance June 30, 2020 | \$ 1,074,218 | \$ 547,846 | \$ 1,622,064 |

The 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 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 \$40,995 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the school department's proportionate share of the collective OPEB liability was 66.2254 percent and the State of Tennessee's share was 33.7746 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 \$126,469, including the state's share of the expense. At June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 163,896 | \$ 106,914 |
| Changes of Assumptions/Inputs | 119,677 | 90,087 |
| Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due | 41,043 | 24,185 |
| Benefits Paid After the Measurement Date of June 30, 2020 | <u>33,677</u> | <u>0</u> |
| Total | <u>\$ 358,293</u> | <u>\$ 221,186</u> |

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction to total 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:

| Year Ending June 30 | School Department |
|------------------------|----------------------|
| 2022 | \$ 10,357 |
| 2023 | 10,357 |
| 2024 | 10,357 |
| 2025 | 10,357 |
| 2026 | 10,357 |
| Thereafter | 51,645 |

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 | \$ 1,158,874 | \$ 1,074,218 | \$ 993,647 |
|--|--------------|--------------|------------|

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 | \$ 948,424 | \$ 1,074,218 | \$ 1,225,323 |
|--|------------|--------------|--------------|

I. Purchasing Laws

Office of County Mayor

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

Office of Superintendent of Roads

Purchasing procedures for the highway department are governed by the metropolitan charter and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, which requires all purchases exceeding \$10,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Hartsville/Trousdale County Government, 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 - Metropolitan Government
For the Fiscal Year Ended June 30

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Pension Liability | | | | | | | |
| Service Cost | \$ 324,033 | \$ 322,705 | \$ 333,310 | \$ 352,055 | \$ 395,965 | \$ 431,428 | \$ 516,278 |
| Interest | 823,533 | 846,208 | 935,040 | 955,805 | 1,052,559 | 1,093,767 | 1,196,433 |
| Differences Between Actual and Expected Experience | (324,548) | 578,032 | (464,127) | 650,290 | (258,111) | 465,171 | (542,667) |
| Changes in Assumptions | 0 | 0 | 0 | 355,469 | 0 | 0 | 0 |
| Benefit Payments, Including Refunds of Employee Contributions | (442,202) | (596,531) | (549,717) | (542,489) | (624,601) | (690,356) | (627,915) |
| Net Change in Total Pension Liability | \$ 380,816 | \$ 1,150,414 | \$ 254,506 | \$ 1,771,130 | \$ 565,812 | \$ 1,300,010 | \$ 542,129 |
| Total Pension Liability, Beginning | 10,877,518 | 11,258,334 | 12,408,748 | 12,663,254 | 14,434,384 | 15,000,196 | 16,300,206 |
| Total Pension Liability, Ending (a) | \$ 11,258,334 | \$ 12,408,748 | \$ 12,663,254 | \$ 14,434,384 | \$ 15,000,196 | \$ 16,300,206 | \$ 16,842,335 |
| Plan Fiduciary Net Position | | | | | | | |
| Contributions - Employer | \$ 339,027 | \$ 333,061 | \$ 350,935 | \$ 403,355 | \$ 268,270 | \$ 299,669 | \$ 325,024 |
| Contributions - Employee | 222,366 | 208,932 | 221,552 | 254,644 | 268,271 | 299,670 | 325,025 |
| Net Investment Income | 1,701,552 | 369,129 | 327,041 | 1,442,366 | 1,176,110 | 1,134,773 | 809,707 |
| Benefit Payments, Including Refunds of Employee Contributions | (442,202) | (596,531) | (549,717) | (542,489) | (624,601) | (690,356) | (627,915) |
| Administrative Expense | (5,638) | (7,542) | (11,404) | (13,824) | (15,603) | (15,326) | (16,628) |
| Other | 0 | 0 | 23,279 | 0 | 0 | 0 | 0 |
| Net Change in Plan Fiduciary Net Position | \$ 1,815,105 | \$ 307,049 | \$ 361,686 | \$ 1,544,052 | \$ 1,072,447 | \$ 1,028,430 | \$ 815,213 |
| Plan Fiduciary Net Position, Beginning | 10,192,933 | 12,008,038 | 12,315,087 | 12,676,773 | 14,220,825 | 15,293,272 | 16,321,702 |
| Plan Fiduciary Net Position, Ending (b) | \$ 12,008,038 | \$ 12,315,087 | \$ 12,676,773 | \$ 14,220,825 | \$ 15,293,272 | \$ 16,321,702 | \$ 17,136,915 |
| Net Pension Liability (Asset), Ending (a - b) | \$ (749,704) | \$ 93,661 | \$ (13,519) | \$ 213,559 | \$ (293,076) | \$ (21,496) | \$ (294,580) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 106.66% | 99.25% | 100.11% | 98.52% | 101.95% | 100.13% | 101.75% |
| Covered Payroll | \$ 4,201,073 | \$ 4,205,311 | \$ 4,431,001 | \$ 5,092,863 | \$ 5,365,385 | \$ 5,993,369 | \$ 6,500,467 |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll | 17.85% | 2.23% | (0.31)% | 4.19% | (5.46)% | (0.36)% | (4.53)% |

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

Hartsville/Trousdale County Government, 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 - Former City of Hartsville
For the Fiscal Year Ended June 30

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Pension Liability | | | | | | | |
| Service Cost | \$ 68,313 | \$ 69,023 | \$ 69,318 | \$ 69,812 | \$ 44,822 | \$ 44,641 | \$ 46,581 |
| Interest | 389,623 | 398,659 | 399,569 | 410,643 | 403,694 | 392,545 | 406,142 |
| Differences Between Actual and Expected Experience | (93,087) | (201,895) | (56,988) | (241,783) | (307,295) | 47,213 | 3,745 |
| Changes in Assumptions | 0 | 0 | 0 | 163,864 | 0 | 0 | 0 |
| Benefit Payments, Including Refunds of Employee Contributions | (239,305) | (250,855) | (257,048) | (272,434) | (296,731) | (292,927) | (304,647) |
| Net Change in Total Pension Liability | \$ 125,544 | \$ 14,932 | \$ 154,851 | \$ 130,102 | \$ (155,510) | \$ 191,472 | \$ 151,821 |
| Total Pension Liability, Beginning | 5,246,314 | 5,371,858 | 5,386,790 | 5,541,641 | 5,671,743 | 5,516,233 | 5,707,705 |
| Total Pension Liability, Ending (a) | \$ 5,371,858 | \$ 5,386,790 | \$ 5,541,641 | \$ 5,671,743 | \$ 5,516,233 | \$ 5,707,705 | \$ 5,859,526 |
| Plan Fiduciary Net Position | | | | | | | |
| Contributions - Employer | \$ 153,731 | \$ 150,371 | \$ 149,759 | \$ 33,973 | \$ 27,258 | \$ 41,140 | \$ 11,369 |
| Contributions - Employee | 10,663 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Investment Income | 777,497 | 165,465 | 144,097 | 612,404 | 478,355 | 445,295 | 305,187 |
| Benefit Payments, Including Refunds of Employee Contributions | (239,305) | (250,855) | (257,048) | (272,434) | (296,731) | (292,927) | (304,647) |
| Administrative Expense | (958) | (904) | (1,286) | 25 | (285) | (267) | (266) |
| Net Change in Plan Fiduciary Net Position | \$ 701,628 | \$ 64,077 | \$ 35,522 | \$ 373,968 | \$ 208,597 | \$ 193,241 | \$ 11,643 |
| Plan Fiduciary Net Position, Beginning | 4,722,591 | 5,424,219 | 5,488,296 | 5,523,818 | 5,897,786 | 6,106,383 | 6,299,624 |
| Plan Fiduciary Net Position, Ending (b) | \$ 5,424,219 | \$ 5,488,296 | \$ 5,523,818 | \$ 5,897,786 | \$ 6,106,383 | \$ 6,299,624 | \$ 6,311,267 |
| Net Pension Liability (Asset), Ending (a - b) | \$ (52,361) | \$ (101,506) | \$ 17,823 | \$ (226,043) | \$ (590,150) | \$ (591,919) | \$ (451,741) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 100.97% | 101.88% | 99.68% | 103.99% | 110.70% | 110.37% | 107.71% |
| Covered Payroll | \$ 764,071 | \$ 757,537 | \$ 754,454 | \$ 171,149 | \$ 137,319 | \$ 144,097 | \$ 139,666 |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll | 6.85% | (13.40)% | 2.36% | (132.07)% | (429.77)% | (410.78)% | (323.44)% |

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

Exhibit F-3

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| Actuarially Determined Contribution | \$ 339,027 | \$ 333,061 | \$ 350,935 | \$ 403,355 | \$ 242,515 | \$ 282,288 | \$ 279,521 | \$ 345,725 |
| Less Contributions in Relation to the | | | | | | | | |
| Actuarially Determined Contribution | (339,027) | (333,061) | (350,935) | (403,355) | (268,270) | (299,669) | (325,024) | (345,725) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ (25,755) | \$ (17,381) | \$ (45,503) | \$ 0 |
| Covered Payroll | \$ 4,201,073 | \$ 4,205,311 | \$ 4,431,001 | \$ 5,092,863 | \$ 5,365,385 | \$ 5,993,369 | \$ 6,500,467 | \$ 876,358 |
| Contributions as a Percentage of | | | | | | | | |
| Covered Payroll | 8.07% | 7.92% | 7.92% | 7.92% | 5.00% | 5.00% | 5.00% | 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-4

Hartsville/Trousdale County Government, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government - Former City of Hartsville
For the Fiscal Year Ended June 30

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Actuarially Determined Contribution | \$ 153,731 | \$ 150,371 | \$ 149,759 | \$ 33,973 | \$ 27,258 | \$ 41,140 | \$ 11,369 | \$ 11,623 |
| Less Contributions in Relation to the | | | | | | | | |
| Actuarially Determined Contribution | (153,731) | (150,371) | (149,759) | (33,973) | (27,258) | (41,140) | (11,369) | (11,623) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 764,071 | \$ 757,537 | \$ 754,454 | \$ 171,149 | \$ 137,319 | \$ 144,097 | \$ 139,666 | \$ 142,784 |
| Contributions as a Percentage of | | | | | | | | |
| Covered Payroll | 20.12% | 19.85% | 19.85% | 19.85% | 19.85% | 28.55% | 8.14% | 8.14% |

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

Exhibit F-5

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|------------|------------|------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 15,712 | \$ 23,501 | \$ 36,390 | \$ 21,887 | \$ 32,917 | \$ 38,800 | \$ 41,629 |
| Less Contributions in Relation to the Contractually Required Contribution | (15,712) | (23,501) | (36,390) | (53,687) | (32,917) | (38,800) | (41,629) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ (31,800) | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 392,786 | \$ 587,518 | \$ 909,760 | \$ 1,342,166 | \$ 1,696,752 | \$ 1,911,316 | \$ 1,980,690 |
| Contributions as a Percentage of Covered Payroll | 4.00% | 4.00% | 4.00% | 4.00% | 1.94% | 2.03% | 2.03% |

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

Exhibit F-6

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 434,589 | \$ 405,580 | \$ 368,220 | \$ 385,377 | \$ 355,815 | \$ 403,848 | \$ 389,052 | \$ 385,955 |
| Less Contributions in Relation to the | | | | | | | | |
| Contractually Required Contribution | (434,589) | (405,580) | (368,220) | (385,377) | (355,815) | (403,848) | (389,052) | (385,955) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 4,894,020 | \$ 4,486,506 | \$ 4,072,232 | \$ 4,263,017 | \$ 3,918,667 | \$ 3,860,875 | \$ 3,659,945 | \$ 3,758,091 |
| Contributions as a Percentage of Covered Payroll | 8.88% | 9.04% | 9.04% | 9.04% | 9.08% | 10.46% | 10.63% | 10.27% |

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

Exhibit F-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Retirement Plan of TCRS
Discretely Presented Hartsville/Trousdale 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) | 0.189044% | 0.133525% | 0.138611% | 0.153587% | 0.160341% | 0.151461% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (7,605) | \$ (13,900) | \$ (36,570) | \$ (69,656) | \$ (90,510) | \$ (86,127) |
| Covered Payroll | \$ 392,786 | \$ 587,518 | \$ 909,760 | \$ 1,342,166 | \$ 1,696,752 | \$ 1,911,316 |
| 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-8

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------------|--------------|--------------|--------------|--------------|----------------|--------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 0.124689% | 0.119848% | 0.112838% | 0.120596% | 0.111908% | 0.115142% | 0.109966% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (20,261) | \$ 49,094 | \$ 705,177 | \$ (39,458) | \$ (393,796) | \$ (1,183,867) | \$ (838,570) |
| Covered Payroll | \$ 4,894,020 | \$ 4,486,506 | \$ 4,073,232 | \$ 4,263,017 | \$ 3,918,667 | \$ 3,860,875 | \$ 3,659,945 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (0.414002)% | 1.094254% | 17.31% | (0.93)% | (10.05)% | (30.66)% | (22.91)% |
| 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-9

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

| | 2017 | 2018 | 2019 | 2020 |
|--|------------|-------------|-----------|-----------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 4,794 | \$ 4,049 | \$ 131 | \$ 117 |
| Interest | 4,241 | 4,811 | 1,266 | 2,083 |
| Differences Between Actual and Expected Experience | 0 | (100,617) | 26,489 | 5,152 |
| Changes in Assumptions or Other Inputs | (12,437) | (218) | 628 | 8,437 |
| Benefit Payments | (6,188) | (5,713) | (2,850) | (5,435) |
| Net Change in Total OPEB Liability | \$ (9,590) | \$ (97,688) | \$ 25,664 | \$ 10,354 |
| Total OPEB Liability, Beginning | 143,528 | 133,938 | 36,250 | 61,914 |
| Total OPEB Liability, Ending | \$ 133,938 | \$ 36,250 | \$ 61,914 | \$ 72,268 |
| 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.

(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:

| | |
|----------------|-----------------------|
| Plan year 2019 | - from 5.4% to 6.75% |
| Plan year 2020 | - from 6.75% to 6.03% |
| Plan year 2021 | - 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

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

| | 2017 | 2018 | 2019 | 2020 |
|---|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 77,029 | \$ 70,610 | \$ 65,690 | \$ 63,142 |
| Interest | 39,237 | 46,710 | 42,978 | 50,284 |
| Differences Between Actual and Expected Experience | 0 | (192,870) | 304,113 | (19,499) |
| Changes in Assumptions or Other Inputs | (67,487) | 17,980 | (113,583) | 185,291 |
| Benefit Payments | (72,638) | (75,381) | (49,790) | (52,771) |
| Net Change in Total OPEB Liability | \$ (23,859) | \$ (132,951) | \$ 249,408 | \$ 226,447 |
| Total OPEB Liability, Beginning | 1,303,019 | 1,279,160 | 1,146,209 | 1,395,617 |
| Total OPEB Liability, Ending | \$ 1,279,160 | \$ 1,146,209 | \$ 1,395,617 | \$ 1,622,064 |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 458,162 | \$ 394,318 | \$ 509,440 | \$ 547,846 |
| Employer Proportionate Share of the Total OPEB Liability | 820,998 | 751,891 | 886,177 | 1,074,218 |
| Covered Employee Payroll | \$ 6,152,420 | \$ 6,391,221 | \$ 6,771,683 | \$ 6,838,143 |
| Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll | 13.34% | 11.76% | 13.09% | 15.71% |

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:

| | |
|----------------|-----------------------|
| Plan year 2019 | - from 5.4% to 6.75% |
| Plan year 2020 | - from 6.75% to 6.03% |
| Plan year 2021 | - from 0.00% to 0.00% |

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

HARTSVILLE/TROUSDALE COUNTY GOVERNMENT, 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:

Primary Government - Metropolitan Government and Former City
of Hartsville Plans:

| | |
|----------------------------------|--|
| 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: (1) decreased the inflation rate from 3.0 to 2.5 percent; (2) decreased the investment rate from 7.5 to 7.25 percent; (3) decreased the cost-of-living adjustment from 2.5 to 2.25 percent; (4) decreased the salary growth rate graded ranges from an average of 4.25 to 4.0 percent; and (5) modified the mortality assumptions.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Urban Services Fund – The Urban Services Fund is used to account for the financial activity of the Urban Services District.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions relating to the disposal of solid waste.

Ambulance Service Fund – The Ambulance Service Fund is used to account for transactions of the ambulance service.

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

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

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the metropolitan government's highway department.

Debt Service Funds

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

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

Education Debt Service Fund – The Education Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term education general obligation debt of governmental funds.

Capital Projects Funds

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for 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.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for debt issued by Hartsville/Trousdale County Government that is subsequently contributed to the discretely presented Hartsville/Trousdale County School Department for construction and renovation projects.

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

| | Special Revenue Funds | | | | |
|--|-----------------------|--------------------------|-------------------|------------------|-----------------------------------|
| | Urban Services | Solid Waste / Sanitation | Ambulance Service | Drug Control | Constitu - tional Officers - Fees |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 314 |
| Equity in Pooled Cash and Investments | 1,480,408 | 820,018 | 329,559 | 73,401 | 0 |
| Accounts Receivable | 6,132 | 34,972 | 96,942 | 0 | 0 |
| Allowance for Uncollectibles | 0 | 0 | (7,426) | 0 | 0 |
| Due from Other Governments | 38,466 | 70 | 70 | 0 | 0 |
| Due from Other Funds | 19,042 | 0 | 0 | 0 | 0 |
| Property Taxes Receivable | 512,261 | 604,242 | 600,859 | 0 | 0 |
| Allowance for Uncollectible Property Taxes | (44,365) | (52,634) | (51,504) | 0 | 0 |
| Total Assets | <u>\$ 2,011,944</u> | <u>\$ 1,406,668</u> | <u>\$ 968,500</u> | <u>\$ 73,401</u> | <u>\$ 314</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 18,667 | \$ 19,711 | \$ 4,473 | \$ 0 | 0 |
| Accrued Payroll | 0 | 0 | 0 | 0 | 0 |
| Due to Other Funds | 2,461 | 2,738 | 2,757 | 0 | 0 |
| Due to State of Tennessee | 0 | 0 | 0 | 0 | 0 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 0 | 0 | 314 |
| Total Liabilities | <u>\$ 21,128</u> | <u>\$ 22,449</u> | <u>\$ 7,230</u> | <u>\$ 0</u> | <u>\$ 314</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 455,625 | \$ 537,935 | \$ 538,417 | \$ 0 | 0 |
| Deferred Delinquent Property Taxes | 11,252 | 12,211 | 9,768 | 0 | 0 |

(Continued)

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Special Revenue Funds | | | | |
|---|-----------------------|--------------------------|-------------------|--------------|--------------------------------|
| | Urban Services | Solid Waste / Sanitation | Ambulance Service | Drug Control | Constitutional Officers - Fees |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | | | | |
| Other Deferred/Unavailable Revenue | \$ 16,000 | \$ 0 | \$ 42,548 | \$ 0 | \$ 0 |
| Total Deferred Inflows of Resources | \$ 482,877 | \$ 550,146 | \$ 590,733 | \$ 0 | \$ 0 |
| <u>FUND BALANCES</u> | | | | | |
| Restricted: | | | | | |
| Restricted for Public Safety | \$ 0 | \$ 0 | \$ 0 | \$ 73,401 | \$ 0 |
| Restricted for Highways/Public Works | 0 | 0 | 0 | 0 | 0 |
| Restricted for Debt Service | 0 | 0 | 0 | 0 | 0 |
| Restricted for Capital Projects | 0 | 0 | 0 | 0 | 0 |
| Committed: | | | | | |
| Committed for General Government | 1,222,448 | 0 | 0 | 0 | 0 |
| Committed for Public Health and Welfare | 0 | 830,969 | 369,444 | 0 | 0 |
| Committed for Debt Service | 0 | 0 | 0 | 0 | 0 |
| Committed for Other Purposes | 273,000 | 0 | 0 | 0 | 0 |
| Assigned: | | | | | |
| Assigned for General Government | 12,491 | 0 | 0 | 0 | 0 |
| Assigned for Public Health and Welfare | 0 | 3,104 | 1,093 | 0 | 0 |
| Total Fund Balances | \$ 1,507,939 | \$ 834,073 | \$ 370,537 | \$ 73,401 | \$ 0 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 2,011,944 | \$ 1,406,668 | \$ 968,500 | \$ 73,401 | \$ 314 |

(Continued)

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Special Revenue Funds (Cont.) | | Debt Service Funds | | |
|--|----------------------------------|---------------------|----------------------------|------------------------------|---------------------|
| | Highway / Public Works | Total | General Debt Service | Education Debt Service | Total |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 0 | \$ 314 | \$ 0 | \$ 0 | \$ 0 |
| Equity in Pooled Cash and Investments | 1,173,562 | 3,876,948 | 599,452 | 385,648 | 985,100 |
| Accounts Receivable | 22,623 | 160,669 | 0 | 0 | 0 |
| Allowance for Uncollectibles | 0 | (7,426) | 0 | 0 | 0 |
| Due from Other Governments | 313,151 | 351,757 | 43 | 0 | 43 |
| Due from Other Funds | 0 | 19,042 | 0 | 0 | 0 |
| Property Taxes Receivable | 117,309 | 1,834,671 | 375,293 | 0 | 375,293 |
| Allowance for Uncollectible Property Taxes | (10,098) | (158,601) | (33,351) | 0 | (33,351) |
| Total Assets | <u>\$ 1,616,547</u> | <u>\$ 6,077,374</u> | <u>\$ 941,437</u> | <u>\$ 385,648</u> | <u>\$ 1,327,085</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 71,408 | \$ 114,259 | \$ 0 | \$ 0 | \$ 0 |
| Accrued Payroll | 50,281 | 50,281 | 0 | 0 | 0 |
| Due to Other Funds | 0 | 7,956 | 0 | 0 | 0 |
| Due to State of Tennessee | 1,260 | 1,260 | 0 | 0 | 0 |
| Due to Litigants, Heirs, and Others | 0 | 314 | 0 | 0 | 0 |
| Total Liabilities | <u>\$ 122,949</u> | <u>\$ 174,070</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 104,980 | \$ 1,636,957 | \$ 331,351 | \$ 0 | \$ 331,351 |
| Deferred Delinquent Property Taxes | 1,915 | 35,146 | 9,458 | 0 | 9,458 |

(Continued)

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Special Revenue Funds (Cont.) | | Debt Service Funds | | |
|---|----------------------------------|--------------|----------------------------|------------------------------|--------------|
| | Highway / Public Works | Total | General Debt Service | Education Debt Service | Total |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | | | | |
| Other Deferred/Unavailable Revenue | \$ 152,791 | \$ 211,339 | \$ 0 | \$ 0 | \$ 0 |
| Total Deferred Inflows of Resources | \$ 259,686 | \$ 1,883,442 | \$ 340,809 | \$ 0 | \$ 340,809 |
| <u>FUND BALANCES</u> | | | | | |
| Restricted: | | | | | |
| Restricted for Public Safety | \$ 0 | \$ 73,401 | \$ 0 | \$ 0 | \$ 0 |
| Restricted for Highways/Public Works | 1,233,912 | 1,233,912 | 0 | 0 | 0 |
| Restricted for Debt Service | 0 | 0 | 61,770 | 0 | 61,770 |
| Restricted for Capital Projects | 0 | 0 | 0 | 0 | 0 |
| Committed: | | | | | |
| Committed for General Government | 0 | 1,222,448 | 0 | 0 | 0 |
| Committed for Public Health and Welfare | 0 | 1,200,413 | 0 | 0 | 0 |
| Committed for Debt Service | 0 | 0 | 538,858 | 385,648 | 924,506 |
| Committed for Other Purposes | 0 | 273,000 | 0 | 0 | 0 |
| Assigned: | | | | | |
| Assigned for General Government | 0 | 12,491 | 0 | 0 | 0 |
| Assigned for Public Health and Welfare | 0 | 4,197 | 0 | 0 | 0 |
| Total Fund Balances | \$ 1,233,912 | \$ 4,019,862 | \$ 600,628 | \$ 385,648 | \$ 986,276 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 1,616,547 | \$ 6,077,374 | \$ 941,437 | \$ 385,648 | \$ 1,327,085 |

(Continued)

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|-----------------------------|--|
| <u>ASSETS</u> | | |
| Cash | \$ 0 | \$ 314 |
| Equity in Pooled Cash and Investments | 21,684 | 4,883,732 |
| Accounts Receivable | 0 | 160,669 |
| Allowance for Uncollectibles | 0 | (7,426) |
| Due from Other Governments | 0 | 351,800 |
| Due from Other Funds | 0 | 19,042 |
| Property Taxes Receivable | 0 | 2,209,964 |
| Allowance for Uncollectible Property Taxes | 0 | (191,952) |
| | \$ 21,684 | \$ 7,426,143 |
| Total Assets | | |
| <u>LIABILITIES</u> | | |
| Accounts Payable | \$ 0 | \$ 114,259 |
| Accrued Payroll | 0 | 50,281 |
| Due to Other Funds | 0 | 7,956 |
| Due to State of Tennessee | 0 | 1,260 |
| Due to Litigants, Heirs, and Others | 0 | 314 |
| Total Liabilities | \$ 0 | \$ 174,070 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred Current Property Taxes | \$ 0 | \$ 1,968,308 |
| Deferred Delinquent Property Taxes | 0 | 44,604 |

(Continued)

Exhibit G-1

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | <u>Capital Projects Fund</u> | <u>Total Nonmajor Governmental Funds</u> |
|---|--------------------------------------|--|
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | |
| Other Deferred/Unavailable Revenue | \$ 0 | \$ 211,339 |
| Total Deferred Inflows of Resources | <u>\$ 0</u> | <u>\$ 2,224,251</u> |
| <u>FUND BALANCES</u> | | |
| Restricted: | | |
| Restricted for Public Safety | \$ 0 | \$ 73,401 |
| Restricted for Highways/Public Works | 0 | 1,233,912 |
| Restricted for Debt Service | 0 | 61,770 |
| Restricted for Capital Projects | 21,684 | 21,684 |
| Committed: | | |
| Committed for General Government | 0 | 1,222,448 |
| Committed for Public Health and Welfare | 0 | 1,200,413 |
| Committed for Debt Service | 0 | 924,506 |
| Committed for Other Purposes | 0 | 273,000 |
| Assigned: | | |
| Assigned for General Government | 0 | 12,491 |
| Assigned for Public Health and Welfare | 0 | 4,197 |
| Total Fund Balances | <u>\$ 21,684</u> | <u>\$ 5,027,822</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 21,684</u> | <u>\$ 7,426,143</u> |

Exhibit G-2

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

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|---|-----------------------|--------------------------------|----------------------|------------------|-------------|--|
| | Urban Services | Solid Waste / Sanitation | Ambulance Service | Drug Control | | |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 600,053 | \$ 612,804 | \$ 487,678 | \$ 0 | \$ 0 | 0 |
| Licenses and Permits | 64,782 | 0 | 0 | 0 | 0 | 0 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 12,707 | 0 | 0 |
| Charges for Current Services | 230,850 | 222,272 | 558,005 | 0 | 0 | 2,419 |
| Other Local Revenues | 500 | 66,203 | 17 | 0 | 0 | 0 |
| State of Tennessee | 546,293 | 10,660 | 0 | 0 | 0 | 0 |
| Federal Government | 222,065 | 0 | 9,000 | 0 | 0 | 0 |
| Other Governments and Citizens Groups | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenues | <u>\$ 1,664,543</u> | <u>\$ 911,939</u> | <u>\$ 1,054,700</u> | <u>\$ 12,707</u> | <u>\$ 0</u> | <u>2,419</u> |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| Administration of Justice | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 2,419 |
| Public Safety | 532,076 | 0 | 0 | 331 | 0 | 0 |
| Public Health and Welfare | 284,620 | 622,751 | 1,226,564 | 0 | 0 | 0 |
| Social, Cultural, and Recreational Services | 4,600 | 0 | 0 | 0 | 0 | 0 |
| Other Operations | 108,515 | 39,382 | 0 | 0 | 0 | 0 |
| Highways | 25,632 | 0 | 0 | 0 | 0 | 0 |
| Debt Service: | | | | | | |
| Principal on Debt | 31,000 | 0 | 0 | 0 | 0 | 0 |
| Interest on Debt | 2,037 | 0 | 0 | 0 | 0 | 0 |
| Other Debt Service | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Projects | 340,631 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>\$ 1,329,111</u> | <u>\$ 662,133</u> | <u>\$ 1,226,564</u> | <u>\$ 331</u> | <u>\$ 0</u> | <u>2,419</u> |

(Continued)

Exhibit G-2

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

| | Special Revenue Funds | | | | |
|---|-----------------------|--------------------------|-------------------|--------------|-----------------------------------|
| | Urban Services | Solid Waste / Sanitation | Ambulance Service | Drug Control | Constitu - tional Officers - Fees |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 335,432 | \$ 249,806 | \$ (171,864) | \$ 12,376 | \$ 0 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Insurance Recovery | 0 | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 | 0 |
| Transfers Out | (23,793) | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | \$ (23,793) | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Net Change in Fund Balances | \$ 311,639 | \$ 249,806 | \$ (171,864) | \$ 12,376 | \$ 0 |
| Fund Balance, July 1, 2020 | 1,196,300 | 584,267 | 542,401 | 61,025 | 0 |
| Fund Balance, June 30, 2021 | \$ 1,507,939 | \$ 834,073 | \$ 370,537 | \$ 73,401 | \$ 0 |

(Continued)

Exhibit G-2

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

| | Special Revenue Funds (Cont.) | | Debt Service Funds | | | Capital Projects Funds |
|---|----------------------------------|---------------------|----------------------------|------------------------------|---------------------|--------------------------------|
| | Highway / Public Works | Total | General Debt Service | Education Debt Service | Total | General Capital Projects |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 100,623 | \$ 1,801,158 | \$ 494,721 | \$ 389,626 | \$ 884,347 | \$ 0 |
| Licenses and Permits | 0 | 64,782 | 0 | 0 | 0 | 0 |
| Fines, Forfeitures, and Penalties | 0 | 12,707 | 0 | 0 | 0 | 0 |
| Charges for Current Services | 0 | 1,013,546 | 0 | 0 | 0 | 0 |
| Other Local Revenues | 5,042 | 71,762 | 21,338 | 1,038 | 22,376 | 0 |
| State of Tennessee | 1,754,989 | 2,311,942 | 0 | 0 | 0 | 0 |
| Federal Government | 0 | 231,065 | 0 | 0 | 0 | 0 |
| Other Governments and Citizens Groups | 0 | 0 | 403,440 | 55,000 | 458,440 | 0 |
| Total Revenues | <u>\$ 1,860,654</u> | <u>\$ 5,506,962</u> | <u>\$ 919,499</u> | <u>\$ 445,664</u> | <u>\$ 1,365,163</u> | <u>\$ 0</u> |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| Administration of Justice | \$ 0 | \$ 2,419 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Public Safety | 0 | 532,407 | 0 | 0 | 0 | 0 |
| Public Health and Welfare | 0 | 2,133,935 | 0 | 0 | 0 | 0 |
| Social, Cultural, and Recreational Services | 0 | 4,600 | 0 | 0 | 0 | 0 |
| Other Operations | 0 | 147,897 | 0 | 0 | 0 | 0 |
| Highways | 1,827,139 | 1,852,771 | 0 | 0 | 0 | 0 |
| Debt Service: | | | | | | |
| Principal on Debt | 0 | 31,000 | 715,854 | 589,000 | 1,304,854 | 0 |
| Interest on Debt | 0 | 2,037 | 213,032 | 2,564 | 215,596 | 0 |
| Other Debt Service | 0 | 0 | 20,416 | 12,231 | 32,647 | 0 |
| Capital Projects | 0 | 340,631 | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>\$ 1,827,139</u> | <u>\$ 5,047,697</u> | <u>\$ 949,302</u> | <u>\$ 603,795</u> | <u>\$ 1,553,097</u> | <u>\$ 0</u> |

(Continued)

Exhibit G-2

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

| | Special Revenue Funds (Cont.) | | Debt Service Funds | | | Capital Projects Funds |
|--|----------------------------------|--------------|----------------------------|------------------------------|--------------|--------------------------------|
| | Highway / Public Works | Total | General Debt Service | Education Debt Service | Total | General Capital Projects |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 33,515 | \$ 459,265 | \$ (29,803) | \$ (158,131) | \$ (187,934) | \$ 0 |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Insurance Recovery | 12,162 | 12,162 | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 146,108 | 0 | 146,108 | 0 |
| Transfers Out | 0 | (23,793) | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | \$ 12,162 | \$ (11,631) | \$ 146,108 | \$ 0 | \$ 146,108 | \$ 0 |
| Net Change in Fund Balances | \$ 45,677 | \$ 447,634 | \$ 116,305 | \$ (158,131) | \$ (41,826) | \$ 0 |
| Fund Balance, July 1, 2020 | 1,188,235 | 3,572,228 | 484,323 | 543,779 | 1,028,102 | 21,684 |
| Fund Balance, June 30, 2021 | \$ 1,233,912 | \$ 4,019,862 | \$ 600,628 | \$ 385,648 | \$ 986,276 | \$ 21,684 |

(Continued)

Exhibit G-2

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

| | Capital Projects Funds (Cont.) | | Total Nonmajor Governmental Funds |
|---|-----------------------------------|---------------------|--|
| | Education Capital Projects | Total | |
| <u>Revenues</u> | | | |
| Local Taxes | \$ 0 | \$ 0 | \$ 2,685,505 |
| Licenses and Permits | 0 | 0 | 64,782 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 12,707 |
| Charges for Current Services | 0 | 0 | 1,013,546 |
| Other Local Revenues | 0 | 0 | 94,138 |
| State of Tennessee | 0 | 0 | 2,311,942 |
| Federal Government | 0 | 0 | 231,065 |
| Other Governments and Citizens Groups | 0 | 0 | 458,440 |
| Total Revenues | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 6,872,125</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Administration of Justice | \$ 0 | \$ 0 | \$ 2,419 |
| Public Safety | 0 | 0 | 532,407 |
| Public Health and Welfare | 0 | 0 | 2,133,935 |
| Social, Cultural, and Recreational Services | 0 | 0 | 4,600 |
| Other Operations | 0 | 0 | 147,897 |
| Highways | 0 | 0 | 1,852,771 |
| Debt Service: | | | |
| Principal on Debt | 0 | 0 | 1,335,854 |
| Interest on Debt | 0 | 0 | 217,633 |
| Other Debt Service | 0 | 0 | 32,647 |
| Capital Projects | 1,049,170 | 1,049,170 | 1,389,801 |
| Total Expenditures | <u>\$ 1,049,170</u> | <u>\$ 1,049,170</u> | <u>\$ 7,649,964</u> |

(Continued)

Exhibit G-2

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

| | Capital Projects Funds (Cont.) | | Total Nonmajor Governmental Funds |
|--|-----------------------------------|----------------|--|
| | Education Capital Projects | Total | |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (1,049,170) | \$ (1,049,170) | \$ (777,839) |
| <u>Other Financing Sources (Uses)</u> | | | |
| Notes Issued | \$ 1,049,170 | \$ 1,049,170 | \$ 1,049,170 |
| Insurance Recovery | 0 | 0 | 12,162 |
| Transfers In | 0 | 0 | 146,108 |
| Transfers Out | 0 | 0 | (23,793) |
| Total Other Financing Sources (Uses) | \$ 1,049,170 | \$ 1,049,170 | \$ 1,183,647 |
| Net Change in Fund Balances | \$ 0 | \$ 0 | \$ 405,808 |
| Fund Balance, July 1, 2020 | 0 | 21,684 | 4,622,014 |
| Fund Balance, June 30, 2021 | \$ 0 | \$ 21,684 | \$ 5,027,822 |

Exhibit G-3

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Urban Services 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 | \$ 600,053 | \$ 0 | \$ 0 | \$ 600,053 | \$ 583,664 | \$ 591,664 | \$ 8,389 |
| Licenses and Permits | 64,782 | 0 | 0 | 64,782 | 50,000 | 50,000 | 14,782 |
| Charges for Current Services | 230,850 | 0 | 0 | 230,850 | 220,000 | 220,000 | 10,850 |
| Other Local Revenues | 500 | 0 | 0 | 500 | 500 | 500 | 0 |
| State of Tennessee | 546,293 | 0 | 0 | 546,293 | 841,994 | 619,929 | (73,636) |
| Federal Government | 222,065 | 0 | 0 | 222,065 | 0 | 222,065 | 0 |
| Total Revenues | \$ 1,664,543 | \$ 0 | \$ 0 | \$ 1,664,543 | \$ 1,696,158 | \$ 1,704,158 | \$ (39,615) |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Safety</u> | | | | | | | |
| Sheriff's Department | \$ 525,995 | \$ (41,022) | \$ 599 | \$ 485,572 | \$ 518,686 | \$ 532,173 | \$ 46,601 |
| Fire Prevention and Control | 6,081 | 0 | 0 | 6,081 | 9,500 | 9,500 | 3,419 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Waste Pickup | 284,620 | (260) | 7,506 | 291,866 | 333,269 | 327,782 | 35,916 |
| <u>Social, Cultural, and Recreational Services</u> | | | | | | | |
| Parks and Fair Boards | 0 | 0 | 0 | 0 | 10,000 | 9,400 | 9,400 |
| Other Social, Cultural, and Recreational | 4,600 | 0 | 0 | 4,600 | 4,000 | 4,600 | 0 |
| <u>Other Operations</u> | | | | | | | |
| Other Charges | 106,265 | 0 | 4,386 | 110,651 | 140,700 | 140,700 | 30,049 |
| Employee Benefits | 2,250 | 0 | 0 | 2,250 | 2,400 | 2,400 | 150 |
| <u>Highways</u> | | | | | | | |
| Highway and Bridge Maintenance | 25,632 | 0 | 0 | 25,632 | 80,000 | 80,000 | 54,368 |
| <u>Principal on Debt</u> | | | | | | | |
| General Government | 31,000 | 0 | 0 | 31,000 | 31,000 | 31,000 | 0 |
| <u>Interest on Debt</u> | | | | | | | |
| General Government | 2,037 | 0 | 0 | 2,037 | 2,037 | 2,037 | 0 |
| <u>Capital Projects</u> | | | | | | | |
| Highway and Street Capital Projects | 340,631 | 0 | 0 | 340,631 | 400,107 | 428,107 | 87,476 |
| Total Expenditures | \$ 1,329,111 | \$ (41,282) | \$ 12,491 | \$ 1,300,320 | \$ 1,531,699 | \$ 1,567,699 | \$ 267,379 |

(Continued)

Exhibit G-3

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Urban Services 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 | |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 335,432 | \$ 41,282 | \$ (12,491) | \$ 364,223 | \$ 164,459 | \$ 136,459 | \$ 227,764 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Transfers Out | \$ (23,793) | \$ 0 | \$ 0 | \$ (23,793) | \$ (23,794) | \$ (23,794) | \$ 1 |
| Total Other Financing Sources | \$ (23,793) | \$ 0 | \$ 0 | \$ (23,793) | \$ (23,794) | \$ (23,794) | \$ 1 |
| Net Change in Fund Balance | \$ 311,639 | \$ 41,282 | \$ (12,491) | \$ 340,430 | \$ 140,665 | \$ 112,665 | \$ 227,765 |
| Fund Balance, July 1, 2020 | 1,196,300 | (41,282) | 0 | 1,155,018 | 848,770 | 848,770 | 306,248 |
| Fund Balance, June 30, 2021 | \$ 1,507,939 | \$ 0 | \$ (12,491) | \$ 1,495,448 | \$ 989,435 | \$ 961,435 | \$ 534,013 |

Exhibit G-4

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation 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 | \$ 612,804 | \$ 0 | \$ 0 | \$ 612,804 | \$ 556,763 | \$ 581,763 | \$ 31,041 |
| Charges for Current Services | 222,272 | 0 | 0 | 222,272 | 205,000 | 205,000 | 17,272 |
| Other Local Revenues | 66,203 | 0 | 0 | 66,203 | 50,000 | 50,000 | 16,203 |
| State of Tennessee | 10,660 | 0 | 0 | 10,660 | 126,788 | 126,788 | (116,128) |
| Total Revenues | \$ 911,939 | \$ 0 | \$ 0 | \$ 911,939 | \$ 938,551 | \$ 963,551 | \$ (51,612) |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Health and Welfare</u> | | | | | | | |
| Convenience Centers | \$ 362,873 | \$ (2,026) | \$ 3,094 | \$ 363,941 | \$ 493,667 | \$ 476,167 | \$ 112,226 |
| Recycling Center | 42,675 | 0 | 10 | 42,685 | 62,354 | 62,354 | 19,669 |
| Other Waste Disposal | 205,096 | 0 | 0 | 205,096 | 175,000 | 217,500 | 12,404 |
| Postclosure Care Costs | 12,107 | (974) | 0 | 11,133 | 60,816 | 60,816 | 49,683 |
| <u>Other Operations</u> | | | | | | | |
| Other Charges | 39,382 | 0 | 0 | 39,382 | 59,000 | 59,000 | 19,618 |
| Total Expenditures | \$ 662,133 | \$ (3,000) | \$ 3,104 | \$ 662,237 | \$ 850,837 | \$ 875,837 | \$ 213,600 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 249,806 | \$ 3,000 | \$ (3,104) | \$ 249,702 | \$ 87,714 | \$ 87,714 | \$ 161,988 |
| Net Change in Fund Balance | \$ 249,806 | \$ 3,000 | \$ (3,104) | \$ 249,702 | \$ 87,714 | \$ 87,714 | \$ 161,988 |
| Fund Balance, July 1, 2020 | 584,267 | (3,000) | 0 | 581,267 | 455,939 | 455,939 | 125,328 |
| Fund Balance, June 30, 2021 | \$ 834,073 | \$ 0 | \$ (3,104) | \$ 830,969 | \$ 543,653 | \$ 543,653 | \$ 287,316 |

Exhibit G-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Ambulance Service 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 | \$ 487,678 | \$ 0 | \$ 0 | \$ 487,678 | \$ 461,703 | \$ 461,703 | \$ 25,975 |
| Charges for Current Services | 558,005 | 0 | 0 | 558,005 | 600,000 | 600,000 | (41,995) |
| Other Local Revenues | 17 | 0 | 0 | 17 | 25 | 25 | (8) |
| Federal Government | 9,000 | 0 | 0 | 9,000 | 0 | 9,000 | 0 |
| Total Revenues | \$ 1,054,700 | \$ 0 | \$ 0 | \$ 1,054,700 | \$ 1,061,728 | \$ 1,070,728 | \$ (16,028) |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Health and Welfare</u> | | | | | | | |
| Ambulance/Emergency Medical Services | \$ 1,226,564 | \$ (10,397) | \$ 1,093 | \$ 1,217,260 | \$ 1,339,689 | \$ 1,345,899 | \$ 128,639 |
| Total Expenditures | \$ 1,226,564 | \$ (10,397) | \$ 1,093 | \$ 1,217,260 | \$ 1,339,689 | \$ 1,345,899 | \$ 128,639 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (171,864) | \$ 10,397 | \$ (1,093) | \$ (162,560) | \$ (277,961) | \$ (275,171) | \$ 112,611 |
| Net Change in Fund Balance | \$ (171,864) | \$ 10,397 | \$ (1,093) | \$ (162,560) | \$ (277,961) | \$ (275,171) | \$ 112,611 |
| Fund Balance, July 1, 2020 | 542,401 | (10,397) | 0 | 532,004 | 554,103 | 554,103 | (22,099) |
| Fund Balance, June 30, 2021 | \$ 370,537 | \$ 0 | \$ (1,093) | \$ 369,444 | \$ 276,142 | \$ 278,932 | \$ 90,512 |

Exhibit G-6

Hartsville/Trousdale County Government, 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 | \$ 12,707 | \$ 16,000 | \$ 16,000 | \$ (3,293) |
| Total Revenues | \$ 12,707 | \$ 16,000 | \$ 16,000 | \$ (3,293) |
| <u>Expenditures</u> | | | | |
| <u>Public Safety</u> | | | | |
| Drug Enforcement | \$ 331 | \$ 66,250 | \$ 66,250 | \$ 65,919 |
| Total Expenditures | \$ 331 | \$ 66,250 | \$ 66,250 | \$ 65,919 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 12,376 | \$ (50,250) | \$ (50,250) | \$ 62,626 |
| Net Change in Fund Balance | \$ 12,376 | \$ (50,250) | \$ (50,250) | \$ 62,626 |
| Fund Balance, July 1, 2020 | 61,025 | 69,728 | 69,728 | (8,703) |
| Fund Balance, June 30, 2021 | \$ 73,401 | \$ 19,478 | \$ 19,478 | \$ 53,923 |

Exhibit G-7

Hartsville/Trousdale County Government, Tennessee
Schedule 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 | \$ 100,623 | \$ 95,913 | \$ 95,913 | \$ 4,710 |
| Other Local Revenues | 5,042 | 1,000 | 5,375 | (333) |
| State of Tennessee | 1,754,989 | 1,738,595 | 1,738,595 | 16,394 |
| Total Revenues | <u>\$ 1,860,654</u> | <u>\$ 1,835,508</u> | <u>\$ 1,839,883</u> | <u>\$ 20,771</u> |
| <u>Expenditures</u> | | | | |
| <u>Highways</u> | | | | |
| Administration | \$ 187,483 | \$ 196,265 | \$ 202,721 | \$ 15,238 |
| Highway and Bridge Maintenance | 1,058,306 | 1,322,343 | 1,325,099 | 266,793 |
| Operation and Maintenance of Equipment | 183,225 | 209,586 | 221,923 | 38,698 |
| Other Charges | 64,720 | 70,000 | 69,150 | 4,430 |
| Employee Benefits | 75,177 | 78,408 | 80,148 | 4,971 |
| Capital Outlay | 258,228 | 371,500 | 366,104 | 107,876 |
| Total Expenditures | <u>\$ 1,827,139</u> | <u>\$ 2,248,102</u> | <u>\$ 2,265,145</u> | <u>\$ 438,006</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 33,515</u> | <u>\$ (412,594)</u> | <u>\$ (425,262)</u> | <u>\$ 458,777</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Insurance Recovery | \$ 12,162 | \$ 0 | \$ 12,162 | \$ 0 |
| Total Other Financing Sources | <u>\$ 12,162</u> | <u>\$ 0</u> | <u>\$ 12,162</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 45,677 | \$ (412,594) | \$ (413,100) | \$ 458,777 |
| Fund Balance, July 1, 2020 | 1,188,235 | 657,087 | 657,087 | 531,148 |
| Fund Balance, June 30, 2021 | <u>\$ 1,233,912</u> | <u>\$ 244,493</u> | <u>\$ 243,987</u> | <u>\$ 989,925</u> |

Exhibit G-8

Hartsville/Trousdale County Government, 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 | \$ 494,721 | \$ 455,044 | \$ 455,044 | \$ 39,677 |
| Other Local Revenues | 21,338 | 5,000 | 5,000 | 16,338 |
| Other Governments and Citizens Groups | 403,440 | 159,450 | 396,346 | 7,094 |
| Total Revenues | <u>\$ 919,499</u> | <u>\$ 619,494</u> | <u>\$ 856,390</u> | <u>\$ 63,109</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| General Government | \$ 241,900 | \$ 241,900 | \$ 241,900 | \$ 0 |
| Education | 473,954 | 272,432 | 473,954 | 0 |
| <u>Interest on Debt</u> | | | | |
| General Government | 29,289 | 57,285 | 57,285 | 27,996 |
| Education | 183,743 | 191,826 | 227,200 | 43,457 |
| <u>Other Debt Service</u> | | | | |
| General Government | 13,341 | 14,200 | 14,200 | 859 |
| Education | 7,075 | 7,420 | 7,420 | 345 |
| Total Expenditures | <u>\$ 949,302</u> | <u>\$ 785,063</u> | <u>\$ 1,021,959</u> | <u>\$ 72,657</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (29,803)</u> | <u>\$ (165,569)</u> | <u>\$ (165,569)</u> | <u>\$ 135,766</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 146,108 | \$ 146,108 | \$ 146,108 | \$ 0 |
| Total Other Financing Sources | <u>\$ 146,108</u> | <u>\$ 146,108</u> | <u>\$ 146,108</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 116,305 | \$ (19,461) | \$ (19,461) | \$ 135,766 |
| Fund Balance, July 1, 2020 | 484,323 | 446,371 | 446,371 | 37,952 |
| Fund Balance, June 30, 2021 | <u>\$ 600,628</u> | <u>\$ 426,910</u> | <u>\$ 426,910</u> | <u>\$ 173,718</u> |

Exhibit G-9

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Education 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 | \$ 389,626 | \$ 345,000 | \$ 345,000 | \$ 44,626 |
| Other Local Revenues | 1,038 | 3,000 | 3,000 | (1,962) |
| Other Governments and Citizens Groups | 55,000 | 55,000 | 55,000 | 0 |
| Total Revenues | <u>\$ 445,664</u> | <u>\$ 403,000</u> | <u>\$ 403,000</u> | <u>\$ 42,664</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| Education | \$ 589,000 | \$ 589,000 | \$ 589,000 | 0 |
| <u>Interest on Debt</u> | | | | |
| Education | 2,564 | 60,000 | 60,000 | 57,436 |
| <u>Other Debt Service</u> | | | | |
| Education | 12,231 | 20,500 | 20,500 | 8,269 |
| Total Expenditures | <u>\$ 603,795</u> | <u>\$ 669,500</u> | <u>\$ 669,500</u> | <u>\$ 65,705</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (158,131)</u> | <u>\$ (266,500)</u> | <u>\$ (266,500)</u> | <u>\$ 108,369</u> |
| Net Change in Fund Balance | \$ (158,131) | \$ (266,500) | \$ (266,500) | \$ 108,369 |
| Fund Balance, July 1, 2020 | <u>543,779</u> | <u>523,052</u> | <u>523,052</u> | <u>20,727</u> |
| Fund Balance, June 30, 2021 | <u>\$ 385,648</u> | <u>\$ 256,552</u> | <u>\$ 256,552</u> | <u>\$ 129,096</u> |

Custodial Funds

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

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, juvenile court clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Other Custodial Fund – The Other Custodial Fund is used to account for restricted revenue previously held by the city of Lebanon for the benefit of the Office of the District Attorney General.

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 the District Attorney General.

Exhibit H-1

Hartsville/Trousdale County Government, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2021

| | Custodial Funds | | | | | Total |
|--|--|--------------------|------------------------------|---------------------------------|-----------|------------------|
| | Constitu- tional Officers - Custodial | Other Custodial | Judicial District Drug | District Attorney General | | |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 646,659 | \$ 0 | \$ 50,736 | \$ 0 | \$ | 697,395 |
| Equity in Pooled Cash and Investments | 0 | 132,375 | 404,159 | 29,738 | | 566,272 |
| Accounts Receivable | 217 | 0 | 6,249 | 0 | | 6,466 |
| Due from Other Governments | 0 | 0 | 13,000 | 0 | | 13,000 |
| Total Assets | <u>\$ 646,876</u> | <u>\$ 132,375</u> | <u>\$ 474,144</u> | <u>\$ 29,738</u> | <u>\$</u> | <u>1,283,133</u> |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 5,019 | \$ 0 | \$ | 5,019 |
| Due to Other Funds | 0 | 0 | 5,686 | 0 | | 5,686 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 39,666 | 0 | | 39,666 |
| Total Liabilities | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 50,371</u> | <u>\$ 0</u> | <u>\$</u> | <u>50,371</u> |
| <u>NET POSITION</u> | | | | | | |
| Restricted for Individuals, Organizations, and Other Governments | <u>\$ 646,876</u> | <u>\$ 132,375</u> | <u>\$ 423,773</u> | <u>\$ 29,738</u> | <u>\$</u> | <u>1,232,762</u> |
| Total Net Position | <u>\$ 646,876</u> | <u>\$ 132,375</u> | <u>\$ 423,773</u> | <u>\$ 29,738</u> | <u>\$</u> | <u>1,232,762</u> |

Exhibit H-2

Hartsville/Trousdale County Government, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2021

| | Custodial Funds | | | | |
|---|--|--------------------|------------------------------|---------------------------------|---------------------|
| | Constitu- tional Officers - Custodial | Other Custodial | Judicial District Drug | District Attorney General | Total |
| <u>Additions</u> | | | | | |
| Fines/Fees and Other Collections | \$ 3,269,938 | \$ 397 | \$ 0 | \$ 0 | \$ 3,270,335 |
| Drug Task Force Collections | 0 | 0 | 233,778 | 0 | 233,778 |
| District Attorney General Collections | 0 | 0 | 0 | 24,623 | 24,623 |
| Total Additions | \$ 3,269,938 | \$ 397 | \$ 233,778 | \$ 24,623 | \$ 3,528,736 |
| <u>Deductions</u> | | | | | |
| Payments to State | \$ 1,131,167 | \$ 0 | \$ 0 | \$ 0 | \$ 1,131,167 |
| Payments to County/City | 1,385,715 | 0 | 0 | 0 | 1,385,715 |
| Payments to Individuals and Others | 766,758 | 4 | 0 | 0 | 766,762 |
| Payments of Drug Task Force Expenses | 0 | 0 | 228,768 | 0 | 228,768 |
| Payment of District Attorney General Expenses | 0 | 0 | 0 | 19,420 | 19,420 |
| Total Deductions | \$ 3,283,640 | \$ 4 | \$ 228,768 | \$ 19,420 | \$ 3,531,832 |
| Change in Net Position | \$ (13,702) | \$ 393 | \$ 5,010 | \$ 5,203 | \$ (3,096) |
| Net Position July 1, 2020 | 0 | 0 | 0 | 0 | 0 |
| Restatement - See Note I.D.10 | 660,578 | 131,982 | 418,763 | 24,535 | 1,235,858 |
| Net Position June 30, 2021 | \$ 646,876 | \$ 132,375 | \$ 423,773 | \$ 29,738 | \$ 1,232,762 |

Hartsville/Trousdale County School Department

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

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

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

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

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

Exhibit I-1

Hartsville/Trousdale County Government, Tennessee
Statement of Activities
Discretely Presented Hartsville/Trousdale 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 | \$ 7,024,952 | \$ 11,480 | \$ 1,172,004 | \$ 0 | \$ (5,841,468) |
| Support Services | 5,722,490 | 17,009 | 262,395 | 1,049,170 | (4,393,916) |
| Operation of Non-instructional Services | 1,481,540 | 397,443 | 552,283 | 0 | (531,814) |
| Other Debt Service | 92,170 | 0 | 0 | 0 | (92,170) |
| Total Governmental Activities | \$ 14,321,152 | \$ 425,932 | \$ 1,986,682 | \$ 1,049,170 | \$ (10,859,368) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 1,643,249 |
| Local Option Sales Tax | | | | | 933,051 |
| Business Tax | | | | | 40,640 |
| Mixed Drink Tax | | | | | 5,845 |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 9,112,478 |
| Unrestricted Investment Income | | | | | 21,802 |
| Miscellaneous | | | | | 155,843 |
| Total General Revenues | | | | | \$ 11,912,908 |
| Change in Net Position | | | | | \$ 1,053,540 |
| Restatement - See Note I.D.10 | | | | | 201,488 |
| Net Position, July 1, 2020 | | | | | 17,639,616 |
| Net Position, June 30, 2021 | | | | | \$ 18,894,644 |

Exhibit I-2

Hartsville/Trousdale County Government, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Hartsville/Trousdale County School Department
June 30, 2021

| | <u>Major Funds</u> | | <u>Nonmajor</u> | <u>Total</u> |
|--|---------------------|---------------------|---------------------|---------------------|
| | <u>General</u> | <u>Internal</u> | <u>Funds</u> | |
| | | | <u>Other</u> | |
| <u>Purpose</u> | <u>School</u> | <u>Governmental</u> | <u>Governmental</u> | |
| | <u>School</u> | <u>School</u> | <u>Funds</u> | <u>Funds</u> |
| <u>ASSETS</u> | | | | |
| Cash | \$ 0 | \$ 228,321 | \$ 0 | \$ 228,321 |
| Equity in Pooled Cash and Investments | 3,694,368 | 0 | 131,471 | 3,825,839 |
| Accounts Receivable | 549 | 0 | 1,804 | 2,353 |
| Due from Other Governments | 420,589 | 0 | 150,041 | 570,630 |
| Property Taxes Receivable | 1,715,579 | 0 | 0 | 1,715,579 |
| Allowance for Uncollectible Property Taxes | (149,131) | 0 | 0 | (149,131) |
| Restricted Assets | 133,182 | 0 | 0 | 133,182 |
| Total Assets | <u>\$ 5,815,136</u> | <u>\$ 228,321</u> | <u>\$ 283,316</u> | <u>\$ 6,326,773</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts Payable | \$ 183,921 | \$ 11,123 | \$ 25,603 | \$ 220,647 |
| Accrued Payroll | 36,462 | 0 | 4,138 | 40,600 |
| Payroll Deductions Payable | 238,103 | 0 | 10,590 | 248,693 |
| Total Liabilities | <u>\$ 458,486</u> | <u>\$ 11,123</u> | <u>\$ 40,331</u> | <u>\$ 509,940</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Deferred Current Property Taxes | \$ 1,528,612 | \$ 0 | \$ 0 | \$ 1,528,612 |
| Deferred Delinquent Property Taxes | 33,790 | 0 | 0 | 33,790 |
| Other Deferred/Unavailable Revenue | 101,235 | 0 | 0 | 101,235 |
| Total Deferred Inflows of Resources | <u>\$ 1,663,637</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 1,663,637</u> |

(Continued)

Exhibit I-2

Hartsville/Trousdale County Government, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Hartsville/Trousdale County School Department (Cont.)

| | <u>Major Funds</u> | | <u>Nonmajor</u> | <u>Total</u> |
|---|-------------------------------|------------------------|---------------------------------------|---------------------|
| | <u>General Purpose School</u> | <u>Internal School</u> | <u>Funds Other Governmental Funds</u> | |
| <u>FUND BALANCES</u> | | | | |
| Restricted: | | | | |
| Restricted for Education | \$ 15,703 | \$ 217,198 | \$ 142,985 | \$ 375,886 |
| Restricted for Hybrid Retirement Stabilization Funds | 133,183 | 0 | 0 | 133,183 |
| Committed: | | | | |
| Committed for Education | 2,553,518 | 0 | 100,000 | 2,653,518 |
| Unassigned | 990,609 | 0 | 0 | 990,609 |
| Total Fund Balances | <u>\$ 3,693,013</u> | <u>\$ 217,198</u> | <u>\$ 242,985</u> | <u>\$ 4,153,196</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 5,815,136</u> | <u>\$ 228,321</u> | <u>\$ 283,316</u> | <u>\$ 6,326,773</u> |

Exhibit I-3

Hartsville/Trousdale County Government, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Hartsville/Trousdale 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 I-2) | | \$ | 4,153,196 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | | |
| Add: land | \$ | 689,883 | |
| Add: buildings and improvements net of accumulated depreciation | | 14,789,802 | |
| Add: other capital assets net of accumulated depreciation | | 627,548 | |
| Add: intangibles net of accumulated depreciation | | <u>18,071</u> | 16,125,304 |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | | |
| Less: other postemployment benefits liability | \$ | (1,074,218) | |
| Less: contributions due on primary government debt for note and loans | | <u>(1,936,735)</u> | (3,010,953) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years. | | | |
| Add: deferred outflows of resources related to pensions | \$ | 947,509 | |
| Less: deferred inflows of resources related to pensions | | (574,655) | |
| Add: deferred outflows of resources related to OPEB | | 358,293 | |
| Less: deferred inflows of resources related to OPEB | | <u>(221,186)</u> | 509,961 |
| (4) Net pension assets of the teacher legacy pension and teacher retirement plans are not current financial resources and therefore are not reported in the governmental funds. | | | |
| Add: net pension asset - agent plan | \$ | 57,414 | |
| Add: net pension asset - teacher retirement plan | | 86,127 | |
| Add: net pension asset - teacher legacy pension plan | | <u>838,570</u> | 982,111 |
| (5) Other long term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds. | | | <u>135,025</u> |
| Net position of governmental activities (Exhibit A) | | | <u>\$ 18,894,644</u> |

Exhibit I-4

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

| | Major Funds | | Nonmajor Funds | Total Governmental Funds |
|--|------------------------------|--------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Internal School | Other Govern- mental Funds | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 2,827,299 | \$ 0 | \$ 0 | \$ 2,827,299 |
| Licenses and Permits | 855 | 0 | 0 | 855 |
| Charges for Current Services | 19,646 | 0 | 6,731 | 26,377 |
| Other Local Revenues | 117,112 | 390,712 | 98,727 | 606,551 |
| State of Tennessee | 8,680,733 | 0 | 8,226 | 8,688,959 |
| Federal Government | 174,636 | 0 | 1,979,078 | 2,153,714 |
| Other Governments and Citizens Groups | 1,049,170 | 0 | 0 | 1,049,170 |
| Total Revenues | <u>\$ 12,869,451</u> | <u>\$ 390,712</u> | <u>\$ 2,092,762</u> | <u>\$ 15,352,925</u> |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Instruction | \$ 6,442,344 | \$ 0 | \$ 995,175 | \$ 7,437,519 |
| Support Services | 4,090,237 | 0 | 241,409 | 4,331,646 |
| Operation of Non-Instructional Services | 222,374 | 375,002 | 897,533 | 1,494,909 |
| Capital Outlay | 1,267,356 | 0 | 100,374 | 1,367,730 |
| Debt Service: | | | | |
| Other Debt Service | 458,440 | 0 | 0 | 458,440 |
| Total Expenditures | <u>\$ 12,480,751</u> | <u>\$ 375,002</u> | <u>\$ 2,234,491</u> | <u>\$ 15,090,244</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 388,700</u> | <u>\$ 15,710</u> | <u>\$ (141,729)</u> | <u>\$ 262,681</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 0 | \$ 0 | \$ 54,045 | \$ 54,045 |
| Transfers Out | (54,045) | 0 | 0 | (54,045) |
| Total Other Financing Sources (Uses) | <u>\$ (54,045)</u> | <u>\$ 0</u> | <u>\$ 54,045</u> | <u>\$ 0</u> |

(Continued)

Exhibit I-4

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

| | <u>Major Funds</u> | | <u>Nonmajor</u> | <u>Total</u> |
|-------------------------------|--------------------|-----------------|-----------------|---------------------|
| | <u>General</u> | <u>Internal</u> | <u>Other</u> | |
| | <u>Purpose</u> | <u>School</u> | <u>Govern-</u> | <u>Governmental</u> |
| | <u>School</u> | <u>School</u> | <u>mental</u> | <u>Funds</u> |
| | | | <u>Funds</u> | <u>Funds</u> |
| Net Change in Fund Balances | \$ 334,655 | \$ 15,710 | \$ (87,684) | \$ 262,681 |
| Restatement - See Note I.D.10 | 0 | 201,488 | 0 | 201,488 |
| Fund Balance, July 1, 2020 | 3,358,358 | 0 | 330,669 | 3,689,027 |
| Fund Balance, June 30, 2021 | \$ 3,693,013 | \$ 217,198 | \$ 242,985 | \$ 4,153,196 |

Exhibit I-5

Hartsville/Trousdale County Government, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Hartsville/Trousdale 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 I-4) | | \$ 262,681 |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows: | | |
| Add: capital assets purchased in the current period | \$ 1,115,765 | |
| Less: current-year depreciation expense | <u>(741,215)</u> | 374,550 |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donation) is to decrease net position. | | (189,088) |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Less: deferred delinquent property taxes and other deferred June 30, 2020 | \$ (150,453) | |
| Add: deferred delinquent property taxes and other deferred June 30, 2021 | <u>135,025</u> | (15,428) |
| (4) The contributions of long-term debt (e.g., notes, bonds, leases, loans) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. | | |
| Add: principal contributions on loans to primary government | | 266,784 |
| (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 other postemployment benefits liability | \$ (188,041) | |
| Change in deferred outflows of resources related to pensions | 34,238 | |
| Change in deferred outflows of resources related to OPEB | 131,886 | |
| Change in deferred inflows of resources related to pensions | 668,221 | |
| Change in deferred inflows of resources related to OPEB | 4,358 | |
| Change in net pension asset - agent plan | 53,059 | |
| Change in net pension asset - teacher retirement plan | (4,383) | |
| Change in net pension asset - teacher legacy pension plan | <u>(345,297)</u> | <u>354,041</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 1,053,540</u> |

Exhibit I-6

Hartsville/Trousdale County Government, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Hartsville/Trousdale County School Department
June 30, 2021

| | <u>Special Revenue Funds</u> | | |
|---------------------------------------|-------------------------------|----------------------|--|
| | School Federal Projects | Central Cafeteria | Total Nonmajor Governmental Funds |
| <u>ASSETS</u> | | | |
| Equity in Pooled Cash and Investments | \$ 33,338 | \$ 98,133 | \$ 131,471 |
| Accounts Receivable | 0 | 1,804 | 1,804 |
| Due from Other Governments | 105,207 | 44,834 | 150,041 |
| | <hr/> | | |
| Total Assets | \$ 138,545 | \$ 144,771 | \$ 283,316 |
| <hr/> | | | |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 25,603 | \$ 0 | \$ 25,603 |
| Accrued Payroll | 2,626 | 1,512 | 4,138 |
| Payroll Deductions Payable | 10,316 | 274 | 10,590 |
| Total Liabilities | \$ 38,545 | \$ 1,786 | \$ 40,331 |
| <hr/> | | | |
| <u>FUND BALANCES</u> | | | |
| Restricted: | | | |
| Restricted for Education | \$ 0 | \$ 142,985 | \$ 142,985 |
| Committed: | | | |
| Committed for Education | 100,000 | 0 | 100,000 |
| Total Fund Balances | \$ 100,000 | \$ 142,985 | \$ 242,985 |
| <hr/> | | | |
| Total Liabilities and Fund Balances | \$ 138,545 | \$ 144,771 | \$ 283,316 |
| <hr/> | | | |

Exhibit I-7

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

| | <u>Special Revenue Funds</u> | | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------|--|
| | School Federal Projects | Central Cafeteria | |
| <u>Revenues</u> | | | |
| Charges for Current Services | \$ 0 | \$ 6,731 | \$ 6,731 |
| Other Local Revenues | 0 | 98,727 | 98,727 |
| State of Tennessee | 0 | 8,226 | 8,226 |
| Federal Government | 1,435,021 | 544,057 | 1,979,078 |
| Total Revenues | <u>\$ 1,435,021</u> | <u>\$ 657,741</u> | <u>\$ 2,092,762</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Instruction | \$ 995,175 | \$ 0 | \$ 995,175 |
| Support Services | 241,409 | 0 | 241,409 |
| Operation of Non-Instructional Services | 98,063 | 799,470 | 897,533 |
| Capital Outlay | 100,374 | 0 | 100,374 |
| Total Expenditures | <u>\$ 1,435,021</u> | <u>\$ 799,470</u> | <u>\$ 2,234,491</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 0</u> | <u>\$ (141,729)</u> | <u>\$ (141,729)</u> |
| <u>Other Financing Sources (Uses)</u> | | | |
| Transfers In | \$ 0 | \$ 54,045 | \$ 54,045 |
| Total Other Financing Sources (Uses) | <u>\$ 0</u> | <u>\$ 54,045</u> | <u>\$ 54,045</u> |
| Net Change in Fund Balances | \$ 0 | \$ (87,684) | \$ (87,684) |
| Fund Balance, July 1, 2020 | 100,000 | 230,669 | 330,669 |
| Fund Balance, June 30, 2021 | <u>\$ 100,000</u> | <u>\$ 142,985</u> | <u>\$ 242,985</u> |

Exhibit I-8

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Hartsville/Trousdale County School Department
General Purpose School Fund
For the Year Ended June 30, 2021

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|----------------------|-----------------------|-----------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 2,827,299 | \$ 2,419,878 | \$ 2,419,878 | \$ 407,421 |
| Licenses and Permits | 855 | 550 | 550 | 305 |
| Charges for Current Services | 19,646 | 22,000 | 34,712 | (15,066) |
| Other Local Revenues | 117,112 | 30,000 | 53,944 | 63,168 |
| State of Tennessee | 8,680,733 | 8,519,997 | 8,714,123 | (33,390) |
| Federal Government | 174,636 | 0 | 132,733 | 41,903 |
| Other Governments and Citizens Groups | 1,049,170 | 0 | 1,049,170 | 0 |
| Total Revenues | <u>\$ 12,869,451</u> | <u>\$ 10,992,425</u> | <u>\$ 12,405,110</u> | <u>\$ 464,341</u> |
| <u>Expenditures</u> | | | | |
| <u>Instruction</u> | | | | |
| Regular Instruction Program | \$ 5,099,160 | \$ 5,541,000 | \$ 5,518,764 | \$ 419,604 |
| Alternative Instruction Program | 134,939 | 128,790 | 136,740 | 1,801 |
| Special Education Program | 862,919 | 932,175 | 1,013,956 | 151,037 |
| Career and Technical Education Program | 345,326 | 373,855 | 386,012 | 40,686 |
| <u>Support Services</u> | | | | |
| Attendance | 28,302 | 28,560 | 28,560 | 258 |
| Health Services | 418,759 | 268,630 | 448,237 | 29,478 |
| Other Student Support | 208,533 | 266,910 | 302,045 | 93,512 |
| Regular Instruction Program | 312,188 | 396,690 | 385,063 | 72,875 |
| Special Education Program | 75,970 | 83,040 | 78,038 | 2,068 |
| Career and Technical Education Program | 32,525 | 33,160 | 33,160 | 635 |
| Technology | 172,184 | 207,460 | 194,410 | 22,226 |
| Other Programs | 24,633 | 0 | 24,633 | 0 |
| Board of Education | 157,661 | 183,230 | 183,230 | 25,569 |
| Director of Schools | 224,495 | 220,550 | 233,600 | 9,105 |
| Office of the Principal | 830,987 | 809,950 | 885,225 | 54,238 |
| Fiscal Services | 145,892 | 150,500 | 150,500 | 4,608 |
| Operation of Plant | 688,715 | 883,350 | 873,506 | 184,791 |
| Maintenance of Plant | 219,893 | 219,890 | 237,075 | 17,182 |
| Transportation | 549,500 | 647,200 | 669,442 | 119,942 |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Community Services | 112,864 | 132,405 | 118,852 | 5,988 |
| Early Childhood Education | 109,510 | 109,735 | 110,308 | 798 |
| <u>Capital Outlay</u> | | | | |
| Regular Capital Outlay | 1,267,356 | 110,000 | 2,015,170 | 747,814 |
| <u>Principal on Debt</u> | | | | |
| Education | 0 | 423,800 | 0 | 0 |
| <u>Interest on Debt</u> | | | | |
| Education | 0 | 10,500 | 0 | 0 |
| <u>Other Debt Service</u> | | | | |
| Education | 458,440 | 0 | 458,800 | 360 |
| Total Expenditures | <u>\$ 12,480,751</u> | <u>\$ 12,161,380</u> | <u>\$ 14,485,326</u> | <u>\$ 2,004,575</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 388,700</u> | <u>\$ (1,168,955)</u> | <u>\$ (2,080,216)</u> | <u>\$ 2,468,916</u> |

(Continued)

Exhibit I-8

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Hartsville/Trousdale County School Department
General Purpose School Fund (Cont.)

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|--------------|------------------|----------------|--|
| | | Original | Final | |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (54,045) | \$ (54,045) | \$ (54,045) | \$ 0 |
| Total Other Financing Sources | \$ (54,045) | \$ (54,045) | \$ (54,045) | \$ 0 |
| Net Change in Fund Balance | \$ 334,655 | \$ (1,223,000) | \$ (2,134,261) | \$ 2,468,916 |
| Fund Balance, July 1, 2020 | 3,358,358 | 3,038,516 | 3,038,516 | 319,842 |
| Fund Balance, June 30, 2021 | \$ 3,693,013 | \$ 1,815,516 | \$ 904,255 | \$ 2,788,758 |

Exhibit I-9

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Discretely Presented Hartsville/Trousdale 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 | \$ 1,435,021 | \$ 1,957,569 | \$ 2,254,936 | \$ (819,915) |
| Total Revenues | \$ 1,435,021 | \$ 1,957,569 | \$ 2,254,936 | \$ (819,915) |
| <u>Expenditures</u> | | | | |
| <u>Instruction</u> | | | | |
| Regular Instruction Program | \$ 712,419 | \$ 811,984 | \$ 989,955 | \$ 277,536 |
| Special Education Program | 261,660 | 292,387 | 324,013 | 62,353 |
| Career and Technical Education Program | 21,096 | 15,107 | 21,242 | 146 |
| <u>Support Services</u> | | | | |
| Health Services | 12,611 | 8,105 | 16,144 | 3,533 |
| Other Student Support | 1,652 | 4,908 | 1,653 | 1 |
| Regular Instruction Program | 99,234 | 132,116 | 187,942 | 88,708 |
| Special Education Program | 31,008 | 17,408 | 32,128 | 1,120 |
| Career and Technical Education Program | 100 | 1,000 | 100 | 0 |
| Technology | 40,000 | 240,000 | 149,000 | 109,000 |
| Office of the Principal | 3,076 | 0 | 6,612 | 3,536 |
| Operation of Plant | 49,894 | 20,254 | 55,637 | 5,743 |
| Transportation | 3,834 | 1,500 | 5,078 | 1,244 |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Food Service | 98,063 | 99,800 | 98,063 | 0 |
| <u>Capital Outlay</u> | | | | |
| Regular Capital Outlay | 100,374 | 313,000 | 367,369 | 266,995 |
| Total Expenditures | \$ 1,435,021 | \$ 1,957,569 | \$ 2,254,936 | \$ 819,915 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Net Change in Fund Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Fund Balance, July 1, 2020 | 100,000 | 100,000 | 100,000 | 0 |
| Fund Balance, June 30, 2021 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 0 |

Exhibit I-10

Hartsville/Trousdale County Government, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Hartsville/Trousdale County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2021

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Charges for Current Services | \$ 6,731 | \$ 47,000 | \$ 47,000 | \$ (40,269) |
| Other Local Revenues | 98,727 | 750 | 750 | 97,977 |
| State of Tennessee | 8,226 | 7,000 | 7,000 | 1,226 |
| Federal Government | 544,057 | 821,000 | 832,406 | (288,349) |
| Total Revenues | <u>\$ 657,741</u> | <u>\$ 875,750</u> | <u>\$ 887,156</u> | <u>\$ (229,415)</u> |
| <u>Expenditures</u> | | | | |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Food Service | \$ 799,470 | \$ 1,006,575 | \$ 1,017,981 | \$ 218,511 |
| Total Expenditures | <u>\$ 799,470</u> | <u>\$ 1,006,575</u> | <u>\$ 1,017,981</u> | <u>\$ 218,511</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (141,729)</u> | <u>\$ (130,825)</u> | <u>\$ (130,825)</u> | <u>\$ (10,904)</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 54,045 | \$ 54,045 | \$ 54,045 | \$ 0 |
| Total Other Financing Sources | <u>\$ 54,045</u> | <u>\$ 54,045</u> | <u>\$ 54,045</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ (87,684) | \$ (76,780) | \$ (76,780) | \$ (10,904) |
| Fund Balance, July 1, 2020 | 230,669 | 188,573 | 188,573 | 42,096 |
| Fund Balance, June 30, 2021 | <u>\$ 142,985</u> | <u>\$ 111,793</u> | <u>\$ 111,793</u> | <u>\$ 31,192</u> |

MISCELLANEOUS SCHEDULES

Exhibit J-1

Hartsville/Trousdale County Government, Tennessee
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds
 For the Year Ended June 30, 2021

| | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-20 | Issued During Period | Matured During Period | Outstanding 6-30-21 |
|--|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|-----------------------------|------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | | | | |
| NOTES PAYABLE | | | | | | | | |
| <u>Payable through School Department Contributions from the General Purpose School Fund to the General Debt Service Fund</u> | | | | | | | | |
| Middle School Roof Project | \$ 1,049,170 | 2.62 % | 7-21-20 | 6-1-30 | \$ 0 | \$ 1,049,170 | \$ 92,170 | \$ 957,000 |
| Total Payable through School Department Contributions from the General Purpose School Fund to the General Debt Service Fund | | | | | \$ 0 | \$ 1,049,170 | \$ 92,170 | \$ 957,000 |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| Public Works Building Acquisition | 650,000 | 2.98 | 5-28-15 | 6-1-25 | \$ 291,000 | \$ 0 | \$ 66,000 | \$ 225,000 |
| Sheriff's Vehicle Acquisition | 222,000 | 2.49 | 9-9-15 | 8-11-20 | 47,000 | 0 | 47,000 | 0 |
| Solid Waste Truck Acquisition | 151,007 | 2.48 | 2-3-16 | 1-20-21 | 31,800 | 0 | 31,800 | 0 |
| Solid Waste Garbage Truck Acquisition | 148,000 | 2.61 | 9-21-16 | 10-1-23 | 87,800 | 0 | 21,100 | 66,700 |
| Total Payable through General Debt Service Fund | | | | | \$ 457,600 | \$ 0 | \$ 165,900 | \$ 291,700 |
| <u>Payable through Urban Services Fund</u> | | | | | | | | |
| Garbage Truck Acquisition | 290,545 | 3.04 | 5-30-13 | 5-1-23 | \$ 67,000 | \$ 0 | \$ 31,000 | \$ 36,000 |
| Total Payable through Urban Services Fund | | | | | \$ 67,000 | \$ 0 | \$ 31,000 | \$ 36,000 |
| Total Notes Payable | | | | | \$ 524,600 | \$ 1,049,170 | \$ 289,070 | \$ 1,284,700 |
| OTHER LOANS PAYABLE | | | | | | | | |
| <u>Payable through School Department Contributions from the General Purpose School Fund to the General Debt Service Fund</u> | | | | | | | | |
| Qualified School Construction Bonds, Series 2010 | 2,523,000 | (1) | 10-1-10 | 9-15-27 | \$ 1,119,240 | \$ 0 | \$ 157,432 | \$ 961,808 |
| Energy Efficient School Improvements | 1,352,974 | 1.00 | 12-12-16 | 1-1-30 | 1,084,279 | 0 | 109,352 | 974,927 |
| Total Payable through School Department Contributions from the General Purpose School Fund to the General Debt Service Fund | | | | | \$ 2,203,519 | \$ 0 | \$ 266,784 | \$ 1,936,735 |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| Energy Efficient School Loan | 2,650,062 | Variable | 10-28-16 | 5-25-37 | \$ 2,317,000 | \$ 0 | \$ 115,000 | \$ 2,202,000 |
| Criminal Justice Center Acquisition and Renovation | 1,750,000 | Variable | 12-16-16 | 5-25-37 | 1,532,000 | 0 | 76,000 | 1,456,000 |
| Total Payable through General Debt Service Fund | | | | | \$ 3,849,000 | \$ 0 | \$ 191,000 | \$ 3,658,000 |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| School Construction | 8,500,000 | Variable | 8-30-02 | 5-25-22 | \$ 1,151,859 | \$ 0 | \$ 589,000 | \$ 562,859 |
| Total Payable through Education Debt Service Fund | | | | | \$ 1,151,859 | \$ 0 | \$ 589,000 | \$ 562,859 |
| Total Other Loans Payable | | | | | \$ 7,204,378 | \$ 0 | \$ 1,046,784 | \$ 6,157,594 |

(Continued)

Exhibit J-1

Hartsville/Trousdale County Government, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

| | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-20 | Issued During Period | Matured During Period | Outstanding 6-30-21 |
|---|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|-----------------------------|------------------------|
| <u>BUSINESS-TYPE ACTIVITIES</u> | | | | | | | | |
| <u>BONDS PAYABLE</u> | | | | | | | | |
| <u>Payable through Water and Sewer Fund</u> | | | | | | | | |
| Water and Sewer Revenue, Series 2016 | \$ 3,605,000 | 1.88 | % 12-29-16 | 11-28-56 | \$ 3,384,624 | \$ 0 | \$ 65,582 | \$ 3,319,042 |
| Water and Sewer Revenue, Series 2017 | 1,850,000 | 2.25 | 12-1-17 | 11-1-57 | 1,776,066 | 0 | 30,733 | 1,745,333 |
| Total Bonds Payable | | | | | <u>\$ 5,160,690</u> | <u>\$ 0</u> | <u>\$ 96,315</u> | <u>\$ 5,064,375</u> |

(1) Interest rate of approximately 4.85 percent is offset by a federal interest subsidy.

Exhibit J-2

Hartsville/Trousdale County Government, Tennessee
Schedule of Long-term Debt Requirements by Year

GOVERNMENTAL ACTIVITIES

| Year Ending June 30 | Notes | | |
|---------------------------|--------------|------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 216,700 | \$ 35,765 | \$ 252,465 |
| 2023 | 194,200 | 29,563 | 223,763 |
| 2024 | 195,800 | 24,052 | 219,852 |
| 2025 | 118,000 | 18,813 | 136,813 |
| 2026 | 106,000 | 15,512 | 121,512 |
| 2027 | 109,000 | 12,576 | 121,576 |
| 2028 | 112,000 | 9,556 | 121,556 |
| 2029 | 115,000 | 6,454 | 121,454 |
| 2030 | 118,000 | 3,269 | 121,269 |
| Total | \$ 1,284,700 | \$ 155,560 | \$ 1,440,260 |

| Year Ending June 30 | Other Loans | | | |
|---------------------------|--------------|--------------|----------------|--------------|
| | Principal | Interest | (1) Other Fees | Total |
| 2022 | \$ 1,025,746 | \$ 172,951 | \$ 12,677 | \$ 1,211,374 |
| 2023 | 467,993 | 168,659 | 8,098 | 644,750 |
| 2024 | 474,122 | 165,437 | 7,803 | 647,362 |
| 2025 | 478,251 | 162,164 | 7,501 | 647,916 |
| 2026 | 484,392 | 158,845 | 7,195 | 650,432 |
| 2027 | 506,763 | 155,462 | 6,880 | 669,105 |
| 2028 | 338,279 | 28,957 | 6,561 | 373,797 |
| 2029 | 344,446 | 24,199 | 6,233 | 374,878 |
| 2030 | 289,602 | 20,755 | 5,898 | 316,255 |
| 2031 | 234,000 | 18,150 | 5,557 | 257,707 |
| 2032 | 239,000 | 15,688 | 5,210 | 259,898 |
| 2033 | 245,000 | 13,173 | 4,856 | 263,029 |
| 2034 | 250,000 | 10,597 | 4,493 | 265,090 |
| 2035 | 255,000 | 7,967 | 4,123 | 267,090 |
| 2036 | 260,000 | 5,285 | 3,745 | 269,030 |
| 2037 | 265,000 | 2,550 | 3,110 | 270,660 |
| Total | \$ 6,157,594 | \$ 1,130,839 | \$ 99,940 | \$ 7,388,373 |

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

(Continued)

Exhibit J-2

Hartsville/Trousdale County Government, Tennessee
Schedule of Long-term Debt Requirements by Year (Cont.)

BUSINESS-TYPE ACTIVITIES

| Year Ending June 30 | Bonds | | |
|---------------------------|--------------|--------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 98,248 | \$ 100,616 | \$ 198,864 |
| 2023 | 100,226 | 98,639 | 198,865 |
| 2024 | 102,141 | 96,723 | 198,864 |
| 2025 | 104,301 | 94,563 | 198,864 |
| 2026 | 106,403 | 92,460 | 198,863 |
| 2027 | 108,546 | 90,318 | 198,864 |
| 2028 | 110,639 | 88,226 | 198,865 |
| 2029 | 112,963 | 85,901 | 198,864 |
| 2030 | 115,239 | 83,625 | 198,864 |
| 2031 | 117,562 | 81,302 | 198,864 |
| 2032 | 119,848 | 79,016 | 198,864 |
| 2033 | 122,349 | 76,515 | 198,864 |
| 2034 | 124,817 | 74,047 | 198,864 |
| 2035 | 127,335 | 71,529 | 198,864 |
| 2036 | 129,829 | 69,035 | 198,864 |
| 2037 | 132,524 | 66,341 | 198,865 |
| 2038 | 135,198 | 63,666 | 198,864 |
| 2039 | 137,927 | 60,937 | 198,864 |
| 2040 | 140,648 | 58,216 | 198,864 |
| 2041 | 143,551 | 55,313 | 198,864 |
| 2042 | 146,450 | 52,414 | 198,864 |
| 2043 | 149,407 | 49,457 | 198,864 |
| 2044 | 152,374 | 46,490 | 198,864 |
| 2045 | 155,505 | 43,359 | 198,864 |
| 2046 | 158,647 | 40,217 | 198,864 |
| 2047 | 161,853 | 37,011 | 198,864 |
| 2048 | 165,087 | 33,777 | 198,864 |
| 2049 | 168,461 | 30,403 | 198,864 |
| 2050 | 171,868 | 26,996 | 198,864 |
| 2051 | 175,343 | 23,521 | 198,864 |
| 2052 | 178,867 | 19,997 | 198,864 |
| 2053 | 182,509 | 16,355 | 198,864 |
| 2054 | 186,202 | 12,662 | 198,864 |
| 2055 | 189,953 | 8,895 | 198,848 |
| 2056 | 193,790 | 5,057 | 198,847 |
| 2057 | 114,399 | 1,564 | 115,963 |
| 2058 | 23,366 | 0 | 23,366 |
| Total | \$ 5,064,375 | \$ 2,035,163 | \$ 7,099,538 |

Exhibit J-3

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

| <u>From Fund</u> | <u>To Fund</u> | <u>Purpose</u> | <u>Amount</u> |
|--|----------------------|----------------------|-------------------|
| <u>PRIMARY GOVERNMENT</u> | | | |
| General | General Debt Service | QSCB subsidy payment | \$ 122,315 |
| Urban Services | " | Debt contribution | <u>23,793</u> |
| Total Transfers Primary Government | | | <u>\$ 146,108</u> |
| <u>DISCRETELY PRESENTED HARTSVILLE/TROUSDALE COUNTY SCHOOL DEPARTMENT</u> | | | |
| General Purpose School | Central Cafeteria | Salary reimbursement | <u>\$ 54,045</u> |
| Total Transfers Discretely Presented Hartsville/ Trousdale County School Department | | | <u>\$ 54,045</u> |

Exhibit J-4

Hartsville/Trousdale County Government, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Hartsville/Trousdale 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> | \$ 82,199 (1) | \$ (4) | Tennessee Risk Management Trust |
| Superintendent of Roads | Section 8-24-102, <i>TCA</i> | 78,286 | (4) | " |
| Director of Schools | State Board of Education and Hartsville/Trousdale County Government Board of Education | 95,000 (2) | (4) | " |
| Trustee | Section 8-24-102, <i>TCA</i> | 71,169 | (4) | " |
| Assessor of Property: | | | | |
| DeWayne Byrd (7-1-2020 to 8-31-2020) | Section 8-24-102, <i>TCA</i> | 13,970 | (4) | " |
| Mike Potts (9-1-2020 to 6-30-2021) | Section 8-24-102, <i>TCA</i> | 57,199 | (4) | " |
| County Clerk | Section 8-24-102, <i>TCA</i> | 71,169 | (4) | " |
| Circuit, General Sessions, and Juvenile Courts Clerk | Section 8-24-102, <i>TCA</i> | 71,169 | (4) | " |
| Clerk and Master | Section 8-24-102, <i>TCA</i> , and Chancery Court Judge | 71,169 (5) | (4) | " |
| Register of Deeds | Section 8-24-102, <i>TCA</i> | 71,169 | (4) | " |
| Sheriff | Section 8-24-102, <i>TCA</i> | 78,286 (3) | (4) | " |
| Employee Blanket Bond Coverage: | | | | |
| General County, Water Department, and Highway Employees | | | 400,000 | " |
| School Employees | | | 400,000 | " |

- (1) Does not include \$600 for serving as chairman of the Highway Commission.
(2) Does not include \$1,000 as a chief executive officer training supplement, \$1,740 as secretary of the Board of Education, and \$7,736 as a performance bonus.
(3) Does not include a law enforcement training supplement of \$800.
(4) Officials are covered by the employee blanket bond pursuant to Section 8-19-101, *TCA*.
(5) Does not include \$2,419 for special commissioner fees.

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2021

| | Special Revenue Funds | | | | | |
|--|-----------------------|-------------------|--------------------------|-------------------|-----------------|--------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 2,937,073 | \$ 461,150 | \$ 570,287 | \$ 456,276 | \$ 0 | \$ 0 |
| Discount on Property Taxes | (35,569) | (4,442) | (6,904) | (5,528) | 0 | 0 |
| Trustee's Collections - Prior Year | 80,898 | 20,289 | 17,663 | 12,739 | 0 | 0 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 69,635 | 23,373 | 14,957 | 10,943 | 0 | 0 |
| Interest and Penalty | 13,923 | 3,681 | 2,993 | 2,188 | 0 | 0 |
| Payments in-Lieu-of Taxes - T.V.A. | 27,079 | 0 | 0 | 0 | 0 | 0 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 806,790 | 0 | 0 | 0 | 0 | 0 |
| Hotel/Motel Tax | 1,721 | 0 | 0 | 0 | 0 | 0 |
| Local Amusement Tax | 97 | 0 | 0 | 0 | 0 | 0 |
| Wheel Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - General | 22,819 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Special Purpose | 61,833 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 0 | 0 | 0 | 0 | 0 | 0 |
| Business Tax | 71,108 | 0 | 13,808 | 11,060 | 0 | 0 |
| Mixed Drink Tax | 6,202 | 0 | 0 | 0 | 0 | 0 |
| Adequate Facilities/Development Tax | 139,678 | 0 | 0 | 0 | 0 | 0 |
| Other County Local Option Taxes | 8,387 | 33,548 | 0 | 0 | 0 | 0 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 105,633 | 0 | 0 | 0 | 0 | 0 |
| Wholesale Beer Tax | 162,425 | 0 | 0 | 0 | 0 | 0 |
| Other Statutory Local Taxes | 0 | 62,454 | 0 | 0 | 0 | 0 |
| Total Local Taxes | \$ 4,479,732 | \$ 600,053 | \$ 612,804 | \$ 487,678 | \$ 0 | \$ 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|--|-----------------------|------------------|--------------------------|-------------------|-----------------|--------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Cable TV Franchise | \$ 6,028 | \$ 19,803 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Permits</u> | | | | | | |
| Building Permits | 143,485 | 44,979 | 0 | 0 | 0 | 0 |
| Other Permits | 240 | 0 | 0 | 0 | 0 | 0 |
| Total Licenses and Permits | \$ 149,753 | \$ 64,782 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Circuit Court</u> | | | | | | |
| Officers Costs | \$ 1,252 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Data Entry Fee - Circuit Court | 373 | 0 | 0 | 0 | 0 | 0 |
| <u>General Sessions Court</u> | | | | | | |
| Fines | 10,044 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 22,094 | 0 | 0 | 0 | 0 | 0 |
| Game and Fish Fines | 59 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 0 | 4,168 |
| Jail Fees | 2,862 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 2,327 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - General Sessions Court | 15,288 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 22,880 | 0 | 0 | 0 | 0 | 0 |
| <u>Juvenile Court</u> | | | | | | |
| Fines | 238 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 404 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 1,615 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Juvenile Court | 28 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|---|-----------------------|----------------|--------------------------|-------------------|-----------------|--------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | |
| <u>Chancery Court</u> | | | | | | |
| Officers Costs | \$ 1,360 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Data Entry Fee - Chancery Court | 576 | 0 | 0 | 0 | 0 | 0 |
| <u>Judicial District Drug Program</u> | | | | | | |
| Drug Task Force Forfeitures and Seizures | 321 | 0 | 0 | 0 | 0 | 8,539 |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | | |
| Proceeds from Confiscated Property | 14,297 | 0 | 0 | 0 | 0 | 0 |
| Other Fines, Forfeitures, and Penalties | 2,007 | 0 | 0 | 0 | 0 | 0 |
| Total Fines, Forfeitures, and Penalties | \$ 98,025 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 12,707 |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Commercial and Industrial Waste Collection Charge | \$ 0 | \$ 0 | \$ 221,905 | \$ 0 | \$ 0 | \$ 0 |
| Residential Waste Collection Charge | 0 | 230,850 | 0 | 0 | 0 | 0 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 367 | 0 | 0 | 0 |
| Patient Charges | 0 | 0 | 0 | 558,005 | 0 | 0 |
| Zoning Studies | 1,800 | 0 | 0 | 0 | 0 | 0 |
| <u>Fees</u> | | | | | | |
| Copy Fees | 165 | 0 | 0 | 0 | 0 | 0 |
| Telephone Commissions | 26,908 | 0 | 0 | 0 | 0 | 0 |
| Special Commissioner Fees/Special Master Fees | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Register | 4,948 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Sheriff | 162 | 0 | 0 | 0 | 0 | 0 |
| Sexual Offender Registration Fee - Sheriff | 1,800 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - County Clerk | 1,495 | 0 | 0 | 0 | 0 | 0 |
| Vehicle Registration Reinstatement Fees | 615 | 0 | 0 | 0 | 0 | 0 |
| Total Charges for Current Services | \$ 37,893 | \$ 230,850 | \$ 222,272 | \$ 558,005 | \$ 0 | \$ 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|--|-----------------------|----------------|--------------------------|-------------------|-----------------|--------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 52,659 | \$ 0 | \$ 0 | \$ 17 | \$ 0 | \$ 0 |
| Lease/Rentals | 16,793 | 0 | 0 | 0 | 0 | 0 |
| Sale of Materials and Supplies | 0 | 500 | 0 | 0 | 0 | 0 |
| Commissary Sales | 5,573 | 0 | 0 | 0 | 0 | 0 |
| Sale of Gasoline | 15,597 | 0 | 0 | 0 | 0 | 0 |
| Sale of Recycled Materials | 0 | 0 | 66,087 | 0 | 0 | 0 |
| Sale of Animals/Livestock | 1,800 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous Refunds | 11,088 | 0 | 116 | 0 | 0 | 0 |
| Expenditure Credits | 17,775 | 0 | 0 | 0 | 0 | 0 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Property | 3,545 | 0 | 0 | 0 | 0 | 0 |
| Damages Recovered from Individuals | 0 | 0 | 0 | 0 | 0 | 0 |
| Contributions and Gifts | 1,168 | 0 | 0 | 0 | 0 | 0 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 9,498 | 0 | 0 | 0 | 0 | 0 |
| Total Other Local Revenues | \$ 135,496 | \$ 500 | \$ 66,203 | \$ 17 | \$ 0 | \$ 0 |
| <u>Fees Received From County Officials</u> | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | |
| County Clerk | \$ 133,946 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Circuit Court Clerk | 18,721 | 0 | 0 | 0 | 0 | 0 |
| General Sessions Court Clerk | 58,026 | 0 | 0 | 0 | 0 | 0 |
| Clerk and Master | 38,573 | 0 | 0 | 0 | 0 | 0 |
| Register | 75,136 | 0 | 0 | 0 | 0 | 0 |
| Sheriff | 7,648 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|--|-----------------------|----------------|--------------------------|-------------------|-----------------|--------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Fees Received From County Officials (Cont.)</u> | | | | | | |
| <u>Fees In-Lieu-of Salary (Cont.)</u> | | | | | | |
| Trustee | \$ 218,565 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Fees Received From County Officials | \$ 550,615 | \$ 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 | 9,411 | 0 | 0 | 0 | 0 | 0 |
| Solid Waste Grants | 0 | 0 | 2,785 | 0 | 0 | 0 |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | 15,200 | 3,200 | 0 | 0 | 0 | 0 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Other Health and Welfare Grants | 910 | 0 | 0 | 0 | 0 | 0 |
| <u>Public Works Grants</u> | | | | | | |
| Litter Program | 43,561 | 0 | 0 | 0 | 0 | 0 |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | 10,535 | 0 | 0 | 0 | 0 | 0 |
| Beer Tax | 19,491 | 0 | 0 | 0 | 0 | 0 |
| Vehicle Certificate of Title Fees | 5,431 | 0 | 0 | 0 | 0 | 0 |
| Alcoholic Beverage Tax | 0 | 22,784 | 0 | 0 | 0 | 0 |
| State Revenue Sharing - Telecommunications | 22,831 | 0 | 0 | 0 | 0 | 0 |
| State Shared Sports Gaming Privilege Tax | 2,908 | 0 | 0 | 0 | 0 | 0 |
| Emergency Hospital - Prisoners | 186 | 0 | 0 | 0 | 0 | 0 |
| Contracted Prisoner Boarding | 157,404 | 0 | 0 | 0 | 54,196,717 | 0 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|--|-----------------------|-------------------|--------------------------------|----------------------|----------------------|-----------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>State of Tennessee (Cont.)</u> | | | | | | |
| <u>Other State Revenues (Cont.)</u> | | | | | | |
| Registrar's Salary Supplement | \$ 15,164 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| State Shared Sales Tax - Cities | 0 | 247,309 | 0 | 0 | 0 | 0 |
| Other State Grants | 734,094 | 273,000 | 0 | 0 | 0 | 0 |
| Other State Revenues | 1,365 | 0 | 7,875 | 0 | 0 | 0 |
| Total State of Tennessee | \$ 1,047,491 | \$ 546,293 | \$ 10,660 | \$ 0 | \$ 54,196,717 | \$ 0 |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| Community Development | \$ 46,907 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Homeland Security Grants | 8,000 | 0 | 0 | 9,000 | 0 | 0 |
| COVID-19 Grant #2 | 46,926 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #3 | 330,360 | 0 | 0 | 0 | 0 | 0 |
| Other Federal through State | 21,953 | 222,065 | 0 | 0 | 0 | 0 |
| <u>Direct Federal Revenue</u> | | | | | | |
| Police Service (Lake Area) | 10,601 | 0 | 0 | 0 | 0 | 0 |
| Tax Credit Bond Rebate | 115,221 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #7 | 257 | 0 | 0 | 0 | 0 | 0 |
| Other Direct Federal Revenue | 8,733 | 0 | 0 | 0 | 0 | 0 |
| Total Federal Government | \$ 588,958 | \$ 222,065 | \$ 0 | \$ 9,000 | \$ 0 | \$ 0 |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Contributions | \$ 3,241 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Contracted Services | 5,040 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------|--------------------------------|----------------------|----------------------|------------------|
| | General | Urban Services | Solid Waste / Sanitation | Ambulance Service | Special Purpose | Drug Control |
| <u>Other Governments and Citizens Groups (Cont.)</u> | | | | | | |
| <u>Citizens Groups</u> | | | | | | |
| Donations | \$ 8,119 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Other Governments and Citizens Groups | <u>\$ 16,400</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Total | <u>\$ 7,104,363</u> | <u>\$ 1,664,543</u> | <u>\$ 911,939</u> | <u>\$ 1,054,700</u> | <u>\$ 54,196,717</u> | <u>\$ 12,707</u> |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|--|--|------------------------------|----------------------------|------------------------------|--------------|
| | Constitu - tional - Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>Local Taxes</u> | | | | | |
| <u>County Property Taxes</u> | | | | | |
| Current Property Tax | \$ 0 | \$ 93,490 | \$ 441,824 | \$ 0 | \$ 4,960,100 |
| Discount on Property Taxes | 0 | (1,132) | (5,350) | 0 | (58,925) |
| Trustee's Collections - Prior Year | 0 | 3,068 | 12,335 | 0 | 146,992 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 0 | 2,274 | 10,597 | 0 | 131,779 |
| Interest and Penalty | 0 | 517 | 2,119 | 0 | 25,421 |
| Payments in-Lieu-of Taxes - T.V.A. | 0 | 0 | 0 | 0 | 27,079 |
| <u>County Local Option Taxes</u> | | | | | |
| Local Option Sales Tax | 0 | 0 | 0 | 0 | 806,790 |
| Hotel/Motel Tax | 0 | 0 | 0 | 0 | 1,721 |
| Local Amusement Tax | 0 | 0 | 0 | 0 | 97 |
| Wheel Tax | 0 | 0 | 0 | 389,626 | 389,626 |
| Litigation Tax - General | 0 | 0 | 0 | 0 | 22,819 |
| Litigation Tax - Special Purpose | 0 | 0 | 0 | 0 | 61,833 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 0 | 0 | 22,512 | 0 | 22,512 |
| Business Tax | 0 | 2,406 | 10,684 | 0 | 109,066 |
| Mixed Drink Tax | 0 | 0 | 0 | 0 | 6,202 |
| Adequate Facilities/Development Tax | 0 | 0 | 0 | 0 | 139,678 |
| Other County Local Option Taxes | 0 | 0 | 0 | 0 | 41,935 |
| <u>Statutory Local Taxes</u> | | | | | |
| Bank Excise Tax | 0 | 0 | 0 | 0 | 105,633 |
| Wholesale Beer Tax | 0 | 0 | 0 | 0 | 162,425 |
| Other Statutory Local Taxes | 0 | 0 | 0 | 0 | 62,454 |
| Total Local Taxes | \$ 0 | \$ 100,623 | \$ 494,721 | \$ 389,626 | \$ 7,165,237 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|--|--|------------------------------|----------------------------|------------------------------|----------------|
| | Constitu - tional - Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>Licenses and Permits</u> | | | | | |
| <u>Licenses</u> | | | | | |
| Cable TV Franchise | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 25,831 |
| <u>Permits</u> | | | | | |
| Building Permits | 0 | 0 | 0 | 0 | 188,464 |
| Other Permits | 0 | 0 | 0 | 0 | 240 |
| Total Licenses and Permits | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>214,535</u> |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | |
| <u>Circuit Court</u> | | | | | |
| Officers Costs | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,252 |
| Data Entry Fee - Circuit Court | 0 | 0 | 0 | 0 | 373 |
| <u>General Sessions Court</u> | | | | | |
| Fines | 0 | 0 | 0 | 0 | 10,044 |
| Officers Costs | 0 | 0 | 0 | 0 | 22,094 |
| Game and Fish Fines | 0 | 0 | 0 | 0 | 59 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 4,168 |
| Jail Fees | 0 | 0 | 0 | 0 | 2,862 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 2,327 |
| Data Entry Fee - General Sessions Court | 0 | 0 | 0 | 0 | 15,288 |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 22,880 |
| <u>Juvenile Court</u> | | | | | |
| Fines | 0 | 0 | 0 | 0 | 238 |
| Officers Costs | 0 | 0 | 0 | 0 | 404 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 1,615 |
| Data Entry Fee - Juvenile Court | 0 | 0 | 0 | 0 | 28 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|---|--|------------------------------|----------------------------|------------------------------|-----------|
| | Constitu - tional - Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | |
| <u>Chancery Court</u> | | | | | |
| Officers Costs | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,360 |
| Data Entry Fee - Chancery Court | 0 | 0 | 0 | 0 | 576 |
| <u>Judicial District Drug Program</u> | | | | | |
| Drug Task Force Forfeitures and Seizures | 0 | 0 | 0 | 0 | 8,860 |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | |
| Proceeds from Confiscated Property | 0 | 0 | 0 | 0 | 14,297 |
| Other Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 0 | 2,007 |
| Total Fines, Forfeitures, and Penalties | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 110,732 |
| <u>Charges for Current Services</u> | | | | | |
| <u>General Service Charges</u> | | | | | |
| Commercial and Industrial Waste Collection Charge | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 221,905 |
| Residential Waste Collection Charge | 0 | 0 | 0 | 0 | 230,850 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 0 | 0 | 367 |
| Patient Charges | 0 | 0 | 0 | 0 | 558,005 |
| Zoning Studies | 0 | 0 | 0 | 0 | 1,800 |
| <u>Fees</u> | | | | | |
| Copy Fees | 0 | 0 | 0 | 0 | 165 |
| Telephone Commissions | 0 | 0 | 0 | 0 | 26,908 |
| Special Commissioner Fees/Special Master Fees | 2,419 | 0 | 0 | 0 | 2,419 |
| Data Processing Fee - Register | 0 | 0 | 0 | 0 | 4,948 |
| Data Processing Fee - Sheriff | 0 | 0 | 0 | 0 | 162 |
| Sexual Offender Registration Fee - Sheriff | 0 | 0 | 0 | 0 | 1,800 |
| Data Processing Fee - County Clerk | 0 | 0 | 0 | 0 | 1,495 |
| Vehicle Registration Reinstatement Fees | 0 | 0 | 0 | 0 | 615 |
| Total Charges for Current Services | \$ 2,419 | \$ 0 | \$ 0 | \$ 0 | 1,051,439 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|--|--|------------------------------|----------------------------|------------------------------|------------|
| | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>Other Local Revenues</u> | | | | | |
| <u>Recurring Items</u> | | | | | |
| Investment Income | \$ 0 | \$ 667 | \$ 21,338 | \$ 1,038 | \$ 75,719 |
| Lease/Rentals | 0 | 0 | 0 | 0 | 16,793 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 500 |
| Commissary Sales | 0 | 0 | 0 | 0 | 5,573 |
| Sale of Gasoline | 0 | 0 | 0 | 0 | 15,597 |
| Sale of Recycled Materials | 0 | 0 | 0 | 0 | 66,087 |
| Sale of Animals/Livestock | 0 | 0 | 0 | 0 | 1,800 |
| Miscellaneous Refunds | 0 | 0 | 0 | 0 | 11,204 |
| Expenditure Credits | 0 | 0 | 0 | 0 | 17,775 |
| <u>Nonrecurring Items</u> | | | | | |
| Sale of Property | 0 | 0 | 0 | 0 | 3,545 |
| Damages Recovered from Individuals | 0 | 4,375 | 0 | 0 | 4,375 |
| Contributions and Gifts | 0 | 0 | 0 | 0 | 1,168 |
| <u>Other Local Revenues</u> | | | | | |
| Other Local Revenues | 0 | 0 | 0 | 0 | 9,498 |
| Total Other Local Revenues | \$ 0 | \$ 5,042 | \$ 21,338 | \$ 1,038 | \$ 229,634 |
| <u>Fees Received From County Officials</u> | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | |
| County Clerk | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 133,946 |
| Circuit Court Clerk | 0 | 0 | 0 | 0 | 18,721 |
| General Sessions Court Clerk | 0 | 0 | 0 | 0 | 58,026 |
| Clerk and Master | 0 | 0 | 0 | 0 | 38,573 |
| Register | 0 | 0 | 0 | 0 | 75,136 |
| Sheriff | 0 | 0 | 0 | 0 | 7,648 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|--|--|------------------------------|----------------------------|------------------------------|------------|
| | Constitu - tional - Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>Fees Received From County Officials (Cont.)</u> | | | | | |
| <u>Fees In-Lieu-of Salary (Cont.)</u> | | | | | |
| Trustee | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 218,565 |
| Total Fees Received From County Officials | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 550,615 |
| <u>State of Tennessee</u> | | | | | |
| <u>General Government Grants</u> | | | | | |
| Juvenile Services Program | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 9,000 |
| Aging Programs | 0 | 0 | 0 | 0 | 9,411 |
| Solid Waste Grants | 0 | 0 | 0 | 0 | 2,785 |
| <u>Public Safety Grants</u> | | | | | |
| Law Enforcement Training Programs | 0 | 0 | 0 | 0 | 18,400 |
| <u>Health and Welfare Grants</u> | | | | | |
| Other Health and Welfare Grants | 0 | 0 | 0 | 0 | 910 |
| <u>Public Works Grants</u> | | | | | |
| Litter Program | 0 | 0 | 0 | 0 | 43,561 |
| <u>Other State Revenues</u> | | | | | |
| Income Tax | 0 | 0 | 0 | 0 | 10,535 |
| Beer Tax | 0 | 0 | 0 | 0 | 19,491 |
| Vehicle Certificate of Title Fees | 0 | 0 | 0 | 0 | 5,431 |
| Alcoholic Beverage Tax | 0 | 0 | 0 | 0 | 22,784 |
| State Revenue Sharing - Telecommunications | 0 | 0 | 0 | 0 | 22,831 |
| State Shared Sports Gaming Privilege Tax | 0 | 0 | 0 | 0 | 2,908 |
| Emergency Hospital - Prisoners | 0 | 0 | 0 | 0 | 186 |
| Contracted Prisoner Boarding | 0 | 0 | 0 | 0 | 54,354,121 |
| Gasoline and Motor Fuel Tax | 0 | 1,744,607 | 0 | 0 | 1,744,607 |
| Petroleum Special Tax | 0 | 10,382 | 0 | 0 | 10,382 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | Total |
|--|--|------------------------------|----------------------------|------------------------------|----------------------|
| | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service | Education Debt Service | |
| <u>State of Tennessee (Cont.)</u> | | | | | |
| <u>Other State Revenues (Cont.)</u> | | | | | |
| Registrar's Salary Supplement | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 15,164 |
| State Shared Sales Tax - Cities | 0 | 0 | 0 | 0 | 247,309 |
| Other State Grants | 0 | 0 | 0 | 0 | 1,007,094 |
| Other State Revenues | 0 | 0 | 0 | 0 | 9,240 |
| Total State of Tennessee | \$ 0 | \$ 1,754,989 | \$ 0 | \$ 0 | \$ 57,556,150 |
| <u>Federal Government</u> | | | | | |
| <u>Federal Through State</u> | | | | | |
| Community Development | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 46,907 |
| Homeland Security Grants | 0 | 0 | 0 | 0 | 17,000 |
| COVID-19 Grant #2 | 0 | 0 | 0 | 0 | 46,926 |
| COVID-19 Grant #3 | 0 | 0 | 0 | 0 | 330,360 |
| Other Federal through State | 0 | 0 | 0 | 0 | 244,018 |
| <u>Direct Federal Revenue</u> | | | | | |
| Police Service (Lake Area) | 0 | 0 | 0 | 0 | 10,601 |
| Tax Credit Bond Rebate | 0 | 0 | 0 | 0 | 115,221 |
| COVID-19 Grant #7 | 0 | 0 | 0 | 0 | 257 |
| Other Direct Federal Revenue | 0 | 0 | 0 | 0 | 8,733 |
| Total Federal Government | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 820,023 |
| <u>Other Governments and Citizens Groups</u> | | | | | |
| <u>Other Governments</u> | | | | | |
| Contributions | \$ 0 | \$ 0 | \$ 403,440 | \$ 55,000 | \$ 461,681 |
| Contracted Services | 0 | 0 | 0 | 0 | 5,040 |

(Continued)

Exhibit J-5

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

| | <u>Special Revenue Funds</u> | | <u>Debt Service Funds</u> | | <u>Total</u> |
|--|--|---------------------------------------|-------------------------------------|---------------------------------------|---------------|
| | <u>Constitu - tional - Officers - Fees</u> | <u>Highway / Public Works</u> | <u>General Debt Service</u> | <u>Education Debt Service</u> | |
| <u>Other Governments and Citizens Groups (Cont.)</u> | | | | | |
| <u>Citizens Groups</u> | | | | | |
| Donations | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 8,119 |
| Total Other Governments and Citizens Groups | \$ 0 | \$ 0 | \$ 403,440 | \$ 55,000 | \$ 474,840 |
| Total | \$ 2,419 | \$ 1,860,654 | \$ 919,499 | \$ 445,664 | \$ 68,173,205 |

Exhibit J-6

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Hartsville/Trousdale 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 | \$ 1,579,697 | \$ 0 | \$ 0 | \$ 0 | \$ 1,579,697 |
| Discount on Property Taxes | (19,115) | 0 | 0 | 0 | (19,115) |
| Trustee's Collections - Prior Year | 42,968 | 0 | 0 | 0 | 42,968 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 31,853 | 0 | 0 | 0 | 31,853 |
| Interest and Penalty | 7,407 | 0 | 0 | 0 | 7,407 |
| Payments in-Lieu-of Taxes - T.V.A. | 215,953 | 0 | 0 | 0 | 215,953 |
| <u>County Local Option Taxes</u> | | | | | |
| Local Option Sales Tax | 922,051 | 0 | 0 | 0 | 922,051 |
| Business Tax | 40,640 | 0 | 0 | 0 | 40,640 |
| Mixed Drink Tax | 5,845 | 0 | 0 | 0 | 5,845 |
| Total Local Taxes | <u>\$ 2,827,299</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 2,827,299</u> |
| <u>Licenses and Permits</u> | | | | | |
| <u>Licenses</u> | | | | | |
| Marriage Licenses | \$ 855 | \$ 0 | \$ 0 | \$ 0 | \$ 855 |
| Total Licenses and Permits | <u>\$ 855</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 855</u> |
| <u>Charges for Current Services</u> | | | | | |
| <u>Education Charges</u> | | | | | |
| Tuition - Regular Day Students | \$ 4,500 | \$ 0 | \$ 0 | \$ 0 | \$ 4,500 |
| Tuition - Other | 6,980 | 0 | 0 | 0 | 6,980 |
| Lunch Payments - Adults | 0 | 0 | 5,823 | 0 | 5,823 |
| A la Carte Sales | 0 | 0 | 908 | 0 | 908 |
| Receipts from Individual Schools | 8,166 | 0 | 0 | 0 | 8,166 |
| Total Charges for Current Services | <u>\$ 19,646</u> | <u>\$ 0</u> | <u>\$ 6,731</u> | <u>\$ 0</u> | <u>\$ 26,377</u> |

(Continued)

Exhibit J-6

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

| | <u>Special Revenue Funds</u> | | | | | Total |
|------------------------------------|------------------------------|-------------------------------|----------------------|--------------------|------|--------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | | |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 21,802 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 21,802 |
| Lease/Rentals | 8,666 | 0 | 0 | 0 | 0 | 8,666 |
| Sale of Recycled Materials | 177 | 0 | 0 | 0 | 0 | 177 |
| Rebates | 0 | 0 | 144 | 0 | 0 | 144 |
| Miscellaneous Refunds | 50,191 | 0 | 98,583 | 0 | 0 | 148,774 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Equipment | 7,010 | 0 | 0 | 0 | 0 | 7,010 |
| Damages Recovered from Individuals | 3,715 | 0 | 0 | 0 | 0 | 3,715 |
| Contributions and Gifts | 25,551 | 0 | 0 | 0 | 0 | 25,551 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 0 | 0 | 0 | 390,712 | 0 | 390,712 |
| Total Other Local Revenues | \$ 117,112 | \$ 0 | \$ 98,727 | \$ 390,712 | \$ 0 | \$ 606,551 |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| On-behalf Contributions for OPEB | \$ 24,633 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 24,633 |
| <u>State Education Funds</u> | | | | | | |
| Basic Education Program | 7,996,000 | 0 | 0 | 0 | 0 | 7,996,000 |
| Early Childhood Education | 98,515 | 0 | 0 | 0 | 0 | 98,515 |
| School Food Service | 0 | 0 | 8,226 | 0 | 0 | 8,226 |
| Other State Education Funds | 501,070 | 0 | 0 | 0 | 0 | 501,070 |
| Career Ladder Program | 15,727 | 0 | 0 | 0 | 0 | 15,727 |
| <u>Other State Revenues</u> | | | | | | |
| Other State Grants | 44,788 | 0 | 0 | 0 | 0 | 44,788 |
| Total State of Tennessee | \$ 8,680,733 | \$ 0 | \$ 8,226 | \$ 0 | \$ 0 | \$ 8,688,959 |

(Continued)

Exhibit J-6

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

| | <u>Special Revenue Funds</u> | | | | Total |
|--|------------------------------|-------------------------------|----------------------|--------------------|----------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | |
| <u>Federal Government</u> | | | | | |
| <u>Federal Through State</u> | | | | | |
| USDA School Lunch Program | \$ 0 | \$ 0 | \$ 271,836 | \$ 0 | \$ 271,836 |
| USDA - Commodities | 0 | 0 | 71,406 | 0 | 71,406 |
| Breakfast | 0 | 0 | 131,915 | 0 | 131,915 |
| USDA - Other | 0 | 0 | 68,900 | 0 | 68,900 |
| Vocational Education - Basic Grants to States | 0 | 22,331 | 0 | 0 | 22,331 |
| Title I Grants to Local Education Agencies | 0 | 297,159 | 0 | 0 | 297,159 |
| Special Education - Grants to States | 47,102 | 283,052 | 0 | 0 | 330,154 |
| Special Education Preschool Grants | 0 | 9,870 | 0 | 0 | 9,870 |
| Rural Education | 0 | 16,767 | 0 | 0 | 16,767 |
| Eisenhower Professional Development State Grants | 0 | 32,899 | 0 | 0 | 32,899 |
| COVID-19 Grant #1 | 0 | 235,064 | 0 | 0 | 235,064 |
| COVID-19 Grant #2 | 79,057 | 0 | 0 | 0 | 79,057 |
| COVID-19 Grant #3 | 0 | 40,000 | 0 | 0 | 40,000 |
| COVID-19 Grant #4 | 0 | 105,401 | 0 | 0 | 105,401 |
| COVID-19 Grant B | 0 | 341,896 | 0 | 0 | 341,896 |
| COVID-19 Grant D | 0 | 34,606 | 0 | 0 | 34,606 |
| Other Federal through State | 48,477 | 15,976 | 0 | 0 | 64,453 |
| Total Federal Government | <u>\$ 174,636</u> | <u>\$ 1,435,021</u> | <u>\$ 544,057</u> | <u>\$ 0</u> | <u>\$ 2,153,714</u> |
| <u>Other Governments and Citizens Groups</u> | | | | | |
| <u>Other Governments</u> | | | | | |
| Contributions | \$ 1,049,170 | \$ 0 | \$ 0 | \$ 0 | \$ 1,049,170 |
| Total Other Governments and Citizens Groups | <u>\$ 1,049,170</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 1,049,170</u> |
| Total | <u>\$ 12,869,451</u> | <u>\$ 1,435,021</u> | <u>\$ 657,741</u> | <u>\$ 390,712</u> | <u>\$ 15,352,925</u> |

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2021

General Fund

General Government

County Commission

| | | | |
|---|----|--------|------------|
| Board and Committee Members Fees | \$ | 40,722 | |
| Other Per Diem and Fees | | 23,936 | |
| Social Security | | 3,991 | |
| Employer Medicare | | 933 | |
| Audit Services | | 3,148 | |
| Dues and Memberships | | 1,000 | |
| Legal Services | | 750 | |
| Legal Notices, Recording, and Court Costs | | 2,121 | |
| Travel | | 1,091 | |
| Office Supplies | | 66 | |
| In Service/Staff Development | | 450 | |
| Other Charges | | 259 | |
| Communication Equipment | | 71,819 | |
| Total County Commission | | | \$ 150,286 |

Beer Board

| | | | |
|---|----|-----|-----|
| Board and Committee Members Fees | \$ | 240 | |
| Social Security | | 7 | |
| Employer Medicare | | 2 | |
| Legal Notices, Recording, and Court Costs | | 36 | |
| Total Beer Board | | | 285 |

County Mayor/Executive

| | | | |
|---|----|--------|---------|
| County Official/Administrative Officer | \$ | 82,199 | |
| Assistant(s) | | 47,520 | |
| Clerical Personnel | | 69,979 | |
| Part-time Personnel | | 14,412 | |
| Overtime Pay | | 5,907 | |
| Social Security | | 13,578 | |
| Pensions | | 10,280 | |
| Medical Insurance | | 11,856 | |
| Employer Medicare | | 3,175 | |
| Communication | | 555 | |
| Data Processing Services | | 16,941 | |
| Dues and Memberships | | 1,000 | |
| Legal Notices, Recording, and Court Costs | | 431 | |
| Postal Charges | | 825 | |
| Printing, Stationery, and Forms | | 562 | |
| Travel | | 496 | |
| Other Contracted Services | | 41,500 | |
| Office Supplies | | 1,921 | |
| Software | | 616 | |
| Other Supplies and Materials | | 89 | |
| Premiums on Corporate Surety Bonds | | 50 | |
| In Service/Staff Development | | 725 | |
| Other Charges | | 273 | |
| Office Equipment | | 7,232 | |
| Total County Mayor/Executive | | | 332,122 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

County Attorney

| | | | |
|---|----|--------|-----------|
| County Official/Administrative Officer | \$ | 25,479 | |
| Legal Notices, Recording, and Court Costs | | 497 | |
| Total County Attorney | | | \$ 25,976 |

Election Commission

| | | | |
|---|----|--------|---------|
| County Official/Administrative Officer | \$ | 64,052 | |
| Deputy(ies) | | 4,056 | |
| Election Commission | | 7,125 | |
| Election Workers | | 9,725 | |
| Social Security | | 4,623 | |
| Pensions | | 3,202 | |
| Employer Medicare | | 1,081 | |
| Data Processing Services | | 2,898 | |
| Evaluation and Testing | | 162 | |
| Legal Notices, Recording, and Court Costs | | 3,810 | |
| Maintenance and Repair Services - Equipment | | 5,649 | |
| Postal Charges | | 1,229 | |
| Printing, Stationery, and Forms | | 4,363 | |
| Office Supplies | | 1,627 | |
| Other Charges | | 1,359 | |
| Office Equipment | | 745 | |
| Total Election Commission | | | 115,706 |

Register of Deeds

| | | | |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 17,469 | |
| Social Security | | 5,496 | |
| Pensions | | 3,558 | |
| Medical Insurance | | 5,928 | |
| Employer Medicare | | 1,285 | |
| Data Processing Services | | 4,570 | |
| Dues and Memberships | | 612 | |
| Printing, Stationery, and Forms | | 1,371 | |
| Travel | | 850 | |
| Office Supplies | | 1,193 | |
| Other Charges | | 140 | |
| Office Equipment | | 325 | |
| Total Register of Deeds | | | 113,966 |

Planning

| | | | |
|----------------------------------|----|--------|--|
| Supervisor/Director | \$ | 48,000 | |
| Clerical Personnel | | 10,283 | |
| Board and Committee Members Fees | | 2,700 | |
| Social Security | | 3,653 | |
| Pensions | | 2,400 | |
| Employer Medicare | | 854 | |
| Advertising | | 134 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

| | | | |
|--|----|--------|-----------|
| Communication | \$ | 613 | |
| Dues and Memberships | | 225 | |
| Legal Notices, Recording, and Court Costs | | 1,470 | |
| Maintenance and Repair Services - Vehicles | | 68 | |
| Other Contracted Services | | 13,810 | |
| Gasoline | | 755 | |
| Library Books/Media | | 538 | |
| Office Supplies | | 628 | |
| Periodicals | | 36 | |
| Refunds | | 1,915 | |
| Office Equipment | | 1,396 | |
| Total Planning | | | \$ 89,478 |

Codes Compliance

| | | | |
|---|----|-----|-----|
| Legal Notices, Recording, and Court Costs | \$ | 258 | |
| Total Codes Compliance | | | 258 |

County Buildings

| | | | |
|---|----|--------|---------|
| Attendants | \$ | 10,616 | |
| Custodial Personnel | | 19,127 | |
| Maintenance Personnel | | 28,080 | |
| Overtime Pay | | 58 | |
| Social Security | | 3,554 | |
| Pensions | | 2,746 | |
| Medical Insurance | | 17,790 | |
| Employer Medicare | | 831 | |
| Communication | | 750 | |
| Maintenance and Repair Services - Buildings | | 33,902 | |
| Maintenance and Repair Services - Equipment | | 897 | |
| Pest Control | | 2,340 | |
| Rentals | | 226 | |
| Other Contracted Services | | 33,188 | |
| Custodial Supplies | | 4,664 | |
| Electricity | | 58,888 | |
| Natural Gas | | 18,418 | |
| Water and Sewer | | 5,231 | |
| Other Supplies and Materials | | 101 | |
| Other Charges | | 863 | |
| Furniture and Fixtures | | 2,636 | |
| Other Equipment | | 1,194 | |
| Total County Buildings | | | 246,100 |

Preservation of Records

| | | | |
|-------------------------------|----|-------|-------|
| Office Supplies | \$ | 1,007 | |
| Furniture and Fixtures | | 452 | |
| Total Preservation of Records | | | 1,459 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance

Property Assessor's Office

| | | | |
|--|----|--------|------------|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 29,722 | |
| Overtime Pay | | 62 | |
| Board and Committee Members Fees | | 600 | |
| Social Security | | 6,216 | |
| Pensions | | 5,047 | |
| Medical Insurance | | 6,893 | |
| Employer Medicare | | 1,454 | |
| Data Processing Services | | 4,064 | |
| Dues and Memberships | | 1,000 | |
| Legal Notices, Recording, and Court Costs | | 355 | |
| Maintenance and Repair Services - Vehicles | | 57 | |
| Printing, Stationery, and Forms | | 2,120 | |
| Rentals | | 192 | |
| Other Contracted Services | | 9,938 | |
| Gasoline | | 282 | |
| Office Supplies | | 722 | |
| Premiums on Corporate Surety Bonds | | 62 | |
| Office Equipment | | 115 | |
| Total Property Assessor's Office | | | \$ 140,070 |

County Trustee's Office

| | | | |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 29,722 | |
| Overtime Pay | | 172 | |
| Social Security | | 6,039 | |
| Pensions | | 5,053 | |
| Medical Insurance | | 11,862 | |
| Employer Medicare | | 1,412 | |
| Data Processing Services | | 10,136 | |
| Dues and Memberships | | 617 | |
| Printing, Stationery, and Forms | | 2,472 | |
| Office Supplies | | 501 | |
| In Service/Staff Development | | 100 | |
| Office Equipment | | 3,866 | |
| Total County Trustee's Office | | | 143,121 |

County Clerk's Office

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 31,320 | |
| Overtime Pay | | 76 | |
| Social Security | | 6,165 | |
| Pensions | | 5,128 | |
| Medical Insurance | | 11,862 | |
| Employer Medicare | | 1,442 | |
| Data Processing Services | | 5,266 | |
| Dues and Memberships | | 617 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

| | | | |
|---------------------------------|----|-------|------------|
| Printing, Stationery, and Forms | \$ | 469 | |
| Office Supplies | | 2,004 | |
| In Service/Staff Development | | 100 | |
| Data Processing Equipment | | 120 | |
| Office Equipment | | 76 | |
| Total County Clerk's Office | | | \$ 135,814 |

Data Processing

| | | | |
|---------------------------|----|--------|--------|
| Communication | \$ | 28,450 | |
| Internet Connectivity | | 27,851 | |
| Other Contracted Services | | 7,581 | |
| Total Data Processing | | | 63,882 |

Administration of Justice

Circuit Court

| | | | |
|---|----|--------|---------|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 68,148 | |
| Overtime Pay | | 24 | |
| Jury and Witness Expense | | 3,307 | |
| Social Security | | 8,447 | |
| Pensions | | 6,967 | |
| Medical Insurance | | 17,784 | |
| Employer Medicare | | 1,975 | |
| Data Processing Services | | 7,826 | |
| Dues and Memberships | | 165 | |
| Legal Notices, Recording, and Court Costs | | 226 | |
| Printing, Stationery, and Forms | | 1,176 | |
| Office Supplies | | 772 | |
| Periodicals | | 157 | |
| Office Equipment | | 300 | |
| Total Circuit Court | | | 188,443 |

General Sessions Court

| | | | |
|------------------------------|----|--------|--------|
| Judge(s) | \$ | 76,285 | |
| Social Security | | 4,529 | |
| Pensions | | 3,814 | |
| Medical Insurance | | 5,934 | |
| Employer Medicare | | 1,059 | |
| Legal Services | | 4,880 | |
| Office Supplies | | 25 | |
| Uniforms | | 231 | |
| Total General Sessions Court | | | 96,757 |

Chancery Court

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 71,169 | |
| Deputy(ies) | | 29,160 | |
| Social Security | | 6,071 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Pensions | \$ | 5,016 | |
| Medical Insurance | | 11,862 | |
| Employer Medicare | | 1,420 | |
| Data Processing Services | | 6,561 | |
| Dues and Memberships | | 702 | |
| Printing, Stationery, and Forms | | 216 | |
| Office Supplies | | 432 | |
| Periodicals | | 609 | |
| In Service/Staff Development | | 100 | |
| Total Chancery Court | | | \$ 133,318 |

Judicial Commissioners

| | | | |
|------------------------------|----|--------|--------|
| Social Security | \$ | 1,526 | |
| Employer Medicare | | 357 | |
| Communication | | 756 | |
| Dues and Memberships | | 150 | |
| Evaluation and Testing | | 29 | |
| Travel | | 679 | |
| Other Contracted Services | | 24,617 | |
| Uniforms | | 152 | |
| Total Judicial Commissioners | | | 28,266 |

Courtroom Security

| | | | |
|--------------------------|----|--------|--------|
| Deputy(ies) | \$ | 71,443 | |
| Overtime Pay | | 1,648 | |
| Social Security | | 4,510 | |
| Pensions | | 2,835 | |
| Medical Insurance | | 5,928 | |
| Employer Medicare | | 1,055 | |
| Communication Equipment | | 11,089 | |
| Total Courtroom Security | | | 98,508 |

Public Safety

Sheriff's Department

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 78,286 | |
| Deputy(ies) | | 590,620 | |
| Salary Supplements | | 12,800 | |
| Dispatchers/Radio Operators | | 138,047 | |
| Clerical Personnel | | 35,748 | |
| School Resource Officer | | 134,390 | |
| Overtime Pay | | 46,236 | |
| Social Security | | 60,167 | |
| Pensions | | 48,122 | |
| Medical Insurance | | 119,101 | |
| Employer Medicare | | 14,071 | |
| Communication | | 5,369 | |
| Data Processing Services | | 345 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

| | | | |
|---|----|---------|--------------|
| Dues and Memberships | \$ | 1,995 | |
| Evaluation and Testing | | 1,825 | |
| Legal Notices, Recording, and Court Costs | | 778 | |
| Maintenance and Repair Services - Buildings | | 4,546 | |
| Maintenance and Repair Services - Equipment | | 12,722 | |
| Maintenance and Repair Services - Vehicles | | 63,392 | |
| Medical and Dental Services | | 340 | |
| Pest Control | | 325 | |
| Postal Charges | | 240 | |
| Printing, Stationery, and Forms | | 288 | |
| Rentals | | 20,533 | |
| Towing Services | | 2,550 | |
| Travel | | 1,668 | |
| Other Contracted Services | | 1,950 | |
| Animal Food and Supplies | | 1,033 | |
| Custodial Supplies | | 1,755 | |
| Electricity | | 10,679 | |
| Gasoline | | 30,018 | |
| Law Enforcement Supplies | | 5,482 | |
| Natural Gas | | 2,998 | |
| Office Supplies | | 2,495 | |
| Uniforms | | 15,608 | |
| Water and Sewer | | 343 | |
| Other Supplies and Materials | | 365 | |
| In Service/Staff Development | | 9,270 | |
| Other Charges | | 1,653 | |
| Law Enforcement Equipment | | 85,114 | |
| Motor Vehicles | | 158,156 | |
| Office Equipment | | 9,738 | |
| Other Equipment | | 1,371 | |
| Total Sheriff's Department | | | \$ 1,732,532 |

Drug Enforcement

| | | | |
|------------------------|----|--------|--------|
| Assistant(s) | \$ | 1,200 | |
| Deputy(ies) | | 54,530 | |
| Overtime Pay | | 88 | |
| Social Security | | 3,312 | |
| Pensions | | 2,671 | |
| Medical Insurance | | 5,928 | |
| Employer Medicare | | 775 | |
| Gasoline | | 1,565 | |
| Total Drug Enforcement | | | 70,069 |

Jail

| | | | |
|---------------------|----|---------|--|
| Guards | \$ | 556,523 | |
| Cafeteria Personnel | | 50,706 | |
| Overtime Pay | | 17,049 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

| | | | |
|---|----|---------|--------------|
| Social Security | \$ | 37,895 | |
| Pensions | | 26,023 | |
| Medical Insurance | | 89,624 | |
| Employer Medicare | | 8,863 | |
| Data Processing Services | | 9,162 | |
| Dues and Memberships | | 100 | |
| Evaluation and Testing | | 3,253 | |
| Legal Notices, Recording, and Court Costs | | 159 | |
| Maintenance and Repair Services - Buildings | | 6,091 | |
| Maintenance and Repair Services - Equipment | | 5,123 | |
| Medical and Dental Services | | 128,489 | |
| Pest Control | | 275 | |
| Postal Charges | | 1,192 | |
| Printing, Stationery, and Forms | | 614 | |
| Travel | | 1,653 | |
| Custodial Supplies | | 9,742 | |
| Electricity | | 13,009 | |
| Food Preparation Supplies | | 31 | |
| Food Supplies | | 39,992 | |
| Law Enforcement Supplies | | 285 | |
| Natural Gas | | 3,501 | |
| Office Supplies | | 987 | |
| Prisoners Clothing | | 1,880 | |
| Uniforms | | 1,978 | |
| Water and Sewer | | 3,535 | |
| Other Supplies and Materials | | 369 | |
| Premiums on Corporate Surety Bonds | | 50 | |
| In Service/Staff Development | | 200 | |
| Other Charges | | 627 | |
| Food Service Equipment | | 5,500 | |
| Office Equipment | | 390 | |
| Other Equipment | | 728 | |
| Total Jail | | | \$ 1,025,598 |

Workhouse

| | | | |
|---|----|--------|--------|
| Guards | \$ | 56,949 | |
| Overtime Pay | | 314 | |
| Social Security | | 3,417 | |
| Pensions | | 2,863 | |
| Medical Insurance | | 11,862 | |
| Employer Medicare | | 799 | |
| Maintenance and Repair Services - Equipment | | 365 | |
| Maintenance and Repair Services - Vehicles | | 1,792 | |
| Gasoline | | 3,558 | |
| Other Supplies and Materials | | 1,016 | |
| Motor Vehicles | | 8,026 | |
| Total Workhouse | | | 90,961 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services

| | | | |
|------------------------------|----|--------|-----------|
| Other Salaries and Wages | \$ | 35,084 | |
| Social Security | | 1,494 | |
| Pensions | | 1,754 | |
| Medical Insurance | | 5,934 | |
| Employer Medicare | | 349 | |
| Office Supplies | | 99 | |
| In Service/Staff Development | | 495 | |
| Other Charges | | 924 | |
| Total Juvenile Services | | | \$ 46,133 |

Fire Prevention and Control

| | | | |
|---|----|--------|---------|
| Other Salaries and Wages | \$ | 109 | |
| Other Per Diem and Fees | | 31,290 | |
| Social Security | | 7 | |
| Pensions | | 4 | |
| Employer Medicare | | 2 | |
| Contributions | | 1,000 | |
| Evaluation and Testing | | 645 | |
| Maintenance and Repair Services - Buildings | | 2,262 | |
| Maintenance and Repair Services - Equipment | | 1,673 | |
| Maintenance and Repair Services - Vehicles | | 8,272 | |
| Pest Control | | 360 | |
| Travel | | 220 | |
| Custodial Supplies | | 108 | |
| Electricity | | 1,885 | |
| Gasoline | | 798 | |
| Natural Gas | | 1,570 | |
| Office Supplies | | 277 | |
| Uniforms | | 2,334 | |
| Water and Sewer | | 519 | |
| Workers' Compensation Insurance | | 2,518 | |
| In Service/Staff Development | | 1,560 | |
| Other Charges | | 80 | |
| Communication Equipment | | 40,796 | |
| Other Equipment | | 54,330 | |
| Total Fire Prevention and Control | | | 152,619 |

Rescue Squad

| | | | |
|---|----|-------|--|
| Other Per Diem and Fees | \$ | 5,970 | |
| Contributions | | 20 | |
| Evaluation and Testing | | 125 | |
| Maintenance and Repair Services - Buildings | | 528 | |
| Maintenance and Repair Services - Equipment | | 22 | |
| Maintenance and Repair Services - Vehicles | | 3,455 | |
| Travel | | 616 | |
| Electricity | | 1,221 | |
| Gasoline | | 844 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Rescue Squad (Cont.)

| | | | |
|------------------------------|----|--------|-----------|
| Natural Gas | \$ | 1,460 | |
| Uniforms | | 3,962 | |
| In Service/Staff Development | | 3,306 | |
| Other Charges | | 370 | |
| Communication Equipment | | 2,321 | |
| Furniture and Fixtures | | 290 | |
| Office Equipment | | 904 | |
| Site Development | | 675 | |
| Other Equipment | | 34,885 | |
| Total Rescue Squad | | | \$ 60,974 |

Other Emergency Management

| | | | |
|----------------------------------|----|--------|---------|
| Supervisor/Director | \$ | 65,599 | |
| Deputy(ies) | | 18,370 | |
| Social Security | | 5,001 | |
| Pensions | | 3,280 | |
| Employer Medicare | | 1,169 | |
| Communication | | 839 | |
| Uniforms | | 1,235 | |
| Other Supplies and Materials | | 1,360 | |
| Other Charges | | 126 | |
| Communication Equipment | | 352 | |
| Other Equipment | | 48,818 | |
| Total Other Emergency Management | | | 146,149 |

County Coroner/Medical Examiner

| | | | |
|---------------------------------------|----|--------|--------|
| Other Contracted Services | \$ | 31,600 | |
| Total County Coroner/Medical Examiner | | | 31,600 |

Public Health and Welfare

Local Health Center

| | | | |
|---|----|--------|--------|
| Communication | \$ | 478 | |
| Contributions | | 10,003 | |
| Dues and Memberships | | 300 | |
| Maintenance and Repair Services - Buildings | | 3,507 | |
| Pest Control | | 300 | |
| Postal Charges | | 350 | |
| Custodial Supplies | | 39 | |
| Drugs and Medical Supplies | | 131 | |
| Electricity | | 3,751 | |
| Natural Gas | | 1,629 | |
| Office Supplies | | 1,052 | |
| Periodicals | | 36 | |
| Water and Sewer | | 519 | |
| Total Local Health Center | | | 22,095 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

| | | | |
|---|----|--------|-----------|
| Attendants | \$ | 26,819 | |
| Part-time Personnel | | 11,340 | |
| Overtime Pay | | 168 | |
| Social Security | | 2,376 | |
| Pensions | | 1,341 | |
| Medical Insurance | | 5,928 | |
| Employer Medicare | | 556 | |
| Communication | | 294 | |
| Maintenance and Repair Services - Buildings | | 4,012 | |
| Veterinary Services | | 2,301 | |
| Animal Food and Supplies | | 635 | |
| Custodial Supplies | | 162 | |
| Electricity | | 1,722 | |
| Water and Sewer | | 519 | |
| Other Supplies and Materials | | 1,244 | |
| Furniture and Fixtures | | 143 | |
| Heating and Air Conditioning Equipment | | 4,500 | |
| Office Equipment | | 949 | |
| Total Rabies and Animal Control | | | \$ 65,009 |

Alcohol and Drug Programs

| | | | |
|---------------------------------|----|-------|-------|
| Social Security | \$ | 26 | |
| Pensions | | 30 | |
| Employer Medicare | | 6 | |
| Drug Treatment | | 1,295 | |
| Other Contracted Services | | 600 | |
| Total Alcohol and Drug Programs | | | 1,957 |

Sanitation Education/Information

| | | | |
|--|----|--------|--------|
| Education Media Personnel | \$ | 16,157 | |
| Guards | | 11,746 | |
| Social Security | | 1,705 | |
| Pensions | | 1,395 | |
| Employer Medicare | | 399 | |
| Advertising | | 606 | |
| Printing, Stationery, and Forms | | 674 | |
| Custodial Supplies | | 2,489 | |
| Gasoline | | 973 | |
| Other Supplies and Materials | | 11,609 | |
| Total Sanitation Education/Information | | | 47,753 |

Other Public Health and Welfare

| | | | |
|---------------------------------------|----|--------|--------|
| Contributions | \$ | 11,500 | |
| Total Other Public Health and Welfare | | | 11,500 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

| | | | |
|----------------------------------|----|--------|-----------|
| Supervisor/Director | \$ | 32,159 | |
| Overtime Pay | | 88 | |
| Social Security | | 1,961 | |
| Pensions | | 1,612 | |
| Employer Medicare | | 459 | |
| Communication | | 270 | |
| Evaluation and Testing | | 75 | |
| Gasoline | | 60 | |
| Office Supplies | | 229 | |
| Other Supplies and Materials | | 37,074 | |
| In Service/Staff Development | | 25 | |
| Office Equipment | | 1,500 | |
| Other Equipment | | 28 | |
| Total Senior Citizens Assistance | | | \$ 75,540 |

Libraries

| | | | |
|---|----|--------|---------|
| Assistant(s) | \$ | 43,988 | |
| Librarians | | 35,554 | |
| Social Security | | 4,481 | |
| Pensions | | 3,977 | |
| Medical Insurance | | 11,862 | |
| Employer Medicare | | 1,048 | |
| Contributions | | 2,984 | |
| Data Processing Services | | 1,226 | |
| Licenses | | 408 | |
| Maintenance and Repair Services - Buildings | | 37 | |
| Pest Control | | 300 | |
| Rentals | | 1,514 | |
| Other Contracted Services | | 4,080 | |
| Custodial Supplies | | 101 | |
| Electricity | | 4,395 | |
| Library Books/Media | | 6,658 | |
| Natural Gas | | 2,573 | |
| Office Supplies | | 1,002 | |
| Water and Sewer | | 438 | |
| Other Supplies and Materials | | 1,597 | |
| Office Equipment | | 3,548 | |
| Other Equipment | | 144 | |
| Total Libraries | | | 131,915 |

Parks and Fair Boards

| | | | |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 9,811 | |
| Laborers | | 13,871 | |
| Temporary Personnel | | 6,768 | |
| Social Security | | 1,846 | |
| Pensions | | 1,179 | |
| Medical Insurance | | 5,093 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

| | | | |
|---|----|--------|-----------|
| Employer Medicare | \$ | 432 | |
| Engineering Services | | 2,500 | |
| Evaluation and Testing | | 528 | |
| Legal Notices, Recording, and Court Costs | | 84 | |
| Maintenance and Repair Services - Buildings | | 2,972 | |
| Maintenance and Repair Services - Equipment | | 2,151 | |
| Maintenance and Repair Services - Vehicles | | 62 | |
| Permits | | 680 | |
| Other Contracted Services | | 1,500 | |
| Custodial Supplies | | 1,742 | |
| Electricity | | 10,287 | |
| Fertilizer, Lime, and Seed | | 422 | |
| Gasoline | | 1,681 | |
| Office Supplies | | 35 | |
| Uniforms | | 310 | |
| Water and Sewer | | 3,565 | |
| Chemicals | | 1,496 | |
| Other Supplies and Materials | | 220 | |
| In Service/Staff Development | | 1,125 | |
| Other Charges | | 22 | |
| Other Equipment | | 1,387 | |
| Total Parks and Fair Boards | | | \$ 71,769 |

Agriculture and Natural Resources

Agricultural Extension Service

| | | | |
|--------------------------------------|----|--------|--------|
| Salary Supplements | \$ | 19,310 | |
| Secretary(ies) | | 11,175 | |
| Social Security | | 2,197 | |
| Pensions | | 5,353 | |
| Medical Insurance | | 3,015 | |
| Contributions | | 4,000 | |
| Dues and Memberships | | 415 | |
| Travel | | 2,000 | |
| Office Supplies | | 2,173 | |
| Workers' Compensation Insurance | | 19 | |
| Other Charges | | 5 | |
| Total Agricultural Extension Service | | | 49,662 |

Soil Conservation

| | | | |
|-------------------------|----|--------|--------|
| Contributions | \$ | 13,227 | |
| Total Soil Conservation | | | 13,227 |

Other Operations

Other Economic and Community Development

| | | | |
|--|----|-------|-------|
| Advertising | \$ | 224 | |
| Contracts with Government Agencies | | 2,125 | |
| In Service/Staff Development | | 1,090 | |
| Total Other Economic and Community Development | | | 3,439 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

| | | | |
|--------------------------|----|-------|----------|
| Other Salaries and Wages | \$ | 7,725 | |
| Social Security | | 479 | |
| Employer Medicare | | 112 | |
| Communication | | 589 | |
| Data Processing Services | | 549 | |
| Dues and Memberships | | 68 | |
| Office Supplies | | 152 | |
| Uniforms | | 146 | |
| Total Veterans' Services | | | \$ 9,820 |

Other Charges

| | | | |
|---|----|--------|---------|
| Dues and Memberships | \$ | 159 | |
| Legal Notices, Recording, and Court Costs | | 83 | |
| Maintenance Agreements | | 15,588 | |
| Postal Charges | | 9,514 | |
| Rentals | | 19,665 | |
| Electricity | | 1,835 | |
| Fuel Oil | | 15,346 | |
| Office Supplies | | 186 | |
| Liability Insurance | | 80,557 | |
| Trustee's Commission | | 79,351 | |
| Workers' Compensation Insurance | | 95,642 | |
| Other Charges | | 177 | |
| Site Development | | 1,250 | |
| Total Other Charges | | | 319,353 |

Employee Benefits

| | | | |
|---------------------------|----|-------|-------|
| Unemployment Compensation | \$ | 2,257 | |
| Total Employee Benefits | | | 2,257 |

Miscellaneous

| | | | |
|----------------------|----|--------|--------|
| Contributions | \$ | 15,000 | |
| Dues and Memberships | | 4,332 | |
| Total Miscellaneous | | | 19,332 |

Total General Fund \$ 6,305,078

Urban Services Fund

Public Safety

Sheriff's Department

| | | | |
|-----------------------------|----|---------|--|
| Deputy(ies) | \$ | 214,655 | |
| Salary Supplements | | 3,200 | |
| Dispatchers/Radio Operators | | 56,267 | |
| Overtime Pay | | 28,539 | |
| Social Security | | 18,765 | |
| Pensions | | 17,483 | |
| Medical Insurance | | 36,822 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Urban Services Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

| | | | |
|---|----|--------|------------|
| Employer Medicare | \$ | 4,389 | |
| Dues and Memberships | | 70 | |
| Evaluation and Testing | | 52 | |
| Maintenance Agreements | | 21,636 | |
| Maintenance and Repair Services - Equipment | | 18 | |
| Towing Services | | 65 | |
| Gasoline | | 8,674 | |
| Uniforms | | 2,613 | |
| In Service/Staff Development | | 235 | |
| Law Enforcement Equipment | | 24,400 | |
| Motor Vehicles | | 88,112 | |
| Total Sheriff's Department | | | \$ 525,995 |

Fire Prevention and Control

| | | | |
|-----------------------------------|----|-------|-------|
| Gasoline | \$ | 295 | |
| Other Supplies and Materials | | 937 | |
| Other Charges | | 4,849 | |
| Total Fire Prevention and Control | | | 6,081 |

Public Health and Welfare

Waste Pickup

| | | | |
|---|----|--------|---------|
| Supervisor/Director | \$ | 19,735 | |
| Truck Drivers | | 72,250 | |
| Laborers | | 69,821 | |
| Overtime Pay | | 3,144 | |
| Social Security | | 9,859 | |
| Pensions | | 8,247 | |
| Medical Insurance | | 21,332 | |
| Employer Medicare | | 2,306 | |
| Evaluation and Testing | | 125 | |
| Maintenance and Repair Services - Equipment | | 29 | |
| Maintenance and Repair Services - Vehicles | | 29,200 | |
| Disposal Fees | | 35,376 | |
| Gasoline | | 12,221 | |
| Refunds | | 931 | |
| Other Charges | | 44 | |
| Total Waste Pickup | | | 284,620 |

Social, Cultural, and Recreational Services

Other Social, Cultural, and Recreational

| | | | |
|--|----|-------|-------|
| Other Charges | \$ | 4,600 | |
| Total Other Social, Cultural, and Recreational | | | 4,600 |

Other Operations

Other Charges

| | | | |
|---------------------|----|--------|--|
| Electricity | \$ | 57,481 | |
| Liability Insurance | | 17,512 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Urban Services Fund (Cont.)

Other Operations (Cont.)

Other Charges (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Trustee's Commission | \$ | 16,242 | |
| Workers' Compensation Insurance | | 14,898 | |
| Other Charges | | 132 | |
| Total Other Charges | | | \$ 106,265 |

Employee Benefits

| | | | |
|-------------------------|----|-------|-------|
| Pensions | \$ | 2,250 | |
| Total Employee Benefits | | | 2,250 |

Highways

Highway and Bridge Maintenance

| | | | |
|--------------------------------------|----|--------|--------|
| Asphalt - Hot Mix | \$ | 25,632 | |
| Total Highway and Bridge Maintenance | | | 25,632 |

Principal on Debt

General Government

| | | | |
|--------------------------|----|--------|--------|
| Principal on Notes | \$ | 31,000 | |
| Total General Government | | | 31,000 |

Interest on Debt

General Government

| | | | |
|--------------------------|----|-------|-------|
| Interest on Notes | \$ | 2,037 | |
| Total General Government | | | 2,037 |

Capital Projects

Highway and Street Capital Projects

| | | | |
|---|----|---------|---------|
| Engineering Services | \$ | 69,573 | |
| Matching Share | | 271,058 | |
| Total Highway and Street Capital Projects | | | 340,631 |

Total Urban Services Fund \$ 1,329,111

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

| | | | |
|---------------------|----|--------|--|
| Assistant(s) | \$ | 32,299 | |
| Supervisor/Director | | 18,906 | |
| Mechanic(s) | | 5,950 | |
| Truck Drivers | | 48,489 | |
| Laborers | | 30,789 | |
| Attendants | | 76,989 | |
| Overtime Pay | | 15,993 | |
| Social Security | | 13,946 | |
| Pensions | | 9,544 | |
| Medical Insurance | | 25,507 | |
| Employer Medicare | | 3,261 | |
| Communication | | 725 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

| | | | |
|---|----|--------|------------|
| Evaluation and Testing | \$ | 433 | |
| Legal Notices, Recording, and Court Costs | | 147 | |
| Maintenance and Repair Services - Buildings | | 2,214 | |
| Maintenance and Repair Services - Equipment | | 2,744 | |
| Maintenance and Repair Services - Vehicles | | 19,309 | |
| Pest Control | | 300 | |
| Printing, Stationery, and Forms | | 345 | |
| Other Contracted Services | | 5,000 | |
| Custodial Supplies | | 131 | |
| Electricity | | 3,983 | |
| Gasoline | | 23,731 | |
| Office Supplies | | 316 | |
| Propane Gas | | 867 | |
| Water and Sewer | | 935 | |
| Other Supplies and Materials | | 783 | |
| Other Charges | | 44 | |
| Motor Vehicles | | 9,618 | |
| Office Equipment | | 220 | |
| Site Development | | 9,355 | |
| Total Convenience Centers | | | \$ 362,873 |

Recycling Center

| | | | |
|---|----|--------|--------|
| Laborers | \$ | 30,885 | |
| Overtime Pay | | 11 | |
| Social Security | | 1,903 | |
| Pensions | | 1,545 | |
| Employer Medicare | | 445 | |
| Maintenance and Repair Services - Equipment | | 431 | |
| Maintenance and Repair Services - Vehicles | | 554 | |
| Custodial Supplies | | 25 | |
| Electricity | | 1,450 | |
| Gasoline | | 1,900 | |
| Propane Gas | | 1,506 | |
| Wire | | 2,007 | |
| Other Supplies and Materials | | 13 | |
| Total Recycling Center | | | 42,675 |

Other Waste Disposal

| | | | |
|----------------------------|----|---------|---------|
| Disposal Fees | \$ | 205,096 | |
| Total Other Waste Disposal | | | 205,096 |

Postclosure Care Costs

| | | | |
|---|----|--------|--------|
| Engineering Services | \$ | 10,379 | |
| Landfill Closure/Postclosure Care Costs | | 1,350 | |
| Site Development | | 378 | |
| Total Postclosure Care Costs | | | 12,107 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Other Operations

Other Charges

| | | | |
|---------------------------------|----|--------|-----------|
| Liability Insurance | \$ | 9,579 | |
| Trustee's Commission | | 14,900 | |
| Workers' Compensation Insurance | | 14,903 | |
| Total Other Charges | | | \$ 39,382 |

Total Solid Waste/Sanitation Fund \$ 662,133

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

| | | |
|---|----|---------|
| Medical Personnel | \$ | 455,720 |
| Clerical Personnel | | 34,322 |
| Overtime Pay | | 256,039 |
| Social Security | | 44,926 |
| Pensions | | 28,557 |
| Medical Insurance | | 50,294 |
| Employer Medicare | | 10,507 |
| Bank Charges | | 512 |
| Communication | | 5,714 |
| Contracts with Private Agencies | | 8,600 |
| Data Processing Services | | 600 |
| Dues and Memberships | | 335 |
| Evaluation and Testing | | 1,117 |
| Legal Notices, Recording, and Court Costs | | 29 |
| Licenses | | 1,250 |
| Maintenance and Repair Services - Buildings | | 28,145 |
| Maintenance and Repair Services - Equipment | | 1,348 |
| Maintenance and Repair Services - Vehicles | | 19,096 |
| Pest Control | | 480 |
| Postal Charges | | 1,100 |
| Rentals | | 3,172 |
| Travel | | 424 |
| Other Contracted Services | | 630 |
| Custodial Supplies | | 697 |
| Drugs and Medical Supplies | | 26,628 |
| Electricity | | 4,892 |
| Gasoline | | 10,645 |
| Natural Gas | | 2,415 |
| Office Supplies | | 1,127 |
| Uniforms | | 5,275 |
| Water and Sewer | | 1,604 |
| Liability Insurance | | 15,082 |
| Refunds | | 1,249 |
| Trustee's Commission | | 14,658 |
| Workers' Compensation Insurance | | 20,429 |
| In Service/Staff Development | | 3,749 |
| Fines, Assessments, and Penalties | | 15,167 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

| | | | |
|--|----|---------|--------------|
| Other Charges | \$ | 958 | |
| Furniture and Fixtures | | 152 | |
| Motor Vehicles | | 701 | |
| Office Equipment | | 329 | |
| Health Equipment | | 134,989 | |
| Other Equipment | | 12,901 | |
| Total Ambulance/Emergency Medical Services | | | \$ 1,226,564 |

Total Ambulance Service Fund \$ 1,226,564

Special Purpose Fund

Public Safety

Other Public Safety

| | | | |
|---------------------------------|----|------------|---------------|
| Contracts with Private Agencies | \$ | 54,196,717 | |
| Total Other Public Safety | | | \$ 54,196,717 |

Total Special Purpose Fund 54,196,717

Drug Control Fund

Public Safety

Drug Enforcement

| | | | |
|--------------------------------------|----|-----|--------|
| Instructional Supplies and Materials | \$ | 213 | |
| Trustee's Commission | | 118 | |
| Total Drug Enforcement | | | \$ 331 |

Total Drug Control Fund 331

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

| | | | |
|---|----|-------|----------|
| Special Commissioner Fees/Special Master Fees | \$ | 2,419 | |
| Total Chancery Court | | | \$ 2,419 |

Total Constitutional Officers - Fees Fund 2,419

Highway/Public Works Fund

Highways

Administration

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 78,286 | |
| Assistant(s) | | 46,989 | |
| Clerical Personnel | | 3,704 | |
| Overtime Pay | | 3,318 | |
| Board and Committee Members Fees | | 1,200 | |
| In-service Training | | 150 | |
| Social Security | | 7,510 | |
| Pensions | | 6,401 | |
| Employer Medicare | | 1,756 | |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

| | | | |
|---|----|--------|------------|
| Communication | \$ | 1,126 | |
| Data Processing Services | | 14,959 | |
| Dues and Memberships | | 2,433 | |
| Legal Notices, Recording, and Court Costs | | 131 | |
| Maintenance and Repair Services - Buildings | | 5,150 | |
| Postal Charges | | 684 | |
| Printing, Stationery, and Forms | | 694 | |
| Custodial Supplies | | 240 | |
| Data Processing Supplies | | 2,085 | |
| Drugs and Medical Supplies | | 843 | |
| Electricity | | 3,603 | |
| Natural Gas | | 2,040 | |
| Office Supplies | | 464 | |
| Water and Sewer | | 1,933 | |
| Other Charges | | 1,698 | |
| Office Equipment | | 86 | |
| Total Administration | | | \$ 187,483 |

Highway and Bridge Maintenance

| | | | |
|--------------------------------------|----|---------|-----------|
| Foremen | \$ | 135,531 | |
| Equipment Operators | | 67,208 | |
| Truck Drivers | | 224,962 | |
| Laborers | | 35,799 | |
| Overtime Pay | | 13,136 | |
| Social Security | | 28,505 | |
| Pensions | | 20,915 | |
| Employer Medicare | | 6,667 | |
| Asphalt - Cold Mix | | 855 | |
| Asphalt - Hot Mix | | 469,101 | |
| Asphalt - Liquid | | 4,208 | |
| Concrete | | 2,020 | |
| Crushed Stone | | 23,096 | |
| Electricity | | 423 | |
| General Construction Materials | | 65 | |
| Other Road Materials | | 195 | |
| Pipe | | 11,081 | |
| Propane Gas | | 60 | |
| Road Signs | | 4,373 | |
| Salt | | 4,606 | |
| Small Tools | | 90 | |
| Chemicals | | 2,214 | |
| Other Supplies and Materials | | 170 | |
| Other Charges | | 3,026 | |
| Total Highway and Bridge Maintenance | | | 1,058,306 |

Operation and Maintenance of Equipment

| | | | |
|-------------|----|--------|--|
| Mechanic(s) | \$ | 38,265 | |
|-------------|----|--------|--|

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

| | | | |
|--|----|--------|---------|
| Overtime Pay | \$ | 1,478 | |
| Social Security | | 2,448 | |
| Pensions | | 1,974 | |
| Employer Medicare | | 573 | |
| Maintenance and Repair Services - Equipment | | 6,656 | |
| Maintenance and Repair Services - Vehicles | | 805 | |
| Rentals | | 135 | |
| Diesel Fuel | | 26,075 | |
| Equipment and Machinery Parts | | 50,120 | |
| Garage Supplies | | 2,035 | |
| Gasoline | | 30,058 | |
| Lubricants | | 3,851 | |
| Small Tools | | 106 | |
| Tires and Tubes | | 15,815 | |
| Other Supplies and Materials | | 751 | |
| Other Equipment | | 2,080 | |
| Total Operation and Maintenance of Equipment | \$ | | 183,225 |

Other Charges

| | | | |
|---------------------------------|----|--------|--------|
| Evaluation and Testing | \$ | 254 | |
| Janitorial Services | | 3,600 | |
| Other Contracted Services | | 5,719 | |
| Trustee's Commission | | 19,274 | |
| Vehicle and Equipment Insurance | | 19,290 | |
| Workers' Compensation Insurance | | 15,384 | |
| Liability Claims | | 949 | |
| Other Charges | | 250 | |
| Total Other Charges | | | 64,720 |

Employee Benefits

| | | | |
|---------------------------|----|--------|--------|
| Medical Insurance | \$ | 71,148 | |
| Unemployment Compensation | | 4,029 | |
| Total Employee Benefits | | | 75,177 |

Capital Outlay

| | | | |
|---------------------------|----|---------|---------|
| Engineering Services | \$ | 5,597 | |
| Data Processing Equipment | | 4,346 | |
| Highway Equipment | | 204,419 | |
| Other Construction | | 43,866 | |
| Total Capital Outlay | | | 258,228 |

Total Highway/Public Works Fund \$ 1,827,139

General Debt Service Fund

Principal on Debt

General Government

| | | | |
|--------------------------|----|---------|---------|
| Principal on Notes | \$ | 165,900 | |
| Principal on Other Loans | | 76,000 | |
| Total General Government | \$ | | 241,900 |

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

| | | |
|--------------------------|----------------|------------|
| Principal on Notes | \$ 92,170 | |
| Principal on Other Loans | <u>381,784</u> | |
| Total Education | | \$ 473,954 |

Interest on Debt

General Government

| | | |
|--------------------------|---------------|--------|
| Interest on Notes | \$ 12,062 | |
| Interest on Other Loans | <u>17,227</u> | |
| Total General Government | | 29,289 |

Education

| | | |
|-------------------------|----------------|---------|
| Interest on Notes | \$ 25,026 | |
| Interest on Other Loans | <u>158,717</u> | |
| Total Education | | 183,743 |

Other Debt Service

General Government

| | | |
|--------------------------|--------------|--------|
| Trustee's Commission | \$ 9,456 | |
| Other Debt Service | <u>3,885</u> | |
| Total General Government | | 13,341 |

Education

| | | |
|--------------------|----------|--------------|
| Other Debt Service | \$ 7,075 | |
| Total Education | | <u>7,075</u> |

Total General Debt Service Fund \$ 949,302

Education Debt Service Fund

Principal on Debt

Education

| | | |
|--------------------------|------------|------------|
| Principal on Other Loans | \$ 589,000 | |
| Total Education | | \$ 589,000 |

Interest on Debt

Education

| | | |
|-------------------------|----------|-------|
| Interest on Other Loans | \$ 2,564 | |
| Total Education | | 2,564 |

Other Debt Service

Education

| | | |
|----------------------|--------------|---------------|
| Trustee's Commission | \$ 3,952 | |
| Other Debt Service | <u>8,279</u> | |
| Total Education | | <u>12,231</u> |

Total Education Debt Service Fund 603,795

(Continued)

Exhibit J-7

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

| | | | |
|---|--------------|--------------|---------------|
| <u>Education Capital Projects Fund</u> | | | |
| <u>Capital Projects</u> | | | |
| <u>Education Capital Projects</u> | | | |
| Contributions | \$ 1,049,170 | | |
| Total Education Capital Projects | | \$ 1,049,170 | |
| Total Education Capital Projects Fund | | | \$ 1,049,170 |
| Total Governmental Funds - Primary Government | | | \$ 68,151,759 |

Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

| | | |
|--|--------------|--------------|
| Teachers | \$ 3,287,571 | |
| Career Ladder Program | 5,000 | |
| Educational Assistants | 5,438 | |
| Educational Incentive - Other County Employees | 321,334 | |
| Other Salaries and Wages | 2,085 | |
| Certified Substitute Teachers | 8,777 | |
| Non-certified Substitute Teachers | 9,240 | |
| Social Security | 215,779 | |
| Pensions | 320,937 | |
| Medical Insurance | 611,596 | |
| Unemployment Compensation | 1,695 | |
| Employer Medicare | 50,465 | |
| Travel | 82 | |
| Tuition | 695 | |
| Instructional Supplies and Materials | 165,292 | |
| Textbooks - Bound | 60,307 | |
| Software | 4,244 | |
| Regular Instruction Equipment | 28,623 | |
| Total Regular Instruction Program | | \$ 5,099,160 |

Alternative Instruction Program

| | | |
|--|-----------|---------|
| Teachers | \$ 68,244 | |
| Educational Assistants | 36,883 | |
| Educational Incentive - Other County Employees | 1,227 | |
| Social Security | 6,286 | |
| Pensions | 8,974 | |
| Medical Insurance | 11,844 | |
| Unemployment Compensation | 11 | |
| Employer Medicare | 1,470 | |
| Total Alternative Instruction Program | | 134,939 |

Special Education Program

| | | |
|--|------------|---------|
| Teachers | \$ 416,083 | |
| Career Ladder Program | 1,000 | |
| Homebound Teachers | 600 | |
| Educational Assistants | 44,524 | |
| Speech Pathologist | 53,579 | |
| Educational Incentive - Other County Employees | 62,842 | |
| Social Security | 34,260 | |
| Pensions | 52,128 | |
| Medical Insurance | 97,875 | |
| Unemployment Compensation | 138 | |
| Employer Medicare | 8,012 | |
| Contracts with Private Agencies | 91,878 | |
| Total Special Education Program | | 862,919 |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program

| | | | |
|--|----|---------|------------|
| Teachers | \$ | 154,340 | |
| Career Ladder Program | | 1,000 | |
| Educational Incentive - Other County Employees | | 8,887 | |
| Social Security | | 9,260 | |
| Pensions | | 15,375 | |
| Medical Insurance | | 36,178 | |
| Unemployment Compensation | | 17 | |
| Employer Medicare | | 2,166 | |
| Other Contracted Services | | 106,000 | |
| Instructional Supplies and Materials | | 10,678 | |
| Textbooks - Bound | | 1,425 | |
| Total Career and Technical Education Program | | | \$ 345,326 |

Support Services

Attendance

| | | | |
|------------------------------|----|--------|--------|
| Supervisor/Director | \$ | 6,519 | |
| Clerical Personnel | | 4,346 | |
| Social Security | | 597 | |
| Pensions | | 543 | |
| Employer Medicare | | 140 | |
| Other Contracted Services | | 15,807 | |
| In Service/Staff Development | | 350 | |
| Total Attendance | | | 28,302 |

Health Services

| | | | |
|-----------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 54,052 | |
| Medical Personnel | | 153,185 | |
| Clerical Personnel | | 17,988 | |
| Certified Substitute Teachers | | 500 | |
| Non-certified Substitute Teachers | | 190 | |
| Social Security | | 13,360 | |
| Pensions | | 15,660 | |
| Medical Insurance | | 32,443 | |
| Unemployment Compensation | | 23 | |
| Employer Medicare | | 3,124 | |
| Other Contracted Services | | 3,300 | |
| Drugs and Medical Supplies | | 207 | |
| Other Supplies and Materials | | 117,368 | |
| In Service/Staff Development | | 1,158 | |
| Other Charges | | 950 | |
| Health Equipment | | 5,251 | |
| Total Health Services | | | 418,759 |

Other Student Support

| | | | |
|--------------------|----|--------|--|
| Guidance Personnel | \$ | 89,647 | |
| Clerical Personnel | | 17,855 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

| | | | |
|--|----|--------|------------|
| Educational Incentive - Other County Employees | \$ | 2,727 | |
| Other Salaries and Wages | | 5,392 | |
| Social Security | | 6,813 | |
| Pensions | | 9,390 | |
| Medical Insurance | | 29,362 | |
| Unemployment Compensation | | 11 | |
| Employer Medicare | | 1,593 | |
| Communication | | 1,800 | |
| Contracts with Government Agencies | | 5,040 | |
| Other Contracted Services | | 7,330 | |
| Other Charges | | 300 | |
| Other Equipment | | 31,273 | |
| Total Other Student Support | | | \$ 208,533 |

Regular Instruction Program

| | | | |
|--|----|---------|---------|
| Supervisor/Director | \$ | 124,278 | |
| Career Ladder Program | | 2,500 | |
| Librarians | | 99,750 | |
| Educational Incentive - Other County Employees | | 18,450 | |
| Social Security | | 9,554 | |
| Pensions | | 15,116 | |
| Medical Insurance | | 29,008 | |
| Unemployment Compensation | | 40 | |
| Employer Medicare | | 3,447 | |
| Library Books/Media | | 2,234 | |
| In Service/Staff Development | | 7,811 | |
| Total Regular Instruction Program | | | 312,188 |

Special Education Program

| | | | |
|---------------------------------|----|--------|--------|
| Supervisor/Director | \$ | 56,937 | |
| Psychological Personnel | | 1,544 | |
| Social Security | | 3,383 | |
| Pensions | | 6,006 | |
| Medical Insurance | | 7,088 | |
| Unemployment Compensation | | 6 | |
| Employer Medicare | | 791 | |
| Other Supplies and Materials | | 190 | |
| In Service/Staff Development | | 25 | |
| Total Special Education Program | | | 75,970 |

Career and Technical Education Program

| | | | |
|--|----|--------|--------|
| Supervisor/Director | \$ | 27,586 | |
| Social Security | | 1,707 | |
| Pensions | | 2,833 | |
| Employer Medicare | | 399 | |
| Total Career and Technical Education Program | | | 32,525 |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology

| | | | |
|----------------------------------|----|--------|------------|
| Audiovisual Personnel | \$ | 15,358 | |
| Instructional Computer Personnel | | 60,426 | |
| Social Security | | 4,362 | |
| Pensions | | 3,021 | |
| Medical Insurance | | 12,692 | |
| Unemployment Compensation | | 6 | |
| Employer Medicare | | 1,020 | |
| Internet Connectivity | | 147 | |
| Cabling | | 11,577 | |
| Software | | 11,753 | |
| Regular Instruction Equipment | | 51,822 | |
| Total Technology | | | \$ 172,184 |

Other Programs

| | | | |
|----------------------------|----|--------|--------|
| On-behalf Payments to OPEB | \$ | 24,633 | |
| Total Other Programs | | | 24,633 |

Board of Education

| | | | |
|--|----|--------|---------|
| Secretary to Board | \$ | 1,740 | |
| Board and Committee Members Fees | | 10,750 | |
| Social Security | | 612 | |
| Pensions | | 179 | |
| Unemployment Compensation | | 6 | |
| Employer Medicare | | 180 | |
| Advertising | | 1,555 | |
| Dues and Memberships | | 11,256 | |
| Legal Services | | 6,378 | |
| Other Contracted Services | | 5,960 | |
| Office Supplies | | 946 | |
| Trustee's Commission | | 59,015 | |
| Workers' Compensation Insurance | | 51,963 | |
| Refund to Applicant for Criminal Investigation | | 1,502 | |
| Other Charges | | 5,619 | |
| Total Board of Education | | | 157,661 |

Director of Schools

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 95,000 | |
| Career Ladder Program | | 1,000 | |
| Salary Supplements | | 7,736 | |
| Secretary(ies) | | 22,238 | |
| Social Security | | 7,359 | |
| Pensions | | 11,766 | |
| Medical Insurance | | 20,650 | |
| Unemployment Compensation | | 11 | |
| Employer Medicare | | 1,721 | |
| Communication | | 42,096 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

| | | | |
|------------------------------|----|--------|------------|
| Other Contracted Services | \$ | 11,280 | |
| Office Supplies | | 1,712 | |
| In Service/Staff Development | | 785 | |
| Other Charges | | 338 | |
| Administration Equipment | | 465 | |
| Furniture and Fixtures | | 338 | |
| Total Director of Schools | | | \$ 224,495 |

Office of the Principal

| | | | |
|--|----|---------|---------|
| Principals | \$ | 259,319 | |
| Career Ladder Program | | 2,000 | |
| Accountants/Bookkeepers | | 97,387 | |
| Assistant Principals | | 201,461 | |
| Secretary(ies) | | 22,669 | |
| Educational Incentive - Other County Employees | | 35,766 | |
| Social Security | | 35,271 | |
| Pensions | | 56,344 | |
| Medical Insurance | | 99,355 | |
| Unemployment Compensation | | 75 | |
| Employer Medicare | | 8,249 | |
| Other Supplies and Materials | | 9,164 | |
| Administration Equipment | | 3,927 | |
| Total Office of the Principal | | | 830,987 |

Fiscal Services

| | | | |
|------------------------------|----|--------|---------|
| Accountants/Bookkeepers | \$ | 90,978 | |
| Social Security | | 5,172 | |
| Pensions | | 4,549 | |
| Medical Insurance | | 17,780 | |
| Unemployment Compensation | | 11 | |
| Employer Medicare | | 1,210 | |
| Postal Charges | | 2,145 | |
| Other Contracted Services | | 20,514 | |
| Office Supplies | | 2,614 | |
| In Service/Staff Development | | 760 | |
| Administration Equipment | | 159 | |
| Total Fiscal Services | | | 145,892 |

Operation of Plant

| | | | |
|---------------------------|----|---------|--|
| Custodial Personnel | \$ | 137,398 | |
| Social Security | | 7,983 | |
| Pensions | | 6,736 | |
| Medical Insurance | | 27,190 | |
| Unemployment Compensation | | 52 | |
| Employer Medicare | | 1,867 | |
| Disposal Fees | | 35,000 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

| | | | |
|---------------------------------|----|---------|------------|
| Other Contracted Services | \$ | 3,250 | |
| Custodial Supplies | | 29,794 | |
| Electricity | | 265,922 | |
| Natural Gas | | 48,862 | |
| Water and Sewer | | 17,451 | |
| Other Supplies and Materials | | 389 | |
| Building and Contents Insurance | | 106,821 | |
| Total Operation of Plant | | | \$ 688,715 |

Maintenance of Plant

| | | | |
|---|----|--------|---------|
| Supervisor/Director | \$ | 64,074 | |
| Maintenance Personnel | | 14,821 | |
| Social Security | | 4,649 | |
| Pensions | | 3,945 | |
| Medical Insurance | | 12,352 | |
| Unemployment Compensation | | 11 | |
| Employer Medicare | | 1,087 | |
| Maintenance and Repair Services - Buildings | | 76,297 | |
| Other Contracted Services | | 34,429 | |
| Other Supplies and Materials | | 5,328 | |
| Other Charges | | 597 | |
| Maintenance Equipment | | 2,303 | |
| Total Maintenance of Plant | | | 219,893 |

Transportation

| | | | |
|--|----|---------|---------|
| Supervisor/Director | \$ | 45,004 | |
| Mechanic(s) | | 37,564 | |
| Bus Drivers | | 224,311 | |
| Other Salaries and Wages | | 15,915 | |
| Social Security | | 15,527 | |
| Pensions | | 12,633 | |
| Medical Insurance | | 34,195 | |
| Unemployment Compensation | | 80 | |
| Employer Medicare | | 4,489 | |
| Contracts with Parents | | 118 | |
| Maintenance and Repair Services - Vehicles | | 3,543 | |
| Other Contracted Services | | 1,600 | |
| Diesel Fuel | | 30,325 | |
| Gasoline | | 5,925 | |
| Lubricants | | 1,333 | |
| Tires and Tubes | | 13,775 | |
| Vehicle Parts | | 6,634 | |
| In Service/Staff Development | | 1,137 | |
| Other Charges | | 5,608 | |
| Transportation Equipment | | 89,784 | |
| Total Transportation | | | 549,500 |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services

Community Services

| | | | |
|--------------------------------------|----|--------|------------|
| Supervisor/Director | \$ | 12,025 | |
| Teachers | | 15,979 | |
| Clerical Personnel | | 13,808 | |
| Educational Assistants | | 44,422 | |
| Other Salaries and Wages | | 7,998 | |
| Social Security | | 5,387 | |
| Pensions | | 5,694 | |
| Unemployment Compensation | | 29 | |
| Employer Medicare | | 1,365 | |
| Instructional Supplies and Materials | | 4,602 | |
| Other Supplies and Materials | | 1,555 | |
| Total Community Services | | | \$ 112,864 |

Early Childhood Education

| | | | |
|--------------------------------------|----|--------|---------|
| Supervisor/Director | \$ | 8,000 | |
| Teachers | | 52,369 | |
| Educational Assistants | | 14,345 | |
| Social Security | | 4,131 | |
| Pensions | | 6,801 | |
| Medical Insurance | | 20,254 | |
| Unemployment Compensation | | 11 | |
| Employer Medicare | | 966 | |
| Food Supplies | | 150 | |
| Instructional Supplies and Materials | | 1,359 | |
| Other Supplies and Materials | | 999 | |
| In Service/Staff Development | | 125 | |
| Total Early Childhood Education | | | 109,510 |

Capital Outlay

Regular Capital Outlay

| | | | |
|------------------------------|----|-----------|-----------|
| Other Contracted Services | \$ | 9,944 | |
| Building Improvements | | 1,226,773 | |
| Furniture and Fixtures | | 30,639 | |
| Total Regular Capital Outlay | | | 1,267,356 |

Other Debt Service

Education

| | | | |
|---|----|---------|---------|
| Debt Service Contribution to Primary Government | \$ | 458,440 | |
| Total Education | | | 458,440 |

Total General Purpose School Fund \$ 12,480,751

School Federal Projects Fund

Instruction

Regular Instruction Program

| | | | |
|----------|----|--------|--|
| Teachers | \$ | 36,504 | |
|----------|----|--------|--|

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

| | | | |
|--------------------------------------|----|----------------|---------|
| Educational Assistants | \$ | 77,118 | |
| Other Salaries and Wages | | 30,736 | |
| Social Security | | 8,890 | |
| Pensions | | 9,895 | |
| Medical Insurance | | 5,879 | |
| Employer Medicare | | 2,079 | |
| Instructional Supplies and Materials | | 28,279 | |
| Software | | 6,750 | |
| Other Supplies and Materials | | 455 | |
| Regular Instruction Program | | <u>505,834</u> | |
| Total Regular Instruction Program | \$ | | 712,419 |

Special Education Program

| | | | |
|--------------------------------------|----|---------------|---------|
| Teachers | \$ | 102,580 | |
| Educational Assistants | | 69,676 | |
| Social Security | | 9,679 | |
| Pensions | | 11,916 | |
| Medical Insurance | | 32,122 | |
| Employer Medicare | | 2,264 | |
| Instructional Supplies and Materials | | 3,115 | |
| Other Supplies and Materials | | 127 | |
| Special Education Equipment | | <u>30,181</u> | |
| Total Special Education Program | | | 261,660 |

Career and Technical Education Program

| | | | |
|--|----|---------------|--------|
| Instructional Supplies and Materials | \$ | 5,902 | |
| Vocational Instruction Equipment | | <u>15,194</u> | |
| Total Career and Technical Education Program | | | 21,096 |

Support Services

Health Services

| | | | |
|----------------------------|----|--------------|--------|
| Medical Personnel | \$ | 6,647 | |
| Social Security | | 412 | |
| Pensions | | 367 | |
| Employer Medicare | | 96 | |
| Drugs and Medical Supplies | | <u>5,089</u> | |
| Total Health Services | | | 12,611 |

Other Student Support

| | | | |
|------------------------------|----|------------|-------|
| Other Salaries and Wages | \$ | 750 | |
| Social Security | | 46 | |
| Pensions | | 69 | |
| Employer Medicare | | 11 | |
| Postal Charges | | 518 | |
| In Service/Staff Development | | <u>258</u> | |
| Total Other Student Support | | | 1,652 |

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

| | | | |
|-----------------------------------|----|--------|-----------|
| Supervisor/Director | \$ | 48,219 | |
| Social Security | | 2,951 | |
| Pensions | | 4,952 | |
| Employer Medicare | | 690 | |
| Other Supplies and Materials | | 108 | |
| In Service/Staff Development | | 19,184 | |
| Other Charges | | 12,855 | |
| Other Equipment | | 10,275 | |
| Total Regular Instruction Program | | | \$ 99,234 |

Special Education Program

| | | | |
|---------------------------------|----|--------|--------|
| Supervisor/Director | \$ | 14,393 | |
| Social Security | | 892 | |
| Pensions | | 1,478 | |
| Employer Medicare | | 209 | |
| Other Supplies and Materials | | 9,811 | |
| In Service/Staff Development | | 3,000 | |
| Other Charges | | 1,225 | |
| Total Special Education Program | | | 31,008 |

Career and Technical Education Program

| | | | |
|--|----|-----|-----|
| In Service/Staff Development | \$ | 100 | |
| Total Career and Technical Education Program | | | 100 |

Technology

| | | | |
|-----------------------|----|--------|--------|
| Internet Connectivity | \$ | 750 | |
| Other Equipment | | 39,250 | |
| Total Technology | | | 40,000 |

Office of the Principal

| | | | |
|-------------------------------|----|-------|-------|
| Principals | \$ | 2,608 | |
| Social Security | | 162 | |
| Pensions | | 268 | |
| Employer Medicare | | 38 | |
| Total Office of the Principal | | | 3,076 |

Operation of Plant

| | | | |
|--------------------------|----|--------|--------|
| Custodial Personnel | \$ | 2,893 | |
| Social Security | | 179 | |
| Pensions | | 152 | |
| Employer Medicare | | 42 | |
| Custodial Supplies | | 46,628 | |
| Total Operation of Plant | | | 49,894 |

Transportation

| | | | |
|-------------|----|-------|--|
| Bus Drivers | \$ | 2,107 | |
|-------------|----|-------|--|

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

| | | | |
|----------------------|----|-------|----------|
| Social Security | \$ | 131 | |
| Pensions | | 103 | |
| Employer Medicare | | 31 | |
| Diesel Fuel | | 1,206 | |
| Tires and Tubes | | 150 | |
| Vehicle Parts | | 106 | |
| Total Transportation | | | \$ 3,834 |

Operation of Non-Instructional Services

Food Service

| | | | |
|---------------------|----|--------|--------|
| Clerical Personnel | \$ | 2,292 | |
| Cafeteria Personnel | | 9,612 | |
| Social Security | | 738 | |
| Pensions | | 483 | |
| Employer Medicare | | 140 | |
| Food Supplies | | 84,798 | |
| Total Food Service | | | 98,063 |

Capital Outlay

Regular Capital Outlay

| | | | |
|------------------------------|----|---------|---------|
| Building Improvements | \$ | 100,374 | |
| Total Regular Capital Outlay | | | 100,374 |

Total School Federal Projects Fund \$ 1,435,021

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

| | | | |
|---|----|---------|------------|
| Supervisor/Director | \$ | 16,898 | |
| Accountants/Bookkeepers | | 6,519 | |
| Materials Supervisor | | 15,204 | |
| Clerical Personnel | | 75,388 | |
| Cafeteria Personnel | | 140,052 | |
| Other Salaries and Wages | | 3,991 | |
| Social Security | | 15,484 | |
| Pensions | | 13,770 | |
| Medical Insurance | | 38,856 | |
| Employer Medicare | | 3,621 | |
| Maintenance and Repair Services - Equipment | | 7,258 | |
| Other Contracted Services | | 6,259 | |
| Food Supplies | | 369,982 | |
| Office Supplies | | 276 | |
| USDA - Commodities | | 71,406 | |
| Other Supplies and Materials | | 14,046 | |
| Other Charges | | 460 | |
| Total Food Service | | | \$ 799,470 |

Total Central Cafeteria Fund 799,470

(Continued)

Exhibit J-8

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

| | | | |
|--|----|----------------|----------------------|
| <u>Internal School Fund</u> | | | |
| <u>Operation of Non-Instructional Services</u> | | | |
| <u>Community Services</u> | | | |
| Other Charges | \$ | <u>375,002</u> | |
| Total Community Services | | | \$ <u>375,002</u> |
| Total Internal School Fund | | | \$ <u>375,002</u> |
| Total Governmental Funds - Hartsville/Trousdale County School Department | | | \$ <u>15,090,244</u> |

Exhibit J-9

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2021

| | Business-type Activities |
|--|-----------------------------|
| | Major Enterprise Fund |
| | Water and Sewer Fund |
| <u>Revenues</u> | |
| <u>Operating Revenues</u> | |
| <u>Charges for Current Services</u> | |
| Other General Service Charges | \$ 1,005,743 |
| Water Sales | 2,317,275 |
| Water Tap Sales | 142,500 |
| Service Charges | 190,949 |
| Total Charges for Current Services | <u>\$ 3,656,467</u> |
| <u>Other Local Revenues</u> | |
| Lease/Rentals | \$ 7,800 |
| Total Other Local Revenues | <u>\$ 7,800</u> |
| Total Operating Revenues | <u>\$ 3,664,267</u> |
| <u>Nonoperating Revenues</u> | |
| Investment Income | \$ 39,535 |
| Sale of Equipment | 17,432 |
| Damages Recovered from Individuals | 1,087 |
| Contributions and Gifts | 3,965 |
| Community Development | 477,790 |
| Total Nonoperating Revenues | <u>\$ 539,809</u> |
| Total Revenues | <u><u>\$ 4,204,076</u></u> |
| <u>Expenses</u> | |
| <u>Operating Expenses</u> | |
| <u>Other Public Health and Welfare</u> | |
| Supervisor/Director | \$ 75,292 |
| Clerical Personnel | 153,032 |
| Overtime Pay | 104,187 |
| Bonus Payments | 13,550 |
| Other Salaries and Wages | 524,990 |
| Board and Committee Members Fees | 2,800 |
| In-service Training | 6,838 |
| Social Security | 69,275 |
| Pensions | 41,230 |

(Continued)

Exhibit J-9

Hartsville/Trousdale County Government, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

| | Business-type Activities |
|--|-----------------------------|
| | Major Enterprise Fund |
| | Water and Sewer Fund |
| <u>Operating Expenses (Cont.)</u> | |
| <u>Other Public Health and Welfare</u> | |
| Medical Insurance | \$ 80,197 |
| Communication | 26,593 |
| Data Processing Services | 39,204 |
| Dues and Memberships | 3,812 |
| Legal Notices, Recording, and Court Costs | 983 |
| Maintenance and Repair Services - Buildings | 5,195 |
| Maintenance and Repair Services - Equipment | 54,521 |
| Maintenance and Repair Services - Office Equipment | 652 |
| Maintenance and Repair Services - Vehicles | 28,255 |
| Postal Charges | 17,750 |
| Disposal Fees | 10,183 |
| Permits | 11,552 |
| Other Contracted Services | 26,345 |
| Electricity | 268,832 |
| Gasoline | 37,154 |
| Natural Gas | 4,102 |
| Office Supplies | 2,755 |
| Tires and Tubes | 6,218 |
| Testing | 38,365 |
| Chemicals | 167,353 |
| Other Supplies and Materials | 549,095 |
| Liability Insurance | 86,432 |
| Depreciation | 798,911 |
| Other Charges | 62,777 |
| Total Operating Expenses | <u>\$ 3,318,430</u> |
| <u>Nonoperating Expenses</u> | |
| Interest on Bonds | <u>\$ 102,549</u> |
| Total Nonoperating Expenses | <u>\$ 102,549</u> |
| Total Expenses | <u>\$ 3,420,979</u> |

STATUTORY SECTION

This part of Hartsville/Trousdale annual financial report presents detailed information required by state statute for the Hartsville/Trousdale County Government Water and Sewer Department. 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 | 214-216 |

Source: Hartsville/Trousdale County Government Water and Sewer Department Management.

Table 1

Hartsville/Trousdale County Government, Tennessee
Schedule of Utility Rates
Water and Sewer Department
June 30, 2021

Utility Rates in Effect

Water Inside Town:

| | | |
|------------------------|----------|-------------------|
| First 2,000 gallons | \$ 16.63 | per month |
| All over 2,000 gallons | 5.42 | per 1,000 gallons |

Water Outside Town-Rural:

| | | |
|------------------------|----------|-------------------|
| First 2,000 gallons | \$ 27.94 | per month |
| All over 2,000 gallons | 8.73 | per 1,000 gallons |

| | |
|---------------------------|-------|
| Number of Water Customers | 3,179 |
| Number of Sewer Customers | 1,095 |

Table 2

Hartsville/Trousdale County Government, Tennessee
 Schedule of Unaccounted for Water
 Water and Sewer Department
 June 30, 2021

AWWA Free Water Audit Software: Reporting Worksheet

WAS v6.0
 American Water Works Association,
 Copyright © 2014. All Rights Reserved.

Water Audit Report for: **Hartsville Trousdale Water & Sewer Utility (0000291)**
 Reporting Year: **2020** 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.

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

| WATER SUPPLIED | | Master Meter and Supply Error Adjustments | |
|--------------------------------------|------------------|---|-------------|
| Volume from own sources: | 10 450.550 MG/Yr | Pont: | 3.00% MG/Yr |
| Water imported: | 7 0.000 MG/Yr | Value: | MG/Yr |
| Water exported: | 9 46.908 MG/Yr | Pont: | 3.00% MG/Yr |
| Value: | MG/Yr | Value: | MG/Yr |
| WATER SUPPLIED: 391.894 MG/Yr | | Enter negative % or value for under-registration Enter positive % or value for over-registration | |

| AUTHORIZED CONSUMPTION | |
|--|-----------------|
| Billed metered: | 8 228.303 MG/Yr |
| Billed unmetered: | 8 52.124 MG/Yr |
| Unbilled metered: | 8 4.472 MG/Yr |
| Unbilled unmetered: | 7 4.899 MG/Yr |
| Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed | |
| AUTHORIZED CONSUMPTION: | 289.798 MG/Yr |

| WATER LOSSES (Water Supplied - Authorized Consumption) | |
|---|----------------|
| 102.096 | MG/Yr |
| Apparent Losses | |
| Unauthorized consumption: | 7 0.980 MG/Yr |
| Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed | |
| Customer metering inaccuracies: | 8 7.199 MG/Yr |
| Systematic data handling errors: | 7 0.571 MG/Yr |
| Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed | |
| Apparent Losses: | 8.750 MG/Yr |
| Real Losses (Current Annual Real Losses or CARL) | |
| Real Losses = Water Losses - Apparent Losses: | 7 93.347 MG/Yr |
| WATER LOSSES: | 102.096 MG/Yr |

| NON-REVENUE WATER | |
|--|-----------------|
| Water Losses + Unbilled Metered + Unbilled Unmetered | 7 111.467 MG/Yr |

| SYSTEM DATA | |
|---|--|
| Length of mains: | 9 240.0 miles |
| Number of active AND inactive service connections: | 9 3,750 |
| Service connection density: | 7 16 conn./mile main |
| Are customer meters typically located at the curbside or property line? | Yes (length of service line, beyond the property boundary, that is the responsibility of the utility) |
| Average length of customer service line: | 7 (Average length of customer service line has been set to zero and a data grading score of 10 has been applied) |
| Average operating pressure: | 9 97.0 psi |

| COST DATA | |
|---|---|
| Total annual cost of operating water system: | 8 \$3,415,186 \$/Year |
| Customer retail unit cost (applied to Apparent Losses): | 7 \$9.12 \$/1000 gallons (US) |
| Variable production cost (applied to Real Losses): | 7 \$7,679.89 \$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses |

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 83 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: Customer retail unit cost (applied to Apparent Losses)

Table 2

| 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: Hartsville Trousdale Water & Sewer Utility (0000291) | | |
| Reporting Year: 2020 7/2020 - 6/2021 | | |
| *** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 83 out of 100 *** | | |
| System Attributes: | | |
| | Apparent Losses: | 8.750 MG/Yr |
| | + Real Losses: | 93.347 MG/Yr |
| | = Water Losses: | 102.096 MG/Yr |
| ? | Unavoidable Annual Real Losses (UARL): | 65.89 MG/Yr |
| | Annual cost of Apparent Losses: | \$79,797 |
| | Annual cost of Real Losses: | \$707,558 Valued at Variable Production Cost |
| | | Return to Reporting Worksheet to change this assumption |
| Performance Indicators: | | |
| Financial: | Non-revenue water as percent by volume of Water Supplied: | 28.4% |
| | Non-revenue water as percent by cost of operating system: | 25.1% Real Losses valued at Variable Production Cost |
| Operational Efficiency: | Apparent Losses per service connection per day: | 6.39 gallons/connection/day |
| | Real Losses per service connection per day: | N/A gallons/connection/day |
| | Real Losses per length of main per day*: | 1,065.60 gallons/mile/day |
| | Real Losses per service connection per day per psi pressure: | N/A gallons/connection/day/psi |
| | From Above, Real Losses = Current Annual Real Losses (CARL): | 93.35 million gallons/year |
| ? | Infrastructure Leakage Index (ILI) [CARL/UARL]: | 1.42 |
| * 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

Hartsville/Trousdale County Government Mayor and
Board of Metropolitan Commissioners
Hartsville/Trousdale County, Tennessee

To the County Mayor and Board of Metropolitan 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 Hartsville/Trousdale County Government, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Hartsville/Trousdale County Government's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 20, 2021. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Hartsville/Trousdale County School Department (discretely presented component unit), as described in our report on Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government's internal control. Accordingly, we do not express an opinion on the effectiveness of Hartsville/Trousdale County Government'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: 2021-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hartsville/Trousdale County Government'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 Cost as item: 2021-002.

Hartsville/Trousdale County Government's Responses to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hartsville/Trousdale County Government'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 20, 2021

JEM/sl



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

Hartsville/Trousdale County Government Mayor and
Board of Metropolitan Commissioners
Hartsville/Trousdale County, Tennessee

To the County Mayor and Board of Metropolitan Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government's major federal programs for the year ended June 30, 2021. Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government'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 Hartsville/Trousdale County

Government'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 Hartsville/Trousdale County Government's compliance.

Opinion on Each Major Federal Program

In our opinion, Hartsville/Trousdale County Government 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 Hartsville/Trousdale County Government 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 Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government'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 Hartsville/Trousdale County Government, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Hartsville/Trousdale County Government's basic financial statements. We issued our report thereon dated December 20, 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 20, 2021

JEM/sl

Hartsville/Trousdale County Government, Tennessee and the Discretely Presented Hartsville/Trousdale County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)
For the Year Ended June 30, 2021

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listings Number | Pass-through Entity Identifying Number | Expenditures |
|--|---|--|-------------------|
| U.S. Department of Agriculture: | | | |
| Passed-through State Department of Agriculture: | | | |
| Child Nutrition Cluster: (5) | | | |
| National School Lunch Program (Commodities - Noncash Assistance) | 10.555 | (4) | \$ 71,406 (6) |
| Passed-through State Department of Education: | | | |
| Child Nutrition Cluster: (5) | | | |
| School Breakfast Program | 10.553 | (4) | 131,915 |
| National School Lunch Program | 10.555 | (4) | 340,736 (6) |
| Total U.S. Department of Agriculture | | | <u>\$ 544,057</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 and Non-Entitlement Grants in Hawaii | 14.228 | (4) | \$ 477,790 |
| Passed-through Tennessee Housing Development Agency: | | | |
| HOME Investment Partnership Program | 14.239 | (4) | 46,907 |
| Total U.S. Department of Housing and Urban Development | | | <u>\$ 524,697</u> |
| U.S. Department of the Interior: | | | |
| Direct Program: | | | |
| Payments in-lieu-of Taxes | 15.226 | N/A | \$ 8,733 |
| Total U.S. Department of the Interior | | | <u>\$ 8,733</u> |
| U.S. Department of Justice: | | | |
| Passed-through State Department of Finance and Administration: | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | (4) | \$ 88,226 |
| Total U.S. Department of Justice | | | <u>\$ 88,226</u> |
| U.S. Department of Labor: | | | |
| Passed-through State Department of Labor and Workforce Development: | | | |
| COVID 19 - Unemployment Insurance | 17.225 | (4) | \$ 257 |
| Total U.S. Department of Labor | | | <u>\$ 257</u> |
| U.S. Department of Transportation: | | | |
| Passed-through State Department of Transportation: | | | |
| Highway Planning and Construction Cluster: (5) | | | |
| Highway Planning and Construction | 20.205 | 104685 | \$ 222,065 |
| Total U.S. Department of Transportation | | | <u>\$ 222,065</u> |

(Continued)

Hartsville/Trousdale County Government, Tennessee and the Discretely Presented Hartsville/Trousdale County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listings Number | Pass-through Entity Identifying Number | Expenditures |
|---|---|--|---------------------|
| U.S. Department of Treasury: | | | |
| Passed-through State Department of Finance Administration: | | | |
| COVID 19 - Coronavirus Relief Fund | 21.019 | (4) | \$ 330,360 (6) |
| Passed-through State Department of Education: | | | |
| COVID 19 - Coronavirus Relief Fund | 21.019 | (4) | <u>145,401 (6)</u> |
| Total U.S. Department of Treasury | | | <u>\$ 475,761</u> |
| U.S. Institute of Museum and Library Services: | | | |
| Passed-through State Department of Library and Archives: | | | |
| Grants to States | 45.310 | (4) | \$ 1,804 (6) |
| COVID 19 - Grants to States | 45.310 | (4) | <u>1,858 (6)</u> |
| Total U.S. Institute of Museum and Library Services | | | <u>\$ 3,662</u> |
| U.S. Department of Education: | | | |
| Passed-through State Department of Education: | | | |
| Title I Grants to Local Educational Agencies | 84.010 | (4) | \$ 297,159 |
| Special Education Cluster: (5) | | | |
| Special Education - Grants to States | 84.027 | (4) | 330,154 |
| Special Education - Preschool Grants | 84.173 | (4) | 9,870 |
| Career and Technical Education - Basic Grants to States | 84.048 | (4) | 22,331 |
| Rural Education | 84.358 | (4) | 16,767 |
| Supporting Effective Instruction State Grants | 84.367 | (4) | 40,675 |
| Student Support and Academic Enrichment Program | 84.424 | (4) | 8,200 |
| COVID 19 - Discretionary Grants: Rethink K-12 Education Models Grant | 84.425B | (4) | 34,606 |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER I) | 84.425D | (4) | 235,064 (6) |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II) | 84.425D | (4) | <u>341,896 (6)</u> |
| Total U.S. Department of Education | | | <u>\$ 1,336,722</u> |
| U.S. Department of Election Assistance Commission: | | | |
| Passed-through Tennessee Secretary of State: | | | |
| COVID 19 - 2020 HAVA Election Security Grants | 90.404 | (4) | <u>\$ 4,818</u> |
| Total U.S. Department of Election Assistance Commission | | | <u>\$ 4,818</u> |

(Continued)

Hartsville/Trousdale County Government, Tennessee and the Discretely Presented Hartsville/Trousdale County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listings Number | Pass-through Entity Identifying Number | Expenditures |
|--|---|--|---------------------|
| U.S. Department of Health and Human Services: | | | |
| Direct Program: | | | |
| COVID 19 - Provider Relief Fund | 93.498 | N/A | \$ 13,512 |
| Passed-through Greater Nashville Regional Council: | | | |
| Special Programs for the Aging Title III, Part D | | | |
| Disease Prevention and Health Promotion Services | 93.043 | (4) | 2,238 |
| Aging Cluster: (5) | | | |
| Special Programs for the Aging Title III, Part B | | | |
| Grants for Supportive Services and Senior Centers | 93.044 | (4) | 9,411 (6) |
| COVID 19 - Special Programs for the Aging Title III, Part B Grants for | | | |
| Supportive Services and Senior Centers | 93.044 | (4) | 31,750 (6) |
| National Family Caregiver Support, Title III, Part E | | | |
| COVID 19 - National Family Caregiver Support, Title III, Part E | 93.052 | (4) | 8,500 (6) |
| 477 Cluster: (5) | | | |
| COVID 19 - Temporary Assistance For Needy Families (TANF) | 93.558 | (4) | 48,477 |
| Total U.S. Department of Health and Human Services | | | <u>\$ 122,388</u> |
| U.S. Department of Homeland Security: | | | |
| Passed-through State Department of Military: | | | |
| Emergency Management Performance Grant | 97.042 | 34101-02919 | \$ 5,000 |
| Homeland Security Grant Program | 97.067 | (4) | 12,000 |
| Total U.S. Department of Homeland Security | | | <u>\$ 17,000</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 3,348,386</u> |
| <u>State Grants</u> | | | |
| Juvenile Services Program - State Department of Children's Services | N/A | (4) | \$ 9,000 |
| Aging Programs - State Commission on Aging | N/A | (4) | 9,411 |
| Lottery for Education: Afterschool Programs - State Department | | | |
| of Education | N/A | (4) | 84,929 |
| Early Childhood Education - State Department of Education | N/A | (4) | 98,515 |
| Coordinated School Health - State Department of Education | N/A | (4) | 89,017 |
| Old Closed Landfill Grant - State Department of Environment | | | |
| and Conservation | N/A | 32701-03700 | 2,785 |
| Animal Friendly Grant - State Department of Health | N/A | Z-18-160314 | 910 |
| Student Ticket Subsidy (STS) Grant - Tennessee Arts Commission | N/A | (4) | 4,595 |
| Project Diabetes Initiative Services - State Department of Health | N/A | (4) | 13,841 |
| Safe Schools - State Department of Education | N/A | (4) | 30,778 |
| Litter Program - State Department of Transportation | N/A | Z-19-LIT085 | 43,561 |
| Healthy Students Stronger Learners Tennessee - State | | | |
| Department of Education | N/A | (4) | 12,558 |
| Summer Learning Camp - State Department of Education | N/A | (4) | 59,035 |
| STREAM Mini-Camps - State Department of Education | N/A | (4) | 9,399 |
| Bridge Camps - State Department of Education | N/A | (4) | 23,894 |
| Learning Camp Transportation - State Department of Education | N/A | (4) | 17,306 |
| PPE (Noncash assistance) - State Department of Military | N/A | (4) | 28,128 |
| State Direct Appropriations Grant FY 2020 - State Department of | | | |
| Finance and Administration | N/A | (4) | 734,094 |
| Urban Services Grant - State Department of Finance and Administration | N/A | (4) | 273,000 |
| Total State Grants | | | <u>\$ 1,544,756</u> |

(Continued)

Hartsville/Trousdale County Government, Tennessee and the Discretely Presented Hartsville/Trousdale County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

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) Hartsville/Trousdale County Government elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$544,057; Highway Planning and Construction Cluster total \$222,065;
Special Education Cluster total \$340,024; Aging Cluster total \$41,161; 477 Cluster total \$48,477.
- (6) Total FAL No. 10.555 is \$412,142; Total FAL No. 21.019 is \$475,761; Total FAL No. 45.310 is \$3,662;
Total FAL No. 84.425D is \$576,960; Total FAL No 93.044 is \$41,161; Total FAL No 93.052 is \$17,000.
- (7) For the year ended June 30, 2021, Hartsville/Trousdale County Government received donated PPE valued at \$112,511
(\$84,383 federal and \$28,128 state) from the Tennessee Department of Military. These donations were unaudited.

Hartsville/Trousdale County Government, 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 Hartsville/Trousdale County Government, Tennessee, for the year ended June 30, 2021.

Prior-year Financial Statement Findings

| Fiscal Year | Page Number | Finding Number | Title of Finding | FAL Number | Current Status |
|---------------------------------|-------------|----------------|---|------------|----------------|
| <u>OFFICE OF SHERIFF</u> | | | | | |
| 2020 | 223 | 2020-001 | Duties were not segregated adequately in the Office of Sheriff. | N/A | Corrected |
| 2020 | 223 | 2020-002 | Some funds were not deposited within three days of collection. | N/A | Corrected |

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

HARTSVILLE/TROUSDALE COUNTY GOVERNMENT, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Hartsville/Trousdale County Government 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:
 - * Federal Assistance Listings Numbers: 10.553 and 10.555 Child Nutrition Cluster:
School Breakfast Program and
National School Lunch Program
 - * Federal Assistance Listings Numbers: 84.027 and 84.173 Special Education Cluster:
Special Education - Grants to States and
Special Education - Preschool Grants
 - * Federal Assistance Listings Number: 84.425 Education Stabilization Fund Program -
Elementary and Secondary School
Emergency Relief Fund (ESSER I & II)
8. Dollar threshold used to distinguish between Type A and Type B Programs. \$750,000
9. Auditee qualified as low-risk auditee? NO

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

WATER AND SEWER UTILITY DEPARTMENT

FINDING 2021-001

THE DEPARTMENT HAD DEFICIENCIES IN THE MAINTENANCE OF CAPITAL ASSETS RECORDS

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

During the period examined, capital assets records reflected the disposal of certain assets; however, documentation to support these disposals was not available for inspection. Also, a physical inventory of capital assets had not been performed in recent years. Generally accepted accounting principles require accountability for all assets owned by the department, such as buildings, equipment, and vehicles. These deficiencies resulted from a lack of management oversight. Without accurate capital assets records, the department cannot adequately control its assets.

RECOMMENDATION

Management should ensure the department maintains adequate documentation to support the disposal of capital assets, and the documentation should be available for audit inspection. A physical inventory should be performed annually to ensure the accuracy of the records.

MANAGEMENT'S RESPONSE – DEPARTMENT GENERAL MANAGER

We concur with this finding.

FINDING 2021-002

COMPETITIVE BIDS WERE NOT SOLICITED FOR SOME WORK ON SEWER LINES

(Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 29 disbursements totaling \$428,434 from a population of 1,671 vendor checks totaling \$2,635,172. Our examination revealed two invoices totaling \$39,035 and \$51,115 that were not competitively bid. These two invoices were for work that was performed on a sewer line by a contractor three months after their contract with the department had expired. Purchasing procedures for the department are

governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated*. These statutes provide for all purchases exceeding \$10,000 to be competitively bid through newspaper advertisement. As a result, the best and lowest price may not have been obtained for these purchases. These deficiencies resulted from a lack of management oversight.

RECOMMENDATION

Competitive bids should be solicited for all purchases exceeding \$10,000 as required by state statutes.

MANAGEMENT'S RESPONSE – DEPARTMENT GENERAL MANAGER

We concur with this finding.

**PART III, FINDINGS AND QUESTIONED
COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs related to federal awards for the year ended June 30, 2021.

Hartsville/Trousdale County Government, 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 |
|-------------------|------------------|---------------------------------------|
|-------------------|------------------|---------------------------------------|

WATER AND SEWER UTILITY DEPARTMENT

| | | |
|----------|--|-----|
| 2021-001 | The department had deficiencies in the maintenance of capital asset records. | 234 |
| 2021-002 | Competitive bids were not solicited for some work on sewer lines. | 235 |

Hartsville/Trousdale Water/Sewer Utility District

P. O. Box 66 • 328 Broadway • Hartsville, Tennessee 37074-0066
Phone: 615 374.3484 • Fax: 615 374 0558
www.hartsvillewater.com

Tommy McFarland
General Manager
tommy.mcfarland@trousdalecountyttn.gov

Corrective Action Plan

FINDING 2021-001 THE OFFICE HAD DEFICIENCIES IN THE MAINTENANCE OF CAPITAL ASSETS RECORDS (Internal Control – Significant Deficiency Under Government Auditing Standards)

Response and Corrective Action Plan Prepared by: **Mary Dale Welch, Bookkeeper**

Person Responsible for Implementing the Corrective Action: **Tommy McFarland**

Anticipated Completion Date of Corrective Action: **1/1/2022**

Repeat Finding: **No.**

Reason Corrective Action was Not Taken in the Prior Year: **N/A**

All capital assets records will be properly maintained in accordance with departmental polices and generally accepted accounting principles.

An annual inventory will be performed to help ensure accuracy of the records.

Signature: _____



Tommy McFarland
General Manager

COMMISSIONERS

Heather Bay
Chairman

Mark White
Co-Chairman

Todd Webber
Secretary

Stephen Chambers
Commissioner

Dwight Jewell
Commissioner

Kendra Stafford
Commissioner

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Corrective Action Plan

**FINDING 2021-002 COMPETITIVE BIDS WERE NOT SOLICITED FOR WORK ON SEWER LINES
(Noncompliance Under *Government Auditing Standards*)**

Response and Corrective Action Plan Prepared by: **Mary Dale Welch, Bookkeeper**

Person Responsible for Implementing the Corrective Action: **Tommy McFarland**

Anticipated Completion Date of Corrective Action: **1/1/2022**

Repeat Finding: **No.**

Reason Corrective Action was Not Taken in the Prior Year: **N/A**

Any utility service contract will be complied with in accordance with the contract's provisions set forth in the signed agreement. The utility will be extending the terms of the agreement for 3 years and rebidding it when its term expires.

All purchases above \$10,000.00 will be competitively bid.

Signature: _____



Tommy McFarland
General Manager

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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 Hartsville/Trousdale County Government.

HARTSVILLE/TROUSDALE COUNTY GOVERNMENT SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Hartsville/Trousdale County Government 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 board of metropolitan commissioners 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 the Hartsville/Trousdale County Government. 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.