



ANNUAL FINANCIAL REPORT

Hamblen County, Tennessee

For the Year Ended June 30, 2022

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
HAMBLLEN COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2022

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

MARK TREECE, CPA, CGFM
Audit Manager

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

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Summary of Audit Findings

Annual Financial Report
Hamblen County, Tennessee
For the Year Ended June 30, 2022

Scope

We have audited the basic financial statements of Hamblen County as of and for the year ended June 30, 2022.

Results

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

Our audit resulted in no findings.



INTRODUCTORY SECTION

Hamblen County Officials

June 30, 2022

Officials

Bill Brittain, County Mayor
Barry Poole, Highway Superintendent
Dr. Jeff Perry, Director of Schools
Scotty Long, Trustee
John Ely, Assessor of Property
Penny Petty, County Clerk
Teresa West, Circuit and General Sessions Courts Clerk
Kathy Jones-Terry, Clerk and Master
Jim Clawson, Register of Deeds
Esco Jarnagin, Sheriff
Anne Bryant-Hurst, Finance Director

Board of County Commissioners

Howard Shipley, Chairman	Bobby Haun
Jeff Akard	Tim Horner
Eileen Arnwine	Joe Huntsman, Sr.
Chris Cutshaw	Wayne NeSmith
Randy DeBord	Mike Reed
Thomas Doty	Jim Stepp
Tim Goins	Taylor Ward

Board of Highway Commissioners

Dannie Bell, Chairman	Dr. Arthur Tom Hyde
Charles Anderson	Delbert Nix
Larry Carter	David Rich
Gail Free	

Board of Education

Dr. Joe Gibson, Jr., Chairman	James Grigsby
Dr. Shahin Assadnia	Janice Haun
Carolyn Holt Clawson	Clyde Kinder
Roger Greene	

Audit Committee

Randy DeBord, Chairman
Jeff Akard
Eileen Arnwine
Chris Cutshaw
Thomas Doty
Tim Goins
Bobby Haun

Tim Horner
Joe Huntsman, Sr.
Wayne NeSmith
Mike Reed
Howard Shipley
Jim Stepp
Taylor Ward

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Hamblen County School Department, which represent 1.43 percent, 2.16 percent, and 1.56 percent, respectively, of the assets, net position, and revenues of the discretely presented Hamblen County School Department. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Hamblen County School Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hamblen County, Tennessee, and to meet our other ethical responsibilities, in accordance with

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hamblen County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hamblen County’s basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, budgetary comparison schedules of the General Debt Service and Other General Government Capital Projects funds, combining and individual fund financial statements of the Hamblen County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, budgetary comparison schedules of the General Debt Service and Other General Government Capital Projects funds, combining and individual fund financial statements of the Hamblen County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2023, on our consideration of Hamblen County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Hamblen County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hamblen County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 15, 2023

JEM/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

Hamblen County, Tennessee
Statement of Net Position
June 30, 2022

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Hamblen County School Department</u>
<u>ASSETS</u>		
Cash	\$ 6,906	\$ 2,610,806
Equity in Pooled Cash and Investments	137,579,903	23,492,716
Inventories	0	95,827
Accounts Receivable	384,442	122,138
Due from Other Governments	1,115,915	7,952,599
Due from Primary Government	0	22,012,400
Property Taxes Receivable	20,344,942	11,387,581
Allowance for Uncollectible Property Taxes	(509,307)	(303,081)
Prepaid Items	100,752	0
Net Pension Asset - Agent Plan	6,044,109	5,936,285
Net Pension Asset - Teacher Retirement Plan	0	922,764
Net Pension Asset - Teacher Legacy Pension Plan	0	42,860,813
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	983,264
Capital Assets:		
Assets Not Depreciated:		
Land	2,343,758	6,441,653
Construction in Progress	26,922,633	1,897,990
Assets Net of Accumulated Depreciation/Amortization:		
Buildings and Improvements	5,726,628	44,488,584
Infrastructure	10,523,337	0
Other Capital Assets	1,989,162	12,132,215
Total Assets	<u>\$ 212,573,180</u>	<u>\$ 183,034,554</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 83,211	\$ 0
Pension Changes in Experience	72,841	231,630
Pension Changes in Assumptions	2,624,973	14,362,671
Pension Changes in Proportion	0	134,861
Pension Contributions After Measurement Date	826,695	4,728,258
OPEB Changes in Experience	0	4,658
OPEB Changes in Assumptions	62,707	1,442,610
OPEB Changes in Proportion	0	11,259
OPEB Contributions After Measurement Date	3,533	740,622
Total Deferred Outflows of Resources	<u>\$ 3,673,960</u>	<u>\$ 21,656,569</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Hamblen County School Department
<u>LIABILITIES</u>		
Accounts Payable	\$ 844,023	\$ 730,340
Accrued Payroll	499,003	110,637
Accrued Interest Payable	633,751	0
Contracts Payable	2,576,064	315,500
Due to Component Units	22,012,400	0
Due to Other Governments	3,200,179	0
Retainage Payable	130,426	75,176
Other Current Liabilities	0	69,446
Derivative - Interest Rate Swap	256,333	0
Noncurrent Liabilities:		
Due Within One Year - Debt	4,323,854	0
Due Within One Year - Other	0	396,215
Due in More Than One Year - Debt	134,499,695	0
Due in More Than One Year - Other	386,453	15,934,575
Total Liabilities	<u>\$ 169,362,181</u>	<u>\$ 17,631,889</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Accumulated Increase in Fair Value of Hedging Derivatives	\$ 14,675	\$ 0
Deferred Current Property Taxes	19,410,134	10,846,454
Pension Changes in Experience	708,661	4,439,597
Pension Changes in Investment Earnings	5,364,770	39,980,775
Pension Changes in Proportion	0	44,302
OPEB Changes in Experience	383,476	5,212,885
OPEB Changes in Assumptions	130,672	1,353,135
OPEB Changes in Proportion	0	4,007,718
Total Deferred Inflows of Resources	<u>\$ 26,012,388</u>	<u>\$ 65,884,866</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 24,639,131	\$ 64,960,442
Restricted for:		
General Government	94,395	0
Finance	64,350	0
Administration of Justice	211,782	0
Public Safety	313,654	0
Public Health and Welfare	21,232	0
Highway/Public Works	1,615,168	0
Debt Service	8,018,960	0
Capital Projects	0	22,012,400
Education	0	10,189,314
Pensions	6,044,109	50,703,126
Unrestricted	<u>(20,150,210)</u>	<u>(26,690,914)</u>
Total Net Position	<u>\$ 20,872,571</u>	<u>\$ 121,174,368</u>

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

Exhibit B

Hamblen County, Tennessee
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Total Governmental Activities	Unit Hamblen County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,137,152	\$ 1,143,190	\$ 15,164	\$ 134,926	\$ (1,843,872)	\$ 0
Finance	2,928,089	2,048,711	0	20,000	(859,378)	0
Administration of Justice	2,948,784	1,643,556	160,511	61,948	(1,082,769)	0
Public Safety	11,494,249	603,839	153,555	9,501,446	(1,235,409)	0
Public Health and Welfare	4,951,727	266,200	723,491	1,141,184	(2,820,852)	0
Social, Cultural, and Recreational Services	1,121,381	215,410	0	0	(905,971)	0
Agriculture and Natural Resources	245,263	0	0	0	(245,263)	0
Highways	3,216,892	0	2,438,520	602,224	(176,148)	0
Education	22,260,310	0	0	243,375	(22,016,935)	0
Interest on Long-term Debt	1,897,967	0	0	0	(1,897,967)	0
Total Primary Government	\$ 54,201,814	\$ 5,920,906	\$ 3,491,241	\$ 11,705,103	\$ (33,084,564)	\$ 0
Component Unit:						
Hamblen County School Department	\$ 102,654,016	\$ 1,102,556	\$ 28,104,147	\$ 25,345,379	\$ 0	\$ (48,101,934)
Total Component Unit	\$ 102,654,016	\$ 1,102,556	\$ 28,104,147	\$ 25,345,379	\$ 0	\$ (48,101,934)

(Continued)

Exhibit B

Hamblen County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Total Governmental Activities	Unit Hamblen County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 10,983,225	\$ 11,943,369
Property Taxes Levied for Public Health and Welfare Purposes					1,351,452	0
Property Taxes Levied for Debt Purposes					7,392,355	0
Local Option Sales Taxes					1,921,017	18,790,138
Hotel/Motel Tax					18,300	0
Wheel Tax					1,684,542	0
Litigation Tax - General					119,954	0
Litigation Tax - Special Purpose					49,378	0
Litigation Tax - Jail/Workhouse/Courthouse					99,117	0
Litigation Tax - Courtroom Security					106,996	0
Business Tax					1,382,083	0
Mixed Drink Tax					0	80,009
Mineral Severance Tax					60,147	0
Wholesale Beer Tax					139,062	0
Grants and Contributions Not Restricted to Specific Programs					3,943,944	61,045,776
Unrestricted Investment Income					146,957	18,702
Gain on Disposal of Capital Assets					0	15,910
Miscellaneous					212,078	50,833
Total General Revenues					<u>\$ 29,610,607</u>	<u>\$ 91,944,737</u>
Change in Fair Value of Derivatives - Interest Rate Swap					\$ 194,470	\$ 0
Change in Net Position					\$ (3,279,487)	\$ 43,842,803
Net Position, July 1, 2021					<u>24,152,058</u>	<u>77,331,565</u>
Net Position, June 30, 2022					<u>\$ 20,872,571</u>	<u>\$ 121,174,368</u>

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

Exhibit C-1

Hamblen County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds				Nonmajor	Total
	General	General Debt Service	Other General Government Capital Projects	Other Capital Projects	Funds Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 100	\$ 0	\$ 0	\$ 0	\$ 6,706	\$ 6,806
Equity in Pooled Cash and Investments	12,721,889	13,049,628	3,210,612	100,086,107	7,475,364	136,543,600
Accounts Receivable	216,628	0	0	0	148,046	364,674
Due from Other Governments	369,820	0	0	0	738,161	1,107,981
Due from Other Funds	143,300	0	0	0	0	143,300
Property Taxes Receivable	11,552,563	7,400,960	0	0	1,391,419	20,344,942
Allowance for Uncollectible Property Taxes	(285,094)	(190,162)	0	0	(34,051)	(509,307)
Prepaid Items	7,009	77,134	0	0	0	84,143
Total Assets	\$ 24,726,215	\$ 20,337,560	\$ 3,210,612	\$ 100,086,107	\$ 9,725,645	\$ 158,086,139
<u>LIABILITIES</u>						
Accounts Payable	\$ 395,545	\$ 0	\$ 0	\$ 0	\$ 313,660	\$ 709,205
Accrued Payroll	408,751	0	0	0	90,252	499,003
Contracts Payable	0	0	0	2,576,064	0	2,576,064
Retainage Payable	0	0	0	130,426	0	130,426
Due to Other Funds	0	0	0	0	143,300	143,300
Due to Component Units	0	0	0	22,012,400	0	22,012,400
Due to Other Governments	0	0	3,200,179	0	0	3,200,179
Total Liabilities	\$ 804,296	\$ 0	\$ 3,200,179	\$ 24,718,890	\$ 547,212	\$ 29,270,577
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 11,010,795	\$ 7,066,629	\$ 0	\$ 0	\$ 1,332,710	\$ 19,410,134
Deferred Delinquent Property Taxes	191,653	99,269	0	0	21,214	312,136

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	General Debt Service	Other General Government Capital Projects	Other Capital Projects	Funds Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 209,058	\$ 0	\$ 0	\$ 0	\$ 350,660	\$ 559,718
Total Deferred Inflows of Resources	\$ 11,411,506	\$ 7,165,898	\$ 0	\$ 0	\$ 1,704,584	\$ 20,281,988
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 7,009	\$ 77,134	\$ 0	\$ 0	\$ 0	\$ 84,143
Restricted:						
Restricted for General Government	94,396	0	0	0	0	94,396
Restricted for Finance	64,350	0	0	0	0	64,350
Restricted for Administration of Justice	211,782	0	0	0	0	211,782
Restricted for Public Safety	20,688	0	0	0	292,966	313,654
Restricted for Public Health and Welfare	18	0	0	0	0	18
Restricted for Highways/Public Works	0	0	0	0	1,394,839	1,394,839
Restricted for Capital Outlay	67,378	0	0	0	0	67,378
Restricted for Debt Service	0	8,553,442	0	0	0	8,553,442
Restricted for Capital Projects	0	0	0	75,367,217	7,603	75,374,820
Committed:						
Committed for Public Health and Welfare	0	0	0	0	3,509,419	3,509,419
Committed for Debt Service	0	4,541,086	0	0	0	4,541,086
Committed for Capital Projects	0	0	10,433	0	441,012	451,445
Committed for Other Purposes	0	0	0	0	1,828,010	1,828,010
Assigned:						
Assigned for General Government	61,549	0	0	0	0	61,549
Assigned for Finance	19,731	0	0	0	0	19,731
Assigned for Administration of Justice	3,764	0	0	0	0	3,764

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	General Debt Service	Other General Government Capital Projects	Other Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>						
Assigned (Cont.):						
Assigned for Public Safety	\$ 361,745	\$ 0	\$ 0	\$ 0	\$ 0	\$ 361,745
Assigned for Public Health and Welfare	76,029	0	0	0	0	76,029
Assigned for Social, Cultural, and Recreational Services	28,870	0	0	0	0	28,870
Assigned for Other Operations	1,543,373	0	0	0	0	1,543,373
Assigned for Other Purposes	121,251	0	0	0	0	121,251
Unassigned	9,828,480	0	0	0	0	9,828,480
Total Fund Balances	<u>\$ 12,510,413</u>	<u>\$ 13,171,662</u>	<u>\$ 10,433</u>	<u>\$ 75,367,217</u>	<u>\$ 7,473,849</u>	<u>\$ 108,533,574</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,726,215</u>	<u>\$ 20,337,560</u>	<u>\$ 3,210,612</u>	<u>\$ 100,086,107</u>	<u>\$ 9,725,645</u>	<u>\$ 158,086,139</u>

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

Exhibit C-2

Hamblen County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

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)		\$ 108,533,574
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 2,343,758	
Add: construction in progress	26,922,633	
Add: buildings and improvements net of accumulated depreciation	5,726,628	
Add: infrastructure net of accumulated depreciation	10,523,337	
Add: other capital assets net of accumulated depreciation	<u>1,989,162</u>	47,505,518
(2) An internal service fund is used by management to charge the cost of employee insurance programs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		945,896
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other loans payable	\$ (8,717,728)	
Less: bonds payable	(120,645,000)	
Less: OPEB liability	(386,453)	
Add: deferred amount on refunding	83,211	
Less: fair value of derivative - interest rate swap	(256,333)	
Less: deferred inflows on interest rate swap	(14,675)	
Less: accrued interest on bonds and other loans payable	(633,751)	
Less: unamortized premium on debt	<u>(9,460,821)</u>	(140,031,550)
(4) 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	\$ 3,524,509	
Less: deferred inflows of resources related to pensions	(6,073,431)	
Add: deferred outflows of resources related to OPEB	66,240	
Less: deferred inflows of resources related to OPEB	<u>(514,148)</u>	(2,996,830)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		6,044,109
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>871,854</u>
Net position of governmental activities (Exhibit A)		<u>\$ 20,872,571</u>

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

Exhibit C-3

Hamblen County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds				Nonmajor	Total
	General	General Debt Service	Other General Government Capital Projects	Other Capital Projects	Other Governmental Funds	
<u>Revenues</u>						
Local Taxes	\$ 14,571,391	\$ 7,732,336	\$ 0	\$ 0	\$ 3,461,129	\$ 25,764,856
Licenses and Permits	594,073	0	0	0	1,948	596,021
Fines, Forfeitures, and Penalties	229,130	60,487	0	0	72,034	361,651
Charges for Current Services	331,922	0	0	0	55,147	387,069
Other Local Revenues	238,694	748,060	10,212	(36,407)	53,585	1,014,144
Fees Received From County Officials	3,721,216	0	0	0	0	3,721,216
State of Tennessee	2,828,338	0	0	0	4,778,418	7,606,756
Federal Government	111,087	0	9,412,489	0	1,117,140	10,640,716
Other Governments and Citizens Groups	270,880	0	0	0	9,621	280,501
Total Revenues	\$ 22,896,731	\$ 8,540,883	\$ 9,422,701	\$ (36,407)	\$ 9,549,022	\$ 50,372,930
<u>Expenditures</u>						
Current:						
General Government	\$ 2,280,827	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,280,827
Finance	2,486,168	0	0	0	0	2,486,168
Administration of Justice	2,951,781	0	0	0	55,147	3,006,928
Public Safety	8,316,719	0	0	0	79,581	8,396,300
Public Health and Welfare	1,249,671	0	0	0	2,691,082	3,940,753
Social, Cultural, and Recreational Services	964,915	0	0	0	0	964,915
Agriculture and Natural Resources	247,808	0	0	0	0	247,808
Other Operations	1,532,065	0	0	0	0	1,532,065
Highways	0	0	0	0	3,324,007	3,324,007
Operation of Non-Instructional Services	5,000	0	0	0	0	5,000
Debt Service:						
Principal on Debt	0	3,118,854	0	0	0	3,118,854
Interest on Debt	0	1,244,292	0	0	0	1,244,292

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	General Debt Service	Other General Government Capital Projects	Other Capital Projects	Funds Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Debt Service (Cont.)						
Other Debt Service	\$ 0	\$ 160,361	\$ 0	\$ 0	\$ 0	\$ 160,361
Capital Projects	450,368	0	1,912,489	47,996,606	1,192,794	51,552,257
Total Expenditures	<u>\$ 20,485,322</u>	<u>\$ 4,523,507</u>	<u>\$ 1,912,489</u>	<u>\$ 47,996,606</u>	<u>\$ 7,342,611</u>	<u>\$ 82,260,535</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,411,409	\$ 4,017,376	\$ 7,510,212	\$ (48,033,013)	\$ 2,206,411	\$ (31,887,605)
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 100,430,000	\$ 0	\$ 100,430,000
Premiums on Debt Sold	0	0	0	8,283,615	0	8,283,615
Insurance Recovery	37,309	0	0	0	46,639	83,948
Transfers In	0	0	0	7,500,000	381,864	7,881,864
Transfers Out	(381,864)	0	(7,500,000)	0	0	(7,881,864)
Total Other Financing Sources (Uses)	<u>\$ (344,555)</u>	<u>\$ 0</u>	<u>\$ (7,500,000)</u>	<u>\$ 116,213,615</u>	<u>\$ 428,503</u>	<u>\$ 108,797,563</u>
Net Change in Fund Balances	\$ 2,066,854	\$ 4,017,376	\$ 10,212	\$ 68,180,602	\$ 2,634,914	\$ 76,909,958
Fund Balance, July 1, 2021	10,443,559	9,154,286	221	7,186,615	4,838,935	31,623,616
Fund Balance, June 30, 2022	<u>\$ 12,510,413</u>	<u>\$ 13,171,662</u>	<u>\$ 10,433</u>	<u>\$ 75,367,217</u>	<u>\$ 7,473,849</u>	<u>\$ 108,533,574</u>

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

Exhibit C-4

Hamblen County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2022

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)		\$ 76,909,958
(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	\$ 25,337,400	
Less: current-year depreciation expense	<u>(913,225)</u>	24,424,175
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 285,734	
Less: book value of capital assets disposed	<u>(32,507)</u>	253,227
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2022	\$ 871,854	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(924,993)</u>	(53,139)
(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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Less: change in unamortized premium on debt issuances	\$ (8,212,282)	
Add: principal payments on other loans	2,373,854	
Add: principal payments on bonds	745,000	
Less: bonds issued	(100,430,000)	
Add: change in fair value of derivatives - interest rate swap	373,013	
Less: change in deferred outflows on derivative - interest rate swap	(163,868)	
Less: change in deferred inflows on derivative - interest rate swap	(14,675)	
Less: change in deferred amount on refunding debt	<u>(21,397)</u>	(105,350,355)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ (543,250)	
Change in OPEB liability	124,947	
Change in net pension asset/liability	4,969,218	
Change in deferred outflows related to pensions	2,128,544	
Change in deferred inflows related to pensions	(5,718,671)	
Change in deferred outflows related to OPEB	(14,389)	
Change in deferred inflows related to OPEB	<u>(23,107)</u>	923,292
(6) An internal service fund is used by management to charge the cost of employee insurance to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with the governmental activities in the statement of activities.		<u>(386,645)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (3,279,487)</u>

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

Exhibit C-5

Hamblen County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 14,571,391	\$ 0	\$ 0	\$ 14,571,391	\$ 13,992,035	\$ 13,992,035	\$ 579,356
Licenses and Permits	594,073	0	0	594,073	493,000	493,000	101,073
Fines, Forfeitures, and Penalties	229,130	0	0	229,130	178,400	178,400	50,730
Charges for Current Services	331,922	0	0	331,922	337,800	337,800	(5,878)
Other Local Revenues	238,694	0	0	238,694	133,600	127,286	111,408
Fees Received From County Officials	3,721,216	0	0	3,721,216	3,417,000	3,417,000	304,216
State of Tennessee	2,828,338	0	0	2,828,338	3,239,600	3,254,137	(425,799)
Federal Government	111,087	0	0	111,087	137,915	182,761	(71,674)
Other Governments and Citizens Groups	270,880	0	0	270,880	296,798	323,308	(52,428)
Total Revenues	\$ 22,896,731	\$ 0	\$ 0	\$ 22,896,731	\$ 22,226,148	\$ 22,305,727	\$ 591,004
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 162,987	\$ 0	\$ 0	\$ 162,987	\$ 181,682	\$ 181,782	\$ 18,795
Board of Equalization	1,665	0	0	1,665	5,550	5,550	3,885
County Mayor/Executive	234,379	0	0	234,379	239,291	239,477	5,098
County Attorney	18,835	0	0	18,835	31,293	31,293	12,458
Election Commission	270,915	0	0	270,915	311,709	311,709	40,794
Register of Deeds	361,132	0	0	361,132	373,281	373,281	12,149
Planning	246,120	(40)	0	246,080	257,688	259,050	12,970
Codes Compliance	58,431	0	0	58,431	59,336	59,336	905
Geographical Information Systems	89,437	0	0	89,437	92,845	94,030	4,593
Other Facilities	816,539	0	0	816,539	895,242	897,697	81,158
Preservation of Records	20,387	0	0	20,387	21,486	30,166	9,779
<u>Finance</u>							
Accounting and Budgeting	484,759	0	0	484,759	504,933	504,933	20,174
Property Assessor's Office	359,837	0	0	359,837	362,478	362,478	2,641
Reappraisal Program	168,698	0	0	168,698	177,884	177,334	8,636
County Trustee's Office	354,007	0	0	354,007	390,575	390,575	36,568
County Clerk's Office	650,368	0	2,600	652,968	693,682	703,682	50,714

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Data Processing	\$ 147,866	\$ 0	\$ 0	\$ 147,866	\$ 155,204	\$ 155,204	\$ 7,338
Other Finance	320,633	0	0	320,633	335,828	335,828	15,195
<u>Administration of Justice</u>							
Circuit Court	894,276	0	0	894,276	1,011,539	993,834	99,558
General Sessions Court	515,418	0	0	515,418	462,498	602,173	86,755
Drug Court	78,565	0	0	78,565	77,583	91,083	12,518
Chancery Court	382,850	0	0	382,850	405,176	408,591	25,741
Juvenile Court	306,894	0	0	306,894	325,026	363,846	56,952
Courtroom Security	692,297	0	3,764	696,061	908,006	908,006	211,945
Victim Assistance Programs	81,481	0	0	81,481	156,741	156,741	75,260
<u>Public Safety</u>							
Sheriff's Department	3,272,776	(62,612)	3,095	3,213,259	3,378,559	3,448,792	235,533
Administration of the Sexual Offender Registry	3,344	0	0	3,344	6,000	6,000	2,656
Jail	3,936,702	(5,322)	4,418	3,935,798	4,572,674	4,572,674	636,876
Workhouse	92,376	0	0	92,376	97,964	97,964	5,588
Work Release Program	291,903	0	0	291,903	324,354	324,354	32,451
Fire Prevention and Control	220,000	0	0	220,000	220,000	220,000	0
Civil Defense	113,119	0	0	113,119	110,874	114,500	1,381
Other Emergency Management	192,001	0	0	192,001	192,001	192,001	0
Inspection and Regulation	5,987	0	0	5,987	4,877	6,332	345
County Coroner/Medical Examiner	170,561	0	1,380	171,941	189,600	197,400	25,459
Other Public Safety	17,950	0	0	17,950	20,500	43,669	25,719
<u>Public Health and Welfare</u>							
Local Health Center	652,328	0	0	652,328	864,467	864,467	212,139
Rabies and Animal Control	344,163	0	0	344,163	369,885	369,885	25,722
Nursing Home	5,000	0	0	5,000	5,000	5,000	0
Alcohol and Drug Programs	5,500	0	0	5,500	5,500	5,500	0
Appropriation to State	115,233	0	0	115,233	115,233	115,233	0
Other Local Welfare Services	26,190	0	0	26,190	27,500	27,500	1,310

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Sanitation Management	\$ 18,997	\$ 0	\$ 0	\$ 18,997	\$ 14,460	\$ 18,997	\$ 0
Other Public Health and Welfare	82,260	0	0	82,260	95,000	95,000	12,740
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	11,600	0	0	11,600	11,600	11,600	0
Senior Citizens Assistance	6,500	0	0	6,500	6,500	6,500	0
Libraries	301,950	0	0	301,950	301,950	301,950	0
Parks and Fair Boards	293,865	0	0	293,865	322,027	322,027	28,162
Other Social, Cultural, and Recreational	351,000	0	0	351,000	351,000	351,000	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	173,174	0	0	173,174	166,586	171,876	(1,298)
Forest Service	1,000	0	0	1,000	1,000	1,000	0
Soil Conservation	52,294	0	0	52,294	52,640	52,640	346
Storm Water Management	21,340	0	0	21,340	35,460	35,460	14,120
<u>Other Operations</u>							
Tourism	54,670	0	0	54,670	54,700	54,700	30
Industrial Development	585,099	0	0	585,099	641,000	641,000	55,901
Veterans' Services	31,522	0	0	31,522	33,615	33,615	2,093
Employee Benefits	577,379	0	0	577,379	718,515	716,215	138,836
Miscellaneous	283,395	0	0	283,395	295,404	295,404	12,009
<u>Operation of Non-Instructional Services</u>							
Community Services	5,000	0	0	5,000	6,000	6,000	1,000
<u>Capital Projects</u>							
General Administration Projects	76,666	0	0	76,666	356,000	353,745	277,079
Public Safety Projects	373,702	(294,493)	335,892	415,101	94,500	453,825	38,724
Other General Government Projects	0	0	0	0	2,447	2,447	2,447
Total Expenditures	\$ 20,485,322	\$ (362,467)	\$ 351,149	\$ 20,474,004	\$ 22,501,948	\$ 23,173,951	\$ 2,699,947
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,411,409	\$ 362,467	\$ (351,149)	\$ 2,422,727	\$ (275,800)	\$ (868,224)	\$ 3,290,951

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 37,309	\$ 0	\$ 0	\$ 37,309	\$ 0	\$ 37,040	\$ 269
Transfers Out	(381,864)	0	0	(381,864)	(381,864)	(381,864)	0
Total Other Financing Sources	\$ (344,555)	\$ 0	\$ 0	\$ (344,555)	\$ (381,864)	\$ (344,824)	\$ 269
Net Change in Fund Balance	\$ 2,066,854	\$ 362,467	\$ (351,149)	\$ 2,078,172	\$ (657,664)	\$ (1,213,048)	\$ 3,291,220
Fund Balance, July 1, 2021	10,443,559	(362,467)	0	10,081,092	9,513,270	9,513,270	567,822
Fund Balance, June 30, 2022	\$ 12,510,413	\$ 0	\$ (351,149)	\$ 12,159,264	\$ 8,855,606	\$ 8,300,222	\$ 3,859,042

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

Exhibit D-1

Hamblen County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2022

	Governmental Activities - Internal Service Fund
	Employee Insurance - General
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 100
Equity in Pooled Cash and Investments	1,036,303
Accounts Receivable	19,768
Due from Other Governments	7,934
Prepaid Items	16,609
Total Assets	<u>\$ 1,080,714</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	<u>\$ 134,818</u>
Total Liabilities	<u>\$ 134,818</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 945,896</u>
Total Net Position	<u>\$ 945,896</u>

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

Exhibit D-2

Hamblen County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2022

	Governmental Activities - Internal Service Fund
	Employee Insurance - General
<u>Operating Revenues</u>	
Self-insurance Premiums/Contributions	\$ 2,887,691
Other Employee Benefit Charges/Contributions	151,074
Other General Service Charges	40,214
Other Charges for Services	34,539
Total Operating Revenues	<u>\$ 3,113,518</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 130,356
Dental and Vision Insurance	152,193
Consultants	35,300
Contracts with Private Agencies	396,777
Excess Risk Insurance	335,974
Medical Claims	1,678,812
Other Self-insured Claims	769,599
Surcharge	1,152
Total Operating Expenses	<u>\$ 3,500,163</u>
Operating Income	<u>\$ (386,645)</u>
Change in Net Position	\$ (386,645)
Net Position, July 1, 2021	<u>1,332,541</u>
Net Position, June 30, 2022	<u><u>\$ 945,896</u></u>

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

Exhibit D-3

Hamblen County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	Governmental Activities - Internal Service Fund Employee Insurance - General
<u>Cash Flows from Operating Activities</u>	
Receipts for Self Insurance Premiums	\$ 2,887,691
Receipts for Other Insurance Premiums	151,074
Receipts for Prescription Rebates	322,363
Receipts for Other General Service Charges	33,300
Receipts for Other Charges from Services	34,539
Payments to Insurers and Consultants	(524,619)
Payments for Claims	(2,791,024)
Payments to Vendors	(404,960)
Payments for Administrative Costs	(130,356)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (421,992)</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Miscellaneous Refunds	\$ 66
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 66</u>
Increase (Decrease) in Cash	\$ (421,926)
Cash, July 1, 2021	<u>1,458,329</u>
Cash, June 30, 2022	<u><u>\$ 1,036,403</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (386,645)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Current Receivables	(6,914)
Increase (Decrease) in Accounts Payable	(28,433)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (421,992)</u>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash Per Net Position	\$ 100
Equity in Pooled Cash and Investments Per Statement of Net Position	<u>1,036,303</u>
Cash, June 30, 2022	<u><u>\$ 1,036,403</u></u>

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

Exhibit E-1

Hamblen County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2022

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 6,210,529
Equity in Pooled Cash and Investments	6,451
Accounts Receivable	399
Due from Other Governments	<u>3,002,463</u>
Total Assets	<u>\$ 9,219,842</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 3,002,463</u>
Total Liabilities	<u>\$ 3,002,463</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 6,217,379</u>
Total Net Position	<u><u>\$ 6,217,379</u></u>

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

Exhibit E-2

Hamblen County, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 16,670,940
Fines/Fees and Other Collections	13,973,990
Other Employee Benefit Charges/Contributions	26,733
Total Additions	<u>\$ 30,671,663</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections for Other Governments	\$ 16,670,940
Payments to State	6,363,401
Payments to Individuals and Others	5,422,226
Payments of Fringe Benefit Expenses	26,733
Total Deductions	<u>\$ 28,483,300</u>
Net Increase (Decrease) in Fiduciary Net Position	\$ 2,188,363
Net Position, July 1, 2021	<u>4,029,016</u>
Net Position, June 30, 2022	<u><u>\$ 6,217,379</u></u>

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

HAMBLEN COUNTY, TENNESSEE
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HAMBLEN COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

Hamblen County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Hamblen County (the primary government) and its component units. The financial statements of the Hamblen 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 county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Hamblen County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Hamblen County. The Hamblen County Emergency Communications District is governed by an 11-member board of directors, which is appointed by the county mayor and confirmed by the Hamblen County Commission. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Hamblen County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Hamblen County Emergency
Communications District
530 North Jackson Street
Morristown, TN 37814

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. However, the primary government of Hamblen County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Hamblen County School Department component unit only reports governmental activities in the government-wide financial statements.

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

Hamblen County issues all debt for the discretely presented Hamblen County School Department. Net debt issues totaling \$22,012,400 contributed by the county to the school department during the year ended June 30, 2022.

Separate financial statements are provided for governmental funds, the proprietary fund (internal service), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds 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 Hamblen County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Hamblen County only reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Hamblen County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest

on long-term debt, including lease obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

The 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.

Hamblen County reports the following major governmental funds:

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

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

Other General Government Capital Projects Fund – This fund is used to account for financial resources and expenditures relating to the American Rescue Plan Act.

Other Capital Projects Fund – This fund is used to account for financial resources to be used in the acquisition or construction of capital assets.

Additionally, Hamblen County reports the following fund types:

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

Internal Service Fund – The Employee Insurance - General Fund is used to account for the county’s self-insured health and fully insured dental and vision programs. Premiums charged to the various county

funds and employee payroll deductions are placed in this fund to pay the claims and insurance premiums of county employees.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Hamblen County, and operations of the flexible benefits program for Hamblen County employees.

The discretely presented Hamblen County 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.

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

Central Cafeteria Fund – This special revenue fund is used to account for cafeteria operations in each of the schools. Service charges and federal grants are the foundational revenues of this fund.

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 22) 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 21) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the employees' health insurance program. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are charges for services. Operating expenses for the internal service fund include administrative expenses and employee benefits.

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 demand deposits and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Hamblen County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Income from these pooled investments is assigned to the various funds based on the approved budgets. Hamblen County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost with the exception of negotiable certificates of deposits, which are reported at fair value.

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. Hamblen County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.31 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements. Due to Other Governments on the Statement of Net Position for the primary government represents grant amounts received in advance under the American Rescue Plan Act. Contracts payable represents amounts due under construction contracts and retainage payable represents amounts withheld from payments made on construction contracts pending completion of the projects. Retainage amounts are held by the county trustee as Equity in Pooled Cash and Investments in the applicable funds.

3. Inventories and Prepaid Items

Inventories of the discretely presented Hamblen County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in the governmental funds.

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Hamblen County School

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

5. Capital Assets

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Other Capital Assets	3 - 15
Infrastructure	100

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are the deferred charge on refunding; pension changes in experience, assumptions, and proportion; pension and OPEB contributions after the measurement date; and OPEB changes in experience, assumptions, and proportion.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: accumulated increase in fair value of hedging derivatives; current and delinquent property taxes; pension changes in experience, investment earnings, and proportion; OPEB 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

Vacation leave benefits for employees of Hamblen County do not vest or accumulate and must be used within the current year or are lost. Therefore, no accrual has been recorded for vacation pay.

Vacation benefits for all 12-month employees of the discretely presented Hamblen County School Department are earned in the current year for use in the subsequent year. Therefore, accrued leave balances payable of \$259,010 recorded as a liability in this report must be used in one year or are lost.

There is no liability for unpaid accumulated sick leave since Hamblen County and the school department do not have policies to pay any amounts when employees separate from service with the government.

8. Long-term Debt and Long-term Obligations

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable

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

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds 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 special termination benefits 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, 2022, Hamblen County had \$38,124,111 in outstanding debt for capital purposes for the discretely presented Hamblen County School Department. This debt is a liability of Hamblen County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Hamblen County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. However, in the school department's Education Capital Projects Fund, the county commission has required that committed funds provided by transfer from the General Purpose School Fund be expended before restricted funds provided through the issuance of debt. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by

resolution authorized the county finance director to make assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the General Fund consists of amounts appropriated for use in the 2022-23 budget (\$1,543,373), amounts for encumbrances (\$351,149), amounts for various insurance premium increases (\$121,251), and various other assignments (\$200,539). Assigned fund balance in the school department's General Purpose School Fund includes amounts assigned for use in the 2022-23 budget (\$5,746,057), textbooks (\$699,566), amounts for encumbrances (\$1,222,645) and the school department's Project Promise (\$1,015,002).

Unassigned Fund Balance – the residual classification of the General and General Purposes 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. In the other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

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

Discretely Presented Hamblen County School Department

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

Pension Plan. Investments are reported at fair value.

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Hamblen County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Hamblen County School Department

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

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

Primary Government

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

Discretely Presented Hamblen County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

At June 30, 2022, Hamblen County and the discretely presented Hamblen County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government	
Major Fund:	
General	\$ 351,149
Nonmajor Governmental Funds	339,491
School Department:	
Major Funds:	
General Purpose School	1,271,577
School Federal Projects	2,136,977
Central Cafeteria	22,115

B. Fund Deficit

The school department's School Federal Projects Fund reported a GAAP basis deficit unassigned fund balance of \$185,358 and a budgetary basis deficit of \$822,335 at June 30, 2022. The GAAP basis and budgetary basis deficit are expected to be liquidated upon receiving reimbursement from federal grant funds.

C. Expenditures and Encumbrances Exceeded Appropriations

Expenditures and encumbrances exceeded appropriations approved by the county commission in the Agricultural Extension Service major appropriations category (the legal level of control) of the General Fund by \$1,298. Expenditures that exceed appropriations are a violation of state statutes. These expenditures and encumbrances in excess of appropriations were funded by available fund balance in the General Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that

participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 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 fair value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

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

Investments

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

Investment Balances. As of June 30, 2022, Hamblen County had the following investments carried at amortized cost and at fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Hamblen County and the discretely presented Hamblen County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Fair Value or Amortized Cost
Investments at Amortized Cost:			
U.S. Treasury Bills	N/A	7-14-22	\$ 999,410
U.S. Treasury Bills	N/A	8-2-22	839,521
U.S. Treasury Bills	N/A	8-16-22	1,747,227
U.S. Treasury Bills	N/A	9-13-22	18,199,752
U.S. Treasury Bills	N/A	10-20-22	2,489,446
U.S. Treasury Bills	N/A	11-17-22	1,242,311
U.S. Treasury Bills	N/A	5-18-23	981,514
Federal Home Loan Bank	N/A	12-15-22	20,837,530
Federal Home Loan Bank	N/A	1-26-23	2,474,428
U.S. Treasury Notes	N/A	2-28-23	2,002,298
U.S. Treasury Notes	N/A	3-31-23	16,982,741
U.S. Treasury Notes	N/A	4-30-23	1,968,318
Investments at Fair Value:			
U.S. Treasury Notes	N/A	6-15-23	10,720,270
U.S. Treasury Notes	N/A	7-31-23	981,950
U.S. Treasury Notes	N/A	8-31-23	981,520
U.S. Treasury Notes	N/A	9-30-23	6,864,130
U.S. Treasury Notes	N/A	10-31-23	982,700
U.S. Treasury Notes	N/A	11-30-23	988,520
U.S. Treasury Notes	N/A	12-31-23	4,946,500
Total			<u>\$ 97,230,086</u>

Investment by Fair Value Level	Fair Value 6-30-22	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 26,465,590	\$ 26,465,590	\$ 0	\$ 0
Total	\$ 26,465,590	\$ 26,465,590	\$ 0	\$ 0

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments

classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Hamblen County has no investment policy that would further limit its investment choices. Hamblen County's investments in the Federal Home Loan Bank were rated Aaa by Moody's Investor's Service and AA+ by Standard & Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Hamblen County places no limit on the amount the county may invest in one issuer. More than five percent of the county's investments are in the Federal Home Loan Bank. These investments are 24 percent of the county's total investments.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Hamblen County's investment policy requires that the investment committee seek to minimize risk by pre-qualifying, approving, and conducting business with only financial institutions, brokers, dealers, intermediaries and/or advisers with exceptional reputations. Investments are held by the broker (Raymond James) through the Federal Reserve book-entry system for the benefit of the county. SIPC coverage is provided up to \$500,000 and excess SIPC coverage is provided by the broker in an aggregate firm limit of \$750 million for all customers, including a sub-limit of \$1.9 million per customer for cash above basic SIPC, for the wrongful abstraction of customer funds.

TCRS Stabilization Trust

Legal Provisions. The Hamblen 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 Hamblen County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2022, the Hamblen County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 304,812
Developed Market International Equity	N/A	N/A	137,657
Emerging Market International Equity	N/A	N/A	39,330
U.S. Fixed Income	N/A	N/A	196,653
Real Estate	N/A	N/A	196,653
Short-term Securities	N/A	N/A	98,326
NAV - Private Equity and Strategic Lending	N/A	N/A	9,833
Total			\$ 983,264

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

B. Derivative Instruments

Primary Government

At June 30, 2022, Hamblen County had the following derivative instrument outstanding:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$10M Swap - B	Pay fixed interest rate swap	Variable to synthetic fixed rate swap	\$10,000,000	5-7-13	6-1-25	Pay 4.39% receive 63.4% of 5-year LIBOR

The fair value balance and notional amount of derivative instruments outstanding during the year ended June 30, 2022, classified by type, and the change in fair value using a pay fixed, receive a percentage of LIBOR pricing model (Level 2 inputs of the GAAP fair value hierarchy) of such derivative instruments for the year then ended as reported in the 2022 financial statements are as follows:

Type	Changes in Fair Value		Fair Value at June 30, 2022		6-30-22 Notional Amount
	Classification	Amount	Classi- fication	Amount	
Governmental Activities					
Pay-fixed interest rate swap:					
\$10M Hybrid Swap B:					\$5,405,000
Cash Flow Hedge Portion	Deferred				
	Inflow	\$ 178,544	Debt	\$ 14,675	
Non-hedge Portion	Investment				
	Earnings	194,470	Debt	(271,008)	
Total \$10M Hybrid Swap B		<u>\$ 373,014</u>		<u>\$ (256,333)</u>	

In prior years, Hamblen County amended its variable rate debt instrument associated with this swap agreement. As a result, the county has recognized a termination of the original hedging relationship and a recognized new hedging relationship between the swap agreement and the amended debt instrument. Investment earnings or losses have been recognized for the portion of the swap's value that is not attributable to the current hedge relationship. Changes in the portion of the swap's fair value that is attributable to the current hedging relationship is deferred since it meets effectiveness criteria of Governmental Accounting Standards Board Statement No. 53.

Derivative Instrument Swap Agreement Detail

10M Swap (B)

Under its loan agreement, the Public Building Authority of Blount County, Tennessee, at the request of the county, has entered into an derivative instrument swap agreement for all of the outstanding Local Government Improvement Bonds, Series A-2-B.

Objective of the derivative instrument swap. To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into a derivative instrument swap in connection with its Series A-2-B variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series A-2-B bonds have since been refunded with a portion of the proceeds of the Series E-4-A bonds, and the derivative instrument swap is now associated with the Series E-4-A bonds.

Terms. Under the swap, the authority pays the counterparty a fixed payment of 4.39 percent and receives a variable payment computed as 63.4 percent of the five-year London Interbank Offered Rate (LIBOR). The bonds hedged by the interest rate swap agreement had an original outstanding principal amount of \$10 million. The derivative instrument swap agreement will not exceed the outstanding principal amount on the associated hedged bonds. The bonds' variable rates have historically approximated the Securities Industry and Financial Markets Association™ (SIFMA). The bonds and the related swap agreement mature on June 1, 2025. As of June 30, 2022, rates were as follows:

	<u>Terms</u>	<u>Rates</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.390 %
Variable payment from counterparty		<u>(1.950)</u>
Net interest rate swap payments		2.440
Variable-rate bond coupon payments		<u>1.842</u>
Synthetic interest rate on bonds		<u><u>4.282 %</u></u>

Fair value. As of June 30, 2022, the swap had a negative fair value of \$256,333. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates and then discounts those cash flows at their present value.

Credit risk. As of June 30, 2022, the county was not exposed to credit risk because the swap had a negative fair value. However, if interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the derivative instrument's fair value. The swap counterparty, Raymond James Financial Products, was rated A3/BBB+/A- by Moody's, Standard and Poor's, and Fitch as of June 30, 2022, with its Credit Support Provider, Deutsche Bank, rated A2/A-/A- by Moody's, Standard and Poor's, and Fitch, respectively.

Basis risk. As noted above, the swap exposes the county to basis risk should variable-rate bond coupon payment increase to above the net interest rate swap payments, thereby increasing the synthetic rate on the bonds. If a change occurs that results in the variable-rate bond coupon payment to be below net interest swap payments, then the synthetic rate on the bonds will decrease.

Termination risk. The derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The

Schedule to the Master Agreement includes an additional termination provision. The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the authority would be liable to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap's fair value.

Swap payments and associated debt. As of June 30, 2022, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Fiscal Year Ending June 30	Variable Rate Bonds		Net Interest Rate	Total
	Principal	Interest	Swap Payment	
2023	\$ 1,705,000	\$ 99,556	\$ 131,893	\$ 1,936,449
2024	1,800,000	68,151	90,287	1,958,438
2025	1,900,000	34,996	46,364	1,981,360
Total	\$ 5,405,000	\$ 202,703	\$ 268,544	\$ 5,876,247

C. Capital Assets

Capital assets activity for the year ended June 30, 2022, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 2,343,758	\$ 0	\$ 0	\$ 2,343,758
Construction in Progress	2,407,042	24,515,591	0	26,922,633
Total Capital Assets Not Depreciated	<u>\$ 4,750,800</u>	<u>\$ 24,515,591</u>	<u>\$ 0</u>	<u>\$ 29,266,391</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 12,359,975	\$ 15,000	\$ 0	\$ 12,374,975
Infrastructure	17,915,974	285,734	0	18,201,708
Other Capital Assets	9,553,664	806,809	(459,607)	9,900,866
Total Capital Assets Depreciated	<u>\$ 39,829,613</u>	<u>\$ 1,107,543</u>	<u>\$ (459,607)</u>	<u>\$ 40,477,549</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,372,405	\$ 275,942	\$ 0	\$ 6,648,347
Infrastructure	7,498,585	179,786	0	7,678,371
Other Capital Assets	7,881,307	457,497	(427,100)	7,911,704
Total Accumulated Depreciation	<u>\$ 21,752,297</u>	<u>\$ 913,225</u>	<u>\$ (427,100)</u>	<u>\$ 22,238,422</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,077,316</u>	<u>\$ 194,318</u>	<u>\$ (32,507)</u>	<u>\$ 18,239,127</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,828,116</u>	<u>\$ 24,709,909</u>	<u>\$ (32,507)</u>	<u>\$ 47,505,518</u>

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

Governmental Activities:

General Government	\$ 117,078
Finance	4,762
Administration of Justice	96,181
Public Safety	185,769
Public Health and Welfare	124,405
Social, Cultural, and Recreational Services	57,542
Highways/Public Works	<u>327,488</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 913,225</u>

Net Investment in Capital Assets

Capital Assets	\$ 47,505,518
Less: Outstanding principal of debt issued for capital purposes	(89,887,017)
Add: Debt issued for capital purposes but unspent at June 30, 2022	75,473,541
Less: Unamortized balance of original issue premiums on outstanding debt issued for capital purposes	(7,101,311)
Less: Outstanding principal of debt used to refund capital-related debt	<u>(1,351,600)</u>
Net Investment in Capital Assets	<u>\$ 24,639,131</u>

Discretely Presented Hamblen County School Department

Governmental Activities:

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 4,818,977	\$ 1,622,676	\$ 0	\$ 6,441,653
Construction in Progress	294,368	1,897,990	(294,368)	1,897,990
Total Capital Assets Not Depreciated	\$ 5,113,345	\$ 3,520,666	\$ (294,368)	\$ 8,339,643
Capital Assets Depreciated:				
Buildings and Improvements	\$ 153,617,983	\$ 1,046,877	\$ 0	\$ 154,664,860
Other Capital Assets	28,857,656	2,269,296	(258,949)	30,868,003
Total Capital Assets Depreciated	\$ 182,475,639	\$ 3,316,173	\$ (258,949)	\$ 185,532,863
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 107,839,354	\$ 2,336,922	\$ 0	\$ 110,176,276
Other Capital Assets	17,230,476	1,764,261	(258,949)	18,735,788
Total Accumulated Depreciation	\$ 125,069,830	\$ 4,101,183	\$ (258,949)	\$ 128,912,064
Total Capital Assets Depreciated, Net	\$ 57,405,809	\$ (785,010)	\$ 0	\$ 56,620,799
Governmental Activities Capital Assets, Net	\$ 62,519,154	\$ 2,735,656	\$ (294,368)	\$ 64,960,442

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

Governmental Activities:

Instruction	\$ 81,102
Support Services	3,779,016
Operation of Non-instructional Services	<u>241,065</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,101,183</u>

D. Construction Commitments

At June 30, 2022, the Other Capital Projects Fund had uncompleted construction contracts of approximately \$71,256,828 for a justice center project. Funding has been provided for these future expenditures.

At June 30, 2022, the School Federal Projects Fund of the discretely presented school department had uncompleted construction contracts of approximately \$1,432,070 for building construction and improvement projects. Funding is being provided for these future expenditures through federal grants.

During the year, Hamblen County contributed \$22,012,400 of general obligation bond proceeds to the discretely presented school department to fund a school building project. The contract for the building project is expected to be awarded subsequent to June 30, 2022.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 143,300
Discretely Presented School Department:		
General Purpose School	School Federal Projects	70,894
"	Central Cafeteria	365,000
School Federal Projects	General Purpose School	1,523
Central Cafeteria	"	5,828

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>
Component Unit:		
School Department:	Primary Government:	
Educational Capital Projects	Other Capital Projects	\$ 22,012,400

This balance represents proceeds of bonds issued by the primary government and contributed to the school department.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2022, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In	
	Other Capital Projects Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 381,864
Other General Government Capital Projects Fund	7,500,000	0
Total	\$ 7,500,000	\$ 381,864

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. Transfers from the General Fund represent state direct appropriation funds. Transfers from the Other General Government Capital Projects Fund were for a justice center project.

Discretely Presented Hamblen County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	School Federal Projects Fund
General Purpose School Fund	\$ 0	\$ 1,000,000
School Federal Projects Fund	70,894	
Central Cafeteria Fund	365,000	
Education Capital Projects Fund	348,487	0
Total	\$ 784,381	\$ 1,000,000

Transfers from the General Purpose School Fund into the School Federal Projects Fund are for cash flow. Transfers into the General Purpose School Fund from the School Federal Projects and Central Cafeteria funds are for indirect costs. Transfers into the General Purpose School Fund from the Education Capital Projects Fund are for capital expenditures.

F. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds – Hamblen County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 30 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2022, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements – Hamblen County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, other loans were issued to refund other debt. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 17 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2022, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2022, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-22
General Obligation Bonds	1.446-5 %	6-1-52	\$ 125,625,000	\$ 120,645,000
Direct Borrowing and Direct Placement:				
Other Loans - Qualified School				
Construction Bonds	1.515	7-1-26	11,280,000	2,951,061
Other Loans - Refunding	Variable	6-1-25	10,100,000	5,450,000
Other Loans - Revolving Fund				
Agreement with Appalachian Electric Cooperative	0	5-1-30	360,000	316,667

Qualified School Construction Bonds were issued through the Tennessee State School Bond Authority, and the proceeds were loaned to Hamblen County and various other local governments across Tennessee. The county pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee to the state. The county and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School

Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status on the bonds. This would result in further charges to the borrowers including the requirement to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent.

Hamblen County has entered into a loan agreement with the Blount County Public Building Authority (PBA). The loan agreement provides for the PBA to make funds available for loan to Hamblen County on an as needed basis to finance various projects for the county and the discretely presented school department. Hamblen County has drawn the entire amount available under the agreement. In addition to interest, the county pays various other fees (trustee, administrative, reporting, etc.) in connection with the variable rate loan.

The following table summarizes the loan agreement outstanding at June 30, 2022, including the interest rate and other loan fees:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-22	Interest Type	Interest Rates as of 6-30-22	Other Fees on Variable Rate Debt
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Blount County Public

Building Authority

Refunding

(Series E-4-A) \$ 10,100,000 \$ 5,450,000 Variable (1) 4.282 % 0.326 %

(1) An interest rate swap agreement is associated with this loan. See Note IV.B., Derivative Instruments, for details of this swap agreement. The interest rate shown is the synthetic rate established from the swap agreement.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2022, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 1,860,000	\$ 4,778,218	\$ 6,638,218
2024	1,940,000	4,829,033	6,769,033
2025	2,035,000	4,733,033	6,768,033
2026	3,935,000	4,634,733	8,569,733
2027	4,365,000	4,441,433	8,806,433
2028-2032	21,850,000	19,008,315	40,858,315
2033-2037	21,820,000	14,132,846	35,952,846
2038-2042	21,800,000	9,902,844	31,702,844
2043-2047	21,800,000	5,987,459	27,787,459
2048-2052	19,240,000	2,102,366	21,342,366
Total	<u>\$ 120,645,000</u>	<u>\$ 74,550,280</u>	<u>\$ 195,195,280</u>

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest (*)	Other Fees	Total
2023	\$ 2,463,854	\$ 404,261	\$ 12,162	\$ 2,880,277
2024	2,558,854	330,611	6,245	2,895,710
2025	2,658,854	252,892	0	2,911,746
2026	813,140	170,892	0	984,032
2027	106,354	14,241	0	120,595
2028-2030	116,672	0	0	116,672
Total	<u>\$ 8,717,728</u>	<u>\$ 1,172,897</u>	<u>\$ 18,407</u>	<u>\$ 9,909,032</u>

*Includes estimated swap payments. See Note IV.B. Derivative Investments.

There is \$13,171,662 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,870, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized premium on debt, totaled \$2,152, based on the 2020 federal census.

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2022, was as follows:

Governmental Activities:	Bonds	Other Loans - Direct Placement
Balance, July 1, 2021	\$ 20,960,000	\$ 11,091,582
Additions	100,430,000	0
Reductions	(745,000)	(2,373,854)
Balance, June 30, 2022	<u>\$ 120,645,000</u>	<u>\$ 8,717,728</u>
Balance Due Within One Year	<u>\$ 1,860,000</u>	<u>\$ 2,463,854</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2022	\$ 129,362,728
Less: Balance Due Within One Year - Debt	(4,323,854)
Add: Unamortized Premium on Debt	<u>9,460,821</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 134,499,695</u>

G. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2022, was as follows:

Governmental Activities:	Other Postemployment Benefits
Balance, July 1, 2021	\$ 511,400
Additions	32,702
Reductions	<u>(157,649)</u>
Balance, June 30, 2022	<u>\$ 386,453</u>
Balance Due Within One Year	<u>\$ 0</u>

Other postemployment benefits will be paid from the employing funds, primarily the General, Solid Waste/Sanitation, and Highway/Public Works funds.

Discretely Presented Hamblen County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Hamblen County School Department for the year ended June 30, 2022, was as follows:

Governmental Activities:

	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2021	\$ 15,368,012	\$ 249,334
Additions	1,065,391	259,010
Reductions	(1,657,943)	(249,334)
Balance, June 30, 2022	<u>\$ 14,775,460</u>	<u>\$ 259,010</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 259,010</u>

	Retirement Incentive	Retirement Honorary
Balance, July 1, 2021	\$ 107,649	\$ 1,047,542
Additions	122,721	123,385
Reductions	(50,057)	(54,920)
Balance, June 30, 2022	<u>\$ 180,313</u>	<u>\$ 1,116,007</u>
Balance Due Within One Year	<u>\$ 77,508</u>	<u>\$ 59,697</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2022	\$ 16,330,790
Less: Balance Due Within One Year - Other	<u>(396,215)</u>
Noncurrent Liabilities - Due in More Than One Year - Other- Exhibit A	<u>\$ 15,934,575</u>

Long-term liabilities of the school department will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

In addition to the obligations noted above, the Board of Education appropriates available school funds to be contributed to the primary government each year to help retire school debt, which is being paid from the county's General Debt Service Fund. During the year ended June 30, 2022,

the school department contributed \$500,000 to the primary government for this purpose.

H. On-Behalf Payments

Discretely Presented Hamblen County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Hamblen County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state’s Annual Comprehensive Financial Report. Payments by the state to the Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2022, were \$370,963 and \$138,599, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

I. Internal Financing

In-lieu-of issuing debt with financial institutions, Hamblen County often chooses to internally finance various projects with idle county funds. During the year, Hamblen County issued an interfund loan in the form of a capital outlay note. The internal note was borrowed by the General Capital Projects Fund from the General Debt Service Fund. The note was retired before fiscal year-end. Internal capital outlay note activity for the year ended June 30, 2022, was as follows:

	Balance 7-1-21	Issued	Paid	Balance 6-30-22
General Capital Projects Fund	\$ 0	\$ 300,000	\$ (300,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

It is the policy of Hamblen County and the discretely presented Hamblen County School Department to purchase commercial insurance for the risks of losses to which they are exposed for general liability, property, casualty, and workers’ compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The county elected to self-insure employee health and accident claims. The Employee Insurance – General Fund was established for risks associated with the employees’ health insurance plan. The Employee Insurance – General Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$125,000 per

claimant in a single year and approximately \$3,747,864 for all claims in any plan year. Stop/loss commercial insurance has been obtained to cover claims beyond these limits. Group dental and vision insurance premiums paid to a private insurance company are also recorded in this fund as are the costs associated with a health clinic.

All full-time employees of the primary government are eligible to participate. A premium is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$945,896 at June 30, 2022, and is reported as net position of the Employee Insurance – General Fund. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Employee Insurance – General Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Employee Insurance - General Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-end
2020-2021	\$ 115,989	\$ 2,247,171	\$ (2,228,267)	\$ 134,893
2021-2022	134,893	2,448,411	(2,468,661)	114,643

Current year claims and estimates are presented net of contracted prescription drug rebates of \$322,363.

The discretely presented Hamblen County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local 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. 87, *Leases*, became effective for fiscal year ending June 30, 2022. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation. GASB Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability, (2) an intangible asset representing the lessee's right to use the leased asset, (3) report the amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (4) interest expense on the lease liability and (5) note disclosures about the lease. A lessor must recognize (1) a lease receivable (measured at the present value of lease payments expected to be received during the lease term), (2) deferred inflow of resources, (3) interest revenue on the lease receivable and (4) note disclosures of leasing arrangements and the total inflows of resources recognized from leases. This statement provides exceptions for leases of assets held as investments, certain regulated leases, short-term leases and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements) and leases with related parties.

GASB Statement No. 92, *Omnibus 2020*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provision about the following:

- The effective date of GASB Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of GASB Statement No. 84 to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers

- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

GASB Statement 93, *Replacement of Interbank Offered Rates*, became effective during the year. This statement was necessary due to the eventual ceasing of the London Interbank Offered Rate (LIBOR) and the replacement with another interbank offered rate (IBOR). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (except for paragraphs 4 and 5 which became effective in the prior fiscal year) became effective during the year. This Statement (a) clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units and (b) modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans (for example, certain Section 457 plans). This statement also establishes accounting and financial reporting requirements for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans and modifies the investment valuation requirements for all Section 457 plans.

GASB Statement No 98, *The Comprehensive Annual Financial Report*, became effective during the year. This statement replaces the terms comprehensive annual financial report and comprehensive annual financial reports in NCGA and GASB pronouncements with annual comprehensive financial report and annual comprehensive financial reports, respectively. The associated acronyms in NCGA and GASB pronouncements are replaced with ACFR and ACFRs.

C. Contingent Liabilities

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

The county is involved in pending litigation. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the financial statements of the county.

D. Joint Ventures

Primary Government

The Third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Third Judicial District, Greene, Hamblen, Hancock, and Hawkins 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. Hamblen County made no contributions to the DTF for the year ended June 30, 2022.

The Hamblen County-Morristown Solid Waste Disposal System is a joint venture that is operated by Hamblen County and the city of Morristown. The board of directors of the system is comprised of eight members, three appointed by the Hamblen County Commission and three appointed by the Morristown City Council. The county mayor and city mayor appoint one member each. The board has control, supervision, management, and use of the landfills. Further, any and all real estate purchases are to be titled in the name of the city of Morristown and Hamblen County, each owning an undivided one-half interest, and each having agreed to equally finance the costs of such acquisitions. The board is required to submit its annual budget to the Hamblen County Commission and the Morristown City Council for approval.

The Morristown-Hamblen Library is a joint venture between Hamblen County and the city of Morristown. The library was created to provide public library service to the general public. The board of directors consists of nine members; four appointed by the Hamblen County Commission, three appointed by the Morristown City Council, and two members from the regional library board. Hamblen County has indirect control of the budget through the amount of annual appropriations. The library's operating budget is adopted and controlled by its board without requiring approval of the Hamblen County Commission and the Morristown City Council.

Hamblen County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Third Judicial District Drug Task Force, Hamblen County-Morristown Solid Waste Disposal System, and Morristown-Hamblen Library can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Third Judicial District Drug Task Force
109 South Main Street, Suite 501
Greeneville, TN 37743

Hamblen County-Morristown Solid
Waste Disposal System
P.O. Box 2108
Morristown, TN 37816

Morristown-Hamblen Library
417 West Main Street
Morristown, TN 37814

Discretely Presented School Department

The discretely presented school department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Hamblen County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee.

Complete financial statements for NETCO can be obtained from its administrative office at the following address:

Administrative Office:

Northeast Tennessee Cooperative
100 East Maple Street
P.O. Box 1517
Johnson City, TN 37605

E. Jointly Governed Organization

The East Tennessee Regional AgriBusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products

of the region through a food distribution center and to further the economy and growth of the region served by the authority by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes. The authority is governed by a board of directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing each of the following: the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee consisting of the chairman, vice chairman, secretary, and treasurer of the board of directors, along with the center's manager as an ex officio member, is in charge of the daily operations of the center.

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Hamblen County and non-certified employees of the discretely presented Hamblen County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.45 percent, the non-certified employees of the discretely presented school department comprise 49.55 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) 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, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	462
Inactive Employees Entitled to But Not Yet Receiving Benefits	710
Active Employees	674
Total	<u><u>1,846</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Hamblen County elected to make employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contribution for Hamblen County was \$1,688,867 based on a rate of 7 percent of covered payroll for general employees and 10.5 percent of covered payroll for public safety officers. The minimum rate set by the Board of Trustees as determined by an actuarial valuation was 6.06 percent for general employees and 9.56 percent for public safety officers. By law, employer contributions are required to be paid. The TCRS may intercept Hamblen County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Hamblen County's net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.3%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

Changes of Assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and

the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	4.88 %	31 %
International Equity Emerging Market	5.37	14
International Equity Private Equity and Strategic Lending	6.09	4
U.S. Fixed Income	6.57	20
Real Estate	1.20	20
Short-term Securities	4.38	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 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Hamblen County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2020	\$ 75,515,884	\$ 77,684,314	\$ (2,168,430)
Changes for the Year:			
Service Cost	\$ 1,962,154	\$ 0	\$ 1,962,154
Interest	5,490,291	0	5,490,291
Differences Between Expected and Actual Experience	(1,156,104)	0	(1,156,104)
Changes in Assumptions	6,503,898	0	6,503,898
Contributions-Employer	0	1,623,618	(1,623,618)
Contributions-Employees	0	1,114,737	(1,114,737)
Net Investment Income	0	19,934,148	(19,934,148)
Benefit Payments, Including Refunds of Employee Contributions	(3,499,761)	(3,499,761)	0
Administrative Expense	0	(60,300)	60,300
Net Changes	\$ 9,300,478	\$ 19,112,442	\$ (9,811,964)
Balance, June 30, 2021	\$ 84,816,362	\$ 96,796,756	\$ (11,980,394)

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

		Increase (Decrease)		
		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	50.45%	\$ 42,789,855	\$ 48,833,963	\$ (6,044,109)
School Department	49.55%	42,026,507	47,962,793	(5,936,285)
Total		\$ 84,816,362	\$ 96,796,756	\$ (11,980,394)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Hamblen County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower

(5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<u>Hamblen County</u>	<u>5.75%</u>	<u>6.75%</u>	<u>7.75%</u>

Net Pension Liability (Asset) \$ (720,729) \$ (11,980,394) \$ (21,325,845)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, Hamblen County recognized pension expense (negative pension expense) of (\$1,009,338).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, Hamblen County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 144,382	\$ 1,404,680
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	10,633,835
Changes in Assumptions	5,203,118	0
Contributions Subsequent to the Measurement Date of June 30, 2021 (1)	<u>1,688,867</u>	<u>N/A</u>
Total	<u>\$ 7,036,367</u>	<u>\$ 12,038,515</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2021,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,524,509	\$ 6,073,431
School Department	<u>3,511,858</u>	<u>5,965,084</u>
Total	<u>\$ 7,036,367</u>	<u>\$ 12,038,515</u>

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

Year Ending June 30	Amount
2023	\$ (1,783,085)
2024	(1,533,146)
2025	(1,577,978)
2026	(1,796,805)
2027	0
Thereafter	0

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

Discretely Presented Hamblen County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Hamblen County and non-certified employees of the discretely presented Hamblen County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.45 percent and the non-certified employees of the discretely presented school department comprise 49.55 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) 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 COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers 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, 2022, to the Teacher Retirement Plan were \$285,634, which is 2.01 percent of covered payroll. In addition, employer contributions of \$261,816, 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 (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets). At June 30, 2022, the school department reported a liability (asset) of (\$922,764) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .851878 percent. The proportion as of June 30, 2020, was .828132 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the school department recognized pension expense of \$111,051.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, 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	\$ 16,053	\$ 168,847
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	531,168
Changes in Assumptions	332,833	0
Changes in Proportion of Net Pension Liability (Asset)	13,790	28,864
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	285,634	N/A
Total	<u>\$ 648,310</u>	<u>\$ 728,879</u>

The school department's employer contributions of \$285,634, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2023. 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
2023	\$ (117,679)
2024	(114,771)
2025	(113,943)
2026	(127,309)
2027	14,366
Thereafter	93,132

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, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	4.88 %	31 %
International Equity Emerging Market	5.37	14
International Equity Private Equity and Strategic Lending	6.09	4
U.S. Fixed Income Real Estate	6.57	20
	1.20	20
	4.38	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 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate 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 6.75 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 (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 317,222 \$ (922,764) \$ (1,837,299)

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

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

credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) 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 Hamblen County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$3,580,452, which is 10.3 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, 2022, the school department reported a liability (asset) of (\$42,860,813) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, 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, 2021, the school department's proportion was .993703 percent. The proportion measured at June 30, 2020, was 1.015461 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$6,638,002).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, 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	\$ 144,036	\$ 3,574,731
Changes in Assumptions	11,451,693	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	34,180,542
Changes in Proportion of Net Pension Liability (Asset)	121,071	15,438
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	<u>3,580,452</u>	N/A
Total	<u>\$ 15,297,252</u>	<u>\$ 37,770,711</u>

The school department's employer contributions of \$3,580,452 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2023. 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
2023	\$ (6,177,456)
2024	(5,858,567)
2025	(4,793,545)
2026	(9,224,344)
2027	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, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	%	Percentage Target Allocations	%
U.S. Equity Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income Real Estate	6.57		20	
	1.20		20	
	4.38		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 6.75 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate 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 6.75 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 (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ (7,627,783) \$ (42,860,813) \$ (72,181,724)

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

Primary Government

Hamblen County offers its employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 established participation, contribution, and withdrawal provisions for the plan.

Discretely Presented Hamblen County School Department

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 a minimum of 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 \$710,372 and teachers contributed \$453,738 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

Hamblen County and the discretely presented Hamblen County School Department provide OPEB benefits to their retirees under various plans, these include OPEB provided through a self-insured plan for the primary government and through state administered public entity risk pools for both the primary government and the discretely presented school department. For reporting purposes, the plans are all considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the

Governmental Accounting Standards Board (GASB). 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 Self-Insured Health Plan (Primary Government)

Plan Description. Hamblen County participates in a self-insured postemployment benefits plan administered by BlueCross BlueShield for its retirees. Benefits are established and amended by the county commission. Eligible employees must be age 60 or have 30 years of service. Emergency personnel are eligible at age 55 or with 25 years of service. Eligible retirees may remain on the county health plan until attainment of age 65 when they become eligible for Medicare. Dependent coverage is not provided.

Benefits Provided. The plan provides healthcare benefits to eligible retirees. The benefit terms provide for retirees to pay 100 percent of their medical insurance premium.

Employees Covered by Benefit Terms

At July 1, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	4
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	273
Total	277

Total OPEB Liability

The plan’s total OPEB liability of \$73,689 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to the measurement date.

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

Actuarial Cost Method	Entry Age
Salary Increases	3.50%
Payroll Growth Rate	2.50%
Discount Rate	3.54%
Healthcare Cost Trend Rates	6.5% initially decreasing to 4.5% by 2026
Retirees share of Health Premiums	100%

The discount rate was based on the Bond Buyer's 20 Bond Index as of June 30, 2022.

Mortality rates were based on RPH-2014 Total Dataset fully generational projected table with projection scale MP-2021.

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2021	\$ 108,253
Changes for the Year:	
Service Cost	\$ 6,540
Interest	1,764
Differences between expected and actual experience	(28,304)
Changes in Assumption and Other Inputs	(7,109)
Benefit Payments	(7,455)
Net Changes	<u>\$ (34,564)</u>
Balance June 30, 2022	<u><u>\$ 73,689</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16 percent in 2021 to 3.54 percent in 2022.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, the county recognized negative OPEB expense of \$10,115. At June 30, 2022, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 22,551
Changes of Assumptions/Inputs	837	4,908
Total	<u>\$ 837</u>	<u>\$ 27,459</u>

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

Year Ending June 30	Amount
2023	\$ (13,158)
2024	(10,943)
2025	(2,521)
2026	0
2027	0
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 Hamblen County calculated using the current discount rate, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%
Total OPEB Liability	\$ 78,007	\$ 73,689	\$ 69,608

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease (5.50% decreasing to 3.5%)	Current Trend Rate (6.5% decreasing to 4.5%)	1% Increase (7.5% decreasing to 5.5%)
Total OPEB Liability	\$ 67,415	\$ 73,689	\$ 81,159

OPEB Provided through State Administered Public Entity Risk Pools

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

The county and school department’s total OPEB liability for each plan was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2021, 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	2.25%
Salary Increases	Salary increases used in the July 1, 2021 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	2.16%
Healthcare Cost Trend Rates	LEP - Based on the Getzen Model, with trend starting at 7.36% for pre-65 retirees in the 2022 calendar year, and gradually decreasing over a 10-year period to an ultimate trend rate of 4.5%. TNMs- The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 2.16 percent, based on an average rating of AA/Aa as shown by 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, 2021, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2021, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables for non-teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with 6% load for males and a 14% load for females, projected generationally from 2010 with MP-2020. Post-retirement tables for teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 19 to load for males and a 18% load for females, projected generationally from 2010 with MP-2020. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load,

projected generationally from 2018 with MP-2020.

Changes in Assumptions. The discount rate changed from 2.21 percent as of the beginning of the measurement period to 2.16 percent as of the measurement date of June 30, 2021. 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 2022 plan year was revised from 9.02 percent to 7.36 percent. The assumed long term inflation rate was changed from 2.1 percent to 2.25 percent.

Closed Tennessee Plan – Medicare (Primary Government)

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

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

Employees Covered by Benefit Terms

At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	6
Inactive Employees Entitled to But Not Yet Receiving Benefits	15
Active Employees Eligible for Benefits	189
Total	<u>210</u>

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, 2022, the county paid \$3,533 for OPEB benefits as they came due.

Changes in the Total OPEB Liability

Balance July 1, 2020	\$ 403,147
Changes for the Year:	
Service Cost	15,195
Interest	9,203
Difference between Expected and Actual Experience	(16,079)
Changes in Assumptions and Other Inputs	(94,859)
Benefit Payments	<u>(3,843)</u>
Net Changes	<u>\$ (90,383)</u>
Balance June 30, 2021	<u>\$ 312,764</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, the county recognized negative OPEB expense of \$66,348. At June 30, 2022, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 360,925
Changes of Assumptions/Inputs	61,870	125,764
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2021	3,533	0
Total	\$ 65,403	\$ 486,689

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	Amount
2023	\$ (90,746)
2024	(90,746)
2025	(90,746)
2026	(79,202)
2027	(54,128)
Thereafter	(19,251)

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

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

<u>Discount Rate</u>	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
Total OPEB Liability	\$ 366,103	\$ 312,764	\$ 268,753

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

Benefits Provided. The Hamblen County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school department provides a direct subsidy ranging from \$465 to \$680 per month toward the cost of insurance for noncertified retirees based on coverage selected. The school department provides a direct subsidy ranging from \$256 to \$520 per month toward the cost of insurance for certified retirees based on years of service and insurance coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible certified 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, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	98
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	803
Total	901

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 \$721,533 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Hamblen County School Department 68.2385%	State of TN 31.7615%	Total OPEB Liability
Balance July 1, 2020	\$ 14,864,235	\$ 5,956,586	\$ 20,820,821
Changes for the Year:			
Service Cost	\$ 722,073	\$ 336,087	\$ 1,058,160
Interest	321,068	149,440	470,508
Difference between Expected and Actuarial Experience	(78,804)	(36,679)	(115,483)
Changes in Proportion	(656,418)	656,418	0
Changes in Assumption and Other Inputs	(40,500)	(18,851)	(59,351)
Benefit Payments	(808,303)	(376,223)	(1,184,526)
Net Changes	\$ (540,884)	\$ 710,192	\$ 169,308
Balance June 30, 2021	\$ 14,323,351	\$ 6,666,778	\$ 20,990,129

The Hamblen County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired teachers participating in the LEP. The Hamblen County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$466,477 in revenues for subsidies

provided by nonemployer contributing entities for benefits paid by the LEP for school department employees.

During the year, the Hamblen County School Department's proportionate share of the collective OPEB liability was 68.2385 percent and the State of Tennessee's share was 31.7615 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 \$246,667, including the state's share of the expenses. At June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 0	\$ 5,191,264
Changes of Assumptions/Inputs	1,375,276	1,258,324
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	0	2,539,268
Benefits Paid After the Measurement Date of June 30, 2021	<u>721,533</u>	<u>0</u>
Total	<u>\$ 2,096,809</u>	<u>\$ 8,988,856</u>

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

<u>Year Ending June 30</u>	<u>School Department</u>
2023	\$ (1,262,951)
2024	(1,262,951)
2025	(1,262,951)
2026	(1,262,951)
2027	(1,240,559)
Thereafter	(1,321,217)

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
	1.16%	2.16%	3.16%

Proportionate Share of the Collective Total OPEB Liability	\$ 15,346,592	\$ 14,323,351	\$ 13,345,414
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rates	1% Increase
	6.36 to 3.5%	7.36 to 4.5%	8.36 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 12,796,287	\$ 14,323,351	\$ 16,122,669
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Closed Tennessee Plan – Medicare (Discretely Presented School Department)

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

school department's total OPEB liability for the TNM Plan was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers, noncertified employees, and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA 8-27-209*, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA 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 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 Hamblen County School Department provided a direct monthly subsidy for retired certified employees of \$50 for retirees with 30 or more years of service, \$37.50 for retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service. The state, as a governmental nonemployer contributing entity contributes to the premiums of certain eligible retirees (teachers) of local education agencies based on years of service. The State of Tennessee provided a direct subsidy of \$50 for eligible retirees (teachers) with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	290
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	119
Active Employees Eligible for Benefits	858
 Total	 <u>1,267</u>

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, 2022, the school department paid \$19,089 to the TNM for OPEB benefits as they came

due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Hamblen County School Department 12.1053%</u>	<u>State of TN 87.8947%</u>	<u>Total OPEB Liability</u>
Balance July 1, 2020	\$ 503,777	\$ 3,771,397	\$ 4,275,174
Changes for the Year:			
Service Cost	\$ 10,752	\$ 78,070	\$ 88,822
Interest	11,468	83,264	94,732
Difference between Expected and Actuarial Experience	(1,468)	(10,656)	(12,124)
Changes in Proportion	13,745	(13,745)	0
Changes in Assumption and Other Inputs	(67,308)	(488,716)	(556,024)
Benefit Payments	(18,857)	(136,916)	(155,773)
Net Changes	<u>\$ (51,668)</u>	<u>\$ (488,699)</u>	<u>\$ (540,367)</u>
Balance June 30, 2021	<u>\$ 452,109</u>	<u>\$ 3,282,698</u>	<u>\$ 3,734,807</u>

The Hamblen County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNM. The Hamblen County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$488,646 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TNM for school department retirees.

During the year, the Hamblen County School Department's proportionate share of the collective OPEB liability for the TNM plan was 12.1053 percent and the State of Tennessee's share was 87.8947 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, the school department recognized OPEB expense of \$86,187, including the state's share of the expenses.

At June 30, 2022, 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	\$ 4,657	\$ 21,621
Changes of Assumptions/Inputs	67,334	94,812
Changes in Proportions	11,259	1,468,450
Benefits Paid After the Measurement Date of June 30, 2021	19,089	0
Total	<u>\$ 102,339</u>	<u>\$ 1,584,883</u>

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

Year Ending June 30	School Department
2023	\$ (424,679)
2024	(424,679)
2025	(424,679)
2026	(217,287)
2027	(4,841)
Thereafter	(5,466)

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 TNM, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	1.16%	2.16%	3.16%

Proportionate Share of the Collective Total OPEB Liability	\$ 519,321	\$ 452,109	\$ 396,976
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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.

H. Termination Benefits

The discretely presented Hamblen County School Department offers a voluntary termination benefits plan to its certified employees in accordance with contract provisions. To be eligible, employees must retire in the school year that they become 60 years of age or obtain 30 years of creditable service in the Tennessee Consolidated Retirement System, whichever comes first. Under the terms of the plan, employees can select between receiving \$4,500 for two years or \$3,500 for three years. During the 2021-22 year, 15 employees participated in the program. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$180,313. Of that amount, \$77,508 is due within one year. The governmental funds' financial statements reflect retirement incentive expenditures of \$50,057 in the General Purpose School Fund.

In addition to the previously mentioned retirement incentive, the discretely presented Hamblen County School Department also offers an additional retirement honorarium payment. To be eligible, certified employees must retire with at least ten years of service. Under the terms of the plan, employees receive \$100 for each year of service with Hamblen County and/or the former Morristown City School System. As of June 30, 2022, 489 employees met the requirements of this benefit. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$1,116,007. Of that amount, \$59,697 is due within one year. The governmental funds' financial statements reflect retirement honorarium expenditures of \$54,920 in the General Purpose School Fund.

I. Central Accounting and Budgeting

Office of Director of Finance

The Hamblen County Finance Department was established by an agreement between the county mayor and the county commission. This agreement provides for a finance director who is responsible for maintaining records for funds administered by the county mayor and the highway superintendent.

J. Purchasing Laws

Office of County Mayor

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Section 5-14-201, et seq., *Tennessee Code Annotated (TCA)*. This act provides for purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Highway Superintendent

Chapter 313 of the Private Acts of 1949, as amended, and Section 54-7-113, *TCA* (Uniform Road Law), govern purchasing procedures for the road department. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Hamblen County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000. However, the Board of Education has adopted a more restrictive policy that requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$5,000.

K. Subsequent Events

On June 30, 2022, the Hamblen County Director of Schools Dr. Jeff Perry resigned. Hugh Clement served as interim director until Arnold W. Bunch, Jr. was appointed effective July 11, 2022.

On August 31, 2022, Penny Petty left the Office of County Clerk and was succeeded by Peggy Henderson, Esco Jarnagin left the Office of Sheriff and was succeeded by Chad Mullins.

On February 14, 2023, the Hamblen County Board of Education awarded a bid of approximately \$26.3 million for the construction of a new elementary school. The project is expected to be funded primarily by bond proceeds contributed by Hamblen County.

On February 10, 2023, Hamblen County issued General Obligation Bonds totaling \$4,275,000 for landfill expansion. The Hamblen County Commission approved a resolution to loan the bond proceeds to the Board of Hamblen County-Morristown Solid Waste Disposal System. The Board of Hamblen County-Morristown Solid Waste Disposal System will make payments of principal and interest on the bonds and will pledge revenues of the system to support payment obligations.

On September 19, 2022, Finance Director Anne Bryant-Hurst passed away. Amanda Hale was appointed as Finance Director on October 1, 2022.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

	2014	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability								
Service Cost	\$ 1,447,547	\$ 1,541,726	\$ 1,579,621	\$ 1,680,721	\$ 1,809,951	\$ 1,866,188	\$ 1,898,115	\$ 1,962,154
Interest	3,977,841	4,157,957	4,300,049	4,518,128	4,762,478	4,974,303	5,259,653	5,490,291
Differences Between Actual and Expected Experience	(439,779)	(1,125,375)	(209,832)	559,415	(569,584)	360,952	(609,801)	(1,156,104)
Changes in Assumptions	0	0	0	1,569,030	0	0	0	6,503,898
Benefit Payments, Including Refunds of Employee Contributions	(2,671,318)	(2,685,162)	(2,750,139)	(2,976,277)	(3,041,500)	(3,233,218)	(3,361,800)	(3,499,761)
Net Change in Total Pension Liability	\$ 2,314,291	\$ 1,889,146	\$ 2,919,699	\$ 5,351,017	\$ 2,961,345	\$ 3,968,225	\$ 3,186,167	\$ 9,300,478
Total Pension Liability, Beginning	52,925,994	55,240,285	57,129,431	60,049,130	65,400,147	68,361,492	72,329,717	75,515,884
Total Pension Liability, Ending (a)	\$ 55,240,285	\$ 57,129,431	\$ 60,049,130	\$ 65,400,147	\$ 68,361,492	\$ 72,329,717	\$ 75,515,884	\$ 84,816,362
Plan Fiduciary Net Position								
Contributions - Employer	\$ 1,550,676	\$ 1,572,279	\$ 1,662,880	\$ 1,774,445	\$ 1,852,370	\$ 1,920,593	\$ 1,552,202	\$ 1,623,618
Contributions - Employee	834,365	845,362	894,033	957,457	987,598	1,023,555	1,061,781	1,114,737
Net Investment Income	7,971,541	1,715,800	1,516,080	6,618,126	5,373,466	5,197,556	3,690,828	19,934,148
Benefit Payments, Including Refunds of Employee Contributions	(2,671,318)	(2,685,162)	(2,750,139)	(2,976,277)	(3,041,500)	(3,233,218)	(3,361,800)	(3,499,761)
Administrative Expense	(24,175)	(32,024)	(48,287)	(55,833)	(62,645)	(58,273)	(59,707)	(60,300)
Other	0	0	4,872	0	0	0	(26,538)	0
Net Change in Plan Fiduciary Net Position	\$ 7,661,089	\$ 1,416,255	\$ 1,279,439	\$ 6,317,918	\$ 5,109,289	\$ 4,850,213	\$ 2,856,766	\$ 19,112,442
Plan Fiduciary Net Position, Beginning	48,193,345	55,854,434	57,270,689	58,550,128	64,868,046	69,977,335	74,827,548	77,684,314
Plan Fiduciary Net Position, Ending (b)	\$ 55,854,434	\$ 57,270,689	\$ 58,550,128	\$ 64,868,046	\$ 69,977,335	\$ 74,827,548	\$ 77,684,314	\$ 96,796,756
Net Pension Liability (Asset), Ending (a - b)	\$ (614,149)	\$ (141,258)	\$ 1,499,002	\$ 532,101	\$ (1,615,843)	\$ (2,497,831)	\$ (2,168,430)	\$ (11,980,394)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability Covered Payroll	101.11%	100.25%	97.50%	99.19%	102.36%	103.45%	102.87%	114.13%
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.72)%	(0.84)%	8.39%	2.80%	(8.18)%	(12.22)%	(10.21)%	(54.39)%

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

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

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 1,550,676	\$ 1,572,279	\$ 1,662,880	\$ 1,774,445	\$ 1,852,370	\$ 1,920,593	\$ 1,352,586	\$ 1,414,048	\$ 1,477,176
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,550,676)	(1,572,279)	(1,662,880)	(1,774,445)	(1,852,370)	(1,920,593)	(1,552,202)	(1,623,618)	(1,688,867)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (199,616)	\$ (209,570)	\$ (211,691)
Covered Payroll	\$ 16,490,699	\$ 16,906,305	\$ 17,876,001	\$ 18,974,846	\$ 19,751,857	\$ 20,446,464	\$ 21,235,563	\$ 22,027,921	\$ 22,027,922
Contributions as a Percentage of Covered Payroll	9.40%	9.30%	9.30%	9.35%	9.38%	9.39%	7.31%	7.37%	7.67%

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

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

Exhibit F-3

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

	2015	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 73,033	\$ 213,998	\$ 278,242	\$ 173,768	\$ 212,143	\$ 248,349	\$ 285,634
Less: Contributions in Relation to the Contractually Required Contribution	(73,033)	(213,998)	(278,242)	(173,768)	(212,143)	(248,349)	(285,634)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,825,848	\$ 5,261,300	\$ 6,956,052	\$ 8,957,080	\$ 10,450,344	\$ 12,294,449	\$ 14,210,671
Contributions as a Percentage of Covered Payroll	4.00%	4.05%	4.00%	1.94%	2.03%	2.02%	2.01%

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

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

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 3,207,929	\$ 3,090,554	\$ 3,043,681	\$ 3,087,195	\$ 3,092,144	\$ 3,581,208	\$ 3,592,640	\$ 3,349,565	\$ 3,580,452
Less: Contributions in Relation to the Contractually Required Contribution	(3,207,929)	(3,090,554)	(3,043,681)	(3,087,195)	(3,092,144)	(3,581,208)	(3,592,640)	(3,349,565)	(3,580,452)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 36,125,331	\$ 34,187,512	\$ 33,669,025	\$ 34,221,953	\$ 34,054,462	\$ 34,243,795	\$ 33,797,191	\$ 32,863,184	\$ 34,761,632
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.02%	9.08%	10.46%	10.63%	10.19%	10.30%

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

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	0.860622%	0.851112%	0.815121%	0.795997%	0.846447%	0.828132%	0.851878%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (35,352)	\$ (88,603)	\$ (215,056)	\$ (361,007)	\$ (477,808)	\$ (470,910)	\$ (922,764)
Covered Payroll	\$ 1,825,848	\$ 3,744,929	\$ 5,278,396	\$ 6,956,052	\$ 8,957,080	\$ 10,450,344	\$ 12,294,449
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.07)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%
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%	121.53%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	0.920393%	0.913250%	0.932712%	0.966078%	0.972519%	1.021047%	1.015461%	0.993703%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (149,560)	\$ 374,099	\$ 5,828,936	\$ (316,085)	\$ (3,422,212)	\$ (10,498,202)	\$ (7,743,641)	\$ (42,860,813)
Covered Payroll	\$ 36,125,331	\$ 34,187,512	\$ 33,669,025	\$ 34,221,953	\$ 34,054,462	\$ 34,243,795	\$ 33,797,191	\$ 32,863,184
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.92)%	(10.05)%	(30.66)%	(22.91)%	(130.42)%
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%	116.13%

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

Exhibit F-7

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

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service Cost	\$ 8,012	\$ 7,909	\$ 6,194	\$ 7,432	\$ 6,540
Interest	4,480	4,976	3,551	2,445	1,764
Differences Between Actual and Expected Experience	0	0	(34,147)	0	(28,304)
Changes in Assumptions or Other Inputs	(2,338)	3,022	8,235	291	(7,109)
Benefit Payments	(5,409)	(7,795)	(8,195)	(10,207)	(7,455)
Net Change in Total OPEB Liability	\$ 4,745	\$ 8,112	\$ (24,362)	\$ (39)	\$ (34,564)
Total OPEB Liability, Beginning	119,797	124,542	132,654	108,292	108,253
Total OPEB Liability, Ending	\$ 124,542	\$ 132,654	\$ 108,292	\$ 108,253	\$ 73,689
Covered Employee Payroll	\$ 8,098,137	\$ 8,300,590	\$ 8,080,408	\$ 8,282,418	\$ 8,778,874
Net OPEB Liability as a Percentage of Covered Employee Payroll	1.54%	1.60%	1.34%	1.31%	0.84%

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

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

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%

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

Exhibit F-8

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

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 42,176	\$ 36,027	\$ 24,217	\$ 9,814	\$ 15,195
Interest	25,339	29,676	24,721	11,985	9,203
Differences Between Actual and Expected Experience	0	(193,258)	(378,994)	(25,172)	(16,079)
Changes in Assumptions or Other Inputs	(92,045)	(6,439)	8,001	77,179	(94,859)
Benefit Payments	(2,550)	(4,438)	(5,388)	(4,570)	(3,843)
Net Change in Total OPEB Liability	\$ (27,080)	\$ (138,432)	\$ (327,443)	\$ 69,236	\$ (90,383)
Total OPEB Liability, Beginning	826,866	799,786	661,354	333,911	403,147
Total OPEB Liability, Ending	\$ 799,786	\$ 661,354	\$ 333,911	\$ 403,147	\$ 312,764
Covered Employee Payroll	N/A	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	N/A

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

Note 2: Changes in assumptions:

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%
2021	2.16%

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

Exhibit F-9

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

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 2,191,512	\$ 2,049,205	\$ 1,662,908	\$ 914,698	\$ 1,058,160
Interest	1,056,172	1,282,386	1,144,133	701,438	470,508
Changes in Benefit Terms	0	(2,454,445)	(4,681,775)	0	0
Differences Between Actual and Expected Experience	0	(3,928,886)	(6,134,679)	(1,392,995)	(115,483)
Changes in Assumptions or Other Inputs	(1,607,785)	681,741	(1,506,109)	2,086,587	(59,351)
Benefit Payments	(1,562,359)	(1,729,244)	(1,604,785)	(1,106,840)	(1,184,526)
Net Change in Total OPEB Liability	\$ 77,540	\$ (4,099,243)	\$ (11,120,307)	\$ 1,202,888	\$ 169,308
Total OPEB Liability, Beginning	34,759,943	34,837,483	30,738,240	19,617,933	20,820,821
Total OPEB Liability, Ending	\$ 34,837,483	\$ 30,738,240	\$ 19,617,933	\$ 20,820,821	\$ 20,990,129
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 7,393,385	\$ 7,028,268	\$ 5,358,343	\$ 5,956,586	\$ 6,666,778
Employer Proportionate Share of the Total OPEB Liability	27,444,098	23,709,972	14,259,590	14,864,235	14,323,351
Covered Employee Payroll	\$ 47,750,736	\$ 50,462,098	\$ 52,896,548	\$ 53,979,815	\$ 55,374,066
Net OPEB Liability as a Percentage of Covered Employee Payroll	57.47%	46.99%	26.96%	27.54%	25.87%

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%
2021	2.16%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%

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

Exhibit F-10

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

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 175,194	\$ 143,603	\$ 67,205	\$ 59,950	\$ 88,822
Interest	230,692	260,628	122,572	121,823	94,732
Changes in Benefit Terms	0	(3,660,869)	0	0	0
Differences Between Actual and Expected Experience	0	(360,073)	6,704	46,229	(12,124)
Changes in Assumptions or Other Inputs	(672,478)	(26,374)	44,529	711,990	(556,024)
Benefit Payments	(278,100)	(284,323)	(148,075)	(149,903)	(155,773)
Net Change in Total OPEB Liability	\$ (544,692)	\$ (3,927,408)	\$ 92,935	\$ 790,089	\$ (540,367)
Total OPEB Liability, Beginning	7,864,250	7,319,558	3,392,150	3,485,085	4,275,174
Total OPEB Liability, Ending	\$ 7,319,558	\$ 3,392,150	\$ 3,485,085	\$ 4,275,174	\$ 3,734,807
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,402,753	\$ 2,916,805	\$ 3,060,686	\$ 3,771,397	\$ 3,282,698
Employer Proportionate Share of the Total OPEB Liability	3,916,805	475,345	424,399	503,777	452,109
Covered Employee Payroll	N/A	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	N/A

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

Note 2: Changes in assumptions:

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%
2021	2.16%

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

HAMBLEN COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2022

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2022 were calculated based on the July 1, 2020, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for opioid settlement funds.

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 county’s highway department.

Capital Projects Funds

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

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

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for expenditures related to road repairs.

Exhibit G-1

Hamblen County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds					Total
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	
<u>ASSETS</u>						
Cash	\$ 41	\$ 0	\$ 0	\$ 6,665	\$ 0	\$ 6,706
Equity in Pooled Cash and Investments	3,507,768	295,790	1,828,010	0	1,395,181	7,026,749
Accounts Receivable	13,535	0	0	134,511	0	148,046
Due from Other Governments	203,033	2,180	0	0	532,948	738,161
Property Taxes Receivable	1,391,419	0	0	0	0	1,391,419
Allowance for Uncollectible Property Taxes	(34,051)	0	0	0	0	(34,051)
Total Assets	\$ 5,081,745	\$ 297,970	\$ 1,828,010	\$ 141,176	\$ 1,928,129	\$ 9,277,030
<u>LIABILITIES</u>						
Accounts Payable	\$ 139,388	\$ 700	\$ 0	\$ 0	\$ 173,572	\$ 313,660
Accrued Payroll	36,863	0	0	0	53,389	90,252
Due to Other Funds	0	2,124	0	141,176	0	143,300
Total Liabilities	\$ 176,251	\$ 2,824	\$ 0	\$ 141,176	\$ 226,961	\$ 547,212
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 1,332,710	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,332,710
Deferred Delinquent Property Taxes	21,214	0	0	0	0	21,214
Other Deferred/Unavailable Revenue	42,151	2,180	0	0	306,329	350,660
Total Deferred Inflows of Resources	\$ 1,396,075	\$ 2,180	\$ 0	\$ 0	\$ 306,329	\$ 1,704,584
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 292,966	\$ 0	\$ 0	\$ 0	\$ 292,966
Restricted for Highways/Public Works	0	0	0	0	1,394,839	1,394,839
Committed:						
Committed for Public Health and Welfare	3,509,419	0	0	0	0	3,509,419
Committed for Other Purposes	0	0	1,828,010	0	0	1,828,010
Total Fund Balances	\$ 3,509,419	\$ 292,966	\$ 1,828,010	\$ 0	\$ 1,394,839	\$ 7,025,234
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,081,745	\$ 297,970	\$ 1,828,010	\$ 141,176	\$ 1,928,129	\$ 9,277,030

(Continued)

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Total	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 6,706
Equity in Pooled Cash and Investments	49,826	398,789	448,615	7,475,364
Accounts Receivable	0	0	0	148,046
Due from Other Governments	0	0	0	738,161
Property Taxes Receivable	0	0	0	1,391,419
Allowance for Uncollectible Property Taxes	0	0	0	(34,051)
Total Assets	\$ 49,826	\$ 398,789	\$ 448,615	\$ 9,725,645
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 313,660
Accrued Payroll	0	0	0	90,252
Due to Other Funds	0	0	0	143,300
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 547,212
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 1,332,710
Deferred Delinquent Property Taxes	0	0	0	21,214
Other Deferred/Unavailable Revenue	0	0	0	350,660
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 1,704,584
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 292,966
Restricted for Highways/Public Works	0	0	0	1,394,839
Restricted for Capital Projects	7,603	0	7,603	7,603
Committed:				
Committed for Public Health and Welfare	0	0	0	3,509,419
Committed for Capital Projects	42,223	398,789	441,012	441,012
Committed for Other Purposes	0	0	0	1,828,010
Total Fund Balances	\$ 49,826	\$ 398,789	\$ 448,615	\$ 7,473,849
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 49,826	\$ 398,789	\$ 448,615	\$ 9,725,645

Exhibit G-2

Hamblen County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds					Total
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	
<u>Revenues</u>						
Local Taxes	\$ 3,314,982	\$ 0	\$ 0	\$ 0	\$ 146,147	\$ 3,461,129
Licenses and Permits	1,948	0	0	0	0	1,948
Fines, Forfeitures, and Penalties	0	72,034	0	0	0	72,034
Charges for Current Services	0	0	0	55,147	0	55,147
Other Local Revenues	13,786	4,053	0	0	18,231	36,070
State of Tennessee	19,194	0	1,833,010	0	2,884,412	4,736,616
Federal Government	0	0	0	0	8,933	8,933
Other Governments and Citizens Groups	0	9,621	0	0	0	9,621
Total Revenues	\$ 3,349,910	\$ 85,708	\$ 1,833,010	\$ 55,147	\$ 3,057,723	\$ 8,381,498
<u>Expenditures</u>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 55,147	\$ 0	\$ 55,147
Public Safety	0	79,581	0	0	0	79,581
Public Health and Welfare	2,691,082	0	0	0	0	2,691,082
Highways	0	0	0	0	3,324,007	3,324,007
Capital Projects	0	0	5,000	0	0	5,000
Total Expenditures	\$ 2,691,082	\$ 79,581	\$ 5,000	\$ 55,147	\$ 3,324,007	\$ 6,154,817
Excess (Deficiency) of Revenues Over Expenditures	\$ 658,828	\$ 6,127	\$ 1,828,010	\$ 0	\$ (266,284)	\$ 2,226,681
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 41,375	\$ 0	\$ 0	\$ 5,264	\$ 46,639
Transfers In	320,000	0	0	0	61,864	381,864
Total Other Financing Sources (Uses)	\$ 320,000	\$ 41,375	\$ 0	\$ 0	\$ 67,128	\$ 428,503
Net Change in Fund Balances	\$ 978,828	\$ 47,502	\$ 1,828,010	\$ 0	\$ (199,156)	\$ 2,655,184
Fund Balance, July 1, 2021	2,530,591	245,464	0	0	1,593,995	4,370,050
Fund Balance, June 30, 2022	\$ 3,509,419	\$ 292,966	\$ 1,828,010	\$ 0	\$ 1,394,839	\$ 7,025,234

(Continued)

Exhibit G-2

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Total	
<u>Revenues</u>				
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 3,461,129
Licenses and Permits	0	0	0	1,948
Fines, Forfeitures, and Penalties	0	0	0	72,034
Charges for Current Services	0	0	0	55,147
Other Local Revenues	17,515	0	17,515	53,585
State of Tennessee	41,802	0	41,802	4,778,418
Federal Government	1,108,207	0	1,108,207	1,117,140
Other Governments and Citizens Groups	0	0	0	9,621
Total Revenues	\$ 1,167,524	\$ 0	\$ 1,167,524	\$ 9,549,022
<u>Expenditures</u>				
Current:				
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 55,147
Public Safety	0	0	0	79,581
Public Health and Welfare	0	0	0	2,691,082
Highways	0	0	0	3,324,007
Capital Projects	1,187,794	0	1,187,794	1,192,794
Total Expenditures	\$ 1,187,794	\$ 0	\$ 1,187,794	\$ 7,342,611
Excess (Deficiency) of Revenues Over Expenditures	\$ (20,270)	\$ 0	\$ (20,270)	\$ 2,206,411
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 46,639
Transfers In	0	0	0	381,864
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 428,503
Net Change in Fund Balances	\$ (20,270)	\$ 0	\$ (20,270)	\$ 2,634,914
Fund Balance, July 1, 2021	70,096	398,789	468,885	4,838,935
Fund Balance, June 30, 2022	\$ 49,826	\$ 398,789	\$ 448,615	\$ 7,473,849

Exhibit G-3

Hamblen County, 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, 2022

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 3,314,982	\$ 0	\$ 3,314,982	\$ 2,633,370	\$ 2,633,370	\$ 681,612
Licenses and Permits	1,948	0	1,948	1,500	1,500	448
Other Local Revenues	13,786	0	13,786	0	0	13,786
State of Tennessee	19,194	0	19,194	18,000	18,000	1,194
Total Revenues	\$ 3,349,910	\$ 0	\$ 3,349,910	\$ 2,652,870	\$ 2,652,870	\$ 697,040
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Sanitation Management	\$ 2,691,082	\$ 249,816	\$ 2,940,898	\$ 3,090,233	\$ 3,329,041	\$ 388,143
Total Expenditures	\$ 2,691,082	\$ 249,816	\$ 2,940,898	\$ 3,090,233	\$ 3,329,041	\$ 388,143
Excess (Deficiency) of Revenues Over Expenditures	\$ 658,828	\$ (249,816)	\$ 409,012	\$ (437,363)	\$ (676,171)	\$ 1,085,183
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 320,000	\$ 0	\$ 320,000	\$ 320,000	\$ 320,000	\$ 0
Total Other Financing Sources	\$ 320,000	\$ 0	\$ 320,000	\$ 320,000	\$ 320,000	\$ 0
Net Change in Fund Balance	\$ 978,828	\$ (249,816)	\$ 729,012	\$ (117,363)	\$ (356,171)	\$ 1,085,183
Fund Balance, July 1, 2021	2,530,591	0	2,530,591	2,286,965	2,286,965	243,626
Fund Balance, June 30, 2022	\$ 3,509,419	\$ (249,816)	\$ 3,259,603	\$ 2,169,602	\$ 1,930,794	\$ 1,328,809

Exhibit G-4

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 72,034	\$ 29,000	\$ 29,000	\$ 43,034
Other Local Revenues	4,053	250	250	3,803
Other Governments and Citizens Groups	9,621	10,000	10,900	(1,279)
Total Revenues	<u>\$ 85,708</u>	<u>\$ 39,250</u>	<u>\$ 40,150</u>	<u>\$ 45,558</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 79,581	\$ 131,911	\$ 174,186	\$ 94,605
Total Expenditures	<u>\$ 79,581</u>	<u>\$ 131,911</u>	<u>\$ 174,186</u>	<u>\$ 94,605</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,127	\$ (92,661)	\$ (134,036)	\$ 140,163
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 41,375	\$ 0	\$ 41,375	\$ 0
Total Other Financing Sources	<u>\$ 41,375</u>	<u>\$ 0</u>	<u>\$ 41,375</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 47,502	\$ (92,661)	\$ (92,661)	\$ 140,163
Fund Balance, July 1, 2021	<u>245,464</u>	<u>234,231</u>	<u>234,231</u>	<u>11,233</u>
Fund Balance, June 30, 2022	<u>\$ 292,966</u>	<u>\$ 141,570</u>	<u>\$ 141,570</u>	<u>\$ 151,396</u>

Exhibit G-5

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
State of Tennessee	\$ 1,833,010	\$ 0	\$ 1,833,010	\$ 0
Total Revenues	\$ 1,833,010	\$ 0	\$ 1,833,010	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Public Safety Projects	\$ 5,000	\$ 0	\$ 5,000	\$ 0
Total Expenditures	\$ 5,000	\$ 0	\$ 5,000	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,828,010	\$ 0	\$ 1,828,010	\$ 0
Net Change in Fund Balance	\$ 1,828,010	\$ 0	\$ 1,828,010	\$ 0
Fund Balance, July 1, 2021	0	0	0	0
Fund Balance, June 30, 2022	\$ 1,828,010	\$ 0	\$ 1,828,010	\$ 0

Exhibit G-6

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 146,147	\$ 0	\$ 0	\$ 146,147	\$ 131,700	\$ 143,500	\$ 2,647
Other Local Revenues	18,231	0	0	18,231	0	0	18,231
State of Tennessee	2,884,412	0	0	2,884,412	2,726,864	2,726,864	157,548
Federal Government	8,933	0	0	8,933	0	0	8,933
Total Revenues	\$ 3,057,723	\$ 0	\$ 0	\$ 3,057,723	\$ 2,858,564	\$ 2,870,364	\$ 187,359
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 425,441	\$ (1,170)	\$ 0	\$ 424,271	\$ 449,355	\$ 450,315	\$ 26,044
Highway and Bridge Maintenance	1,598,310	0	0	1,598,310	1,729,368	1,795,468	197,158
Operation and Maintenance of Equipment	379,070	(1,000)	0	378,070	420,984	492,124	114,054
Employee Benefits	14,679	0	0	14,679	24,725	24,725	10,046
Capital Outlay	906,507	(302,439)	89,675	693,743	1,018,000	1,018,000	324,257
Total Expenditures	\$ 3,324,007	\$ (304,609)	\$ 89,675	\$ 3,109,073	\$ 3,642,432	\$ 3,780,632	\$ 671,559
Excess (Deficiency) of Revenues Over Expenditures	\$ (266,284)	\$ 304,609	\$ (89,675)	\$ (51,350)	\$ (783,868)	\$ (910,268)	\$ 858,918
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 5,264	\$ 0	\$ 0	\$ 5,264	\$ 0	\$ 0	\$ 5,264
Transfers In	61,864	0	0	61,864	61,864	61,864	0
Total Other Financing Sources	\$ 67,128	\$ 0	\$ 0	\$ 67,128	\$ 61,864	\$ 61,864	\$ 5,264
Net Change in Fund Balance	\$ (199,156)	\$ 304,609	\$ (89,675)	\$ 15,778	\$ (722,004)	\$ (848,404)	\$ 864,182
Fund Balance, July 1, 2021	1,593,995	(304,609)	0	1,289,386	1,729,080	1,729,080	(439,694)
Fund Balance, June 30, 2022	\$ 1,394,839	\$ 0	\$ (89,675)	\$ 1,305,164	\$ 1,007,076	\$ 880,676	\$ 424,488

Exhibit G-7

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway Capital Projects Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Highway and Street Capital Projects	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000
Total Expenditures	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (500,000)	\$ (500,000)	\$ 500,000
Net Change in Fund Balance	\$ 0	\$ (500,000)	\$ (500,000)	\$ 500,000
Fund Balance, July 1, 2021	398,789	526,705	526,705	(127,916)
Fund Balance, June 30, 2022	\$ 398,789	\$ 26,705	\$ 26,705	\$ 372,084

Major Governmental Funds

Debt Service Fund

The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Capital Projects Fund

The Other General Government Capital Projects Fund is used to account for resources provided by the American Rescue Plan Act.

Exhibit H-1

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,732,336	\$ 7,451,261	\$ 7,471,261	\$ 261,075
Fines, Forfeitures, and Penalties	60,487	46,900	46,900	13,587
Other Local Revenues	748,060	760,000	760,000	(11,940)
Total Revenues	<u>\$ 8,540,883</u>	<u>\$ 8,258,161</u>	<u>\$ 8,278,161</u>	<u>\$ 262,722</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 491,575	\$ 500,000	\$ 500,000	\$ 8,425
Highways and Streets	334,884	315,000	334,884	0
Education	2,292,395	2,350,000	2,330,116	37,721
<u>Interest on Debt</u>				
General Government	494,407	420,000	534,251	39,844
Highways and Streets	9,519	15,000	12,291	2,772
Education	740,366	845,000	847,709	107,343
<u>Other Debt Service</u>				
General Government	147,875	130,000	150,000	2,125
Education	12,486	16,280	16,280	3,794
Total Expenditures	<u>\$ 4,523,507</u>	<u>\$ 4,591,280</u>	<u>\$ 4,725,531</u>	<u>\$ 202,024</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 4,017,376</u>	<u>\$ 3,666,881</u>	<u>\$ 3,552,630</u>	<u>\$ 464,746</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 300,000	\$ 0	\$ 0
Transfers Out	0	(300,000)	0	0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 4,017,376	\$ 3,666,881	\$ 3,552,630	\$ 464,746
Fund Balance, July 1, 2021	<u>9,154,286</u>	<u>9,296,944</u>	<u>9,296,944</u>	<u>(142,658)</u>
Fund Balance, June 30, 2022	<u>\$ 13,171,662</u>	<u>\$ 12,963,825</u>	<u>\$ 12,849,574</u>	<u>\$ 322,088</u>

Exhibit H-2

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other General Government Capital Projects Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 10,212	\$ 0	\$ 0	\$ 10,212
Federal Government	9,412,489	0	12,612,668	(3,200,179)
Total Revenues	<u>\$ 9,422,701</u>	<u>\$ 0</u>	<u>\$ 12,612,668</u>	<u>\$ (3,189,967)</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
Public Safety Projects	\$ 1,912,489	\$ 0	\$ 2,500,000	\$ 587,511
Public Health and Welfare Projects	0	0	1,100,000	1,100,000
Education Capital Projects	0	0	1,512,668	1,512,668
Total Expenditures	<u>\$ 1,912,489</u>	<u>\$ 0</u>	<u>\$ 5,112,668</u>	<u>\$ 3,200,179</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 7,510,212</u>	<u>\$ 0</u>	<u>\$ 7,500,000</u>	<u>\$ 10,212</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (7,500,000)	\$ 0	\$ (7,500,000)	\$ 0
Total Other Financing Sources	<u>\$ (7,500,000)</u>	<u>\$ 0</u>	<u>\$ (7,500,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 10,212	\$ 0	\$ 0	\$ 10,212
Fund Balance, July 1, 2021	<u>221</u>	<u>0</u>	<u>0</u>	<u>221</u>
Fund Balance, June 30, 2022	<u><u>\$ 10,433</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 10,433</u></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, and other governments. Custodial Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial fund reporting focuses on net position and changes in net position. Custodial funds are distinguished from trust funds by the absence of a trust agreement or equivalent arrangement.

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

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

Other Custodial Fund – The Other Custodial Fund is used to account for the operations of the flexible benefits program for Hamblen County employees.

Exhibit I-1

Hamblen County, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2022

	<u>Custodial Funds</u>			
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Other Custodial	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 6,210,529	\$ 0	\$ 6,210,529
Equity in Pooled Cash and Investments	0	0	6,451	6,451
Accounts Receivable	0	399	0	399
Due from Other Governments	3,002,463	0	0	3,002,463
Total Assets	<u>\$ 3,002,463</u>	<u>\$ 6,210,928</u>	<u>\$ 6,451</u>	<u>\$ 9,219,842</u>
<u>LIABILITIES</u>				
Due to Other Taxing Units	\$ 3,002,463	\$ 0	\$ 0	\$ 3,002,463
Total Liabilities	<u>\$ 3,002,463</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,002,463</u>
<u>NET POSITION</u>				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 6,210,928	\$ 6,451	\$ 6,217,379
Total Net Position	<u>\$ 0</u>	<u>\$ 6,210,928</u>	<u>\$ 6,451</u>	<u>\$ 6,217,379</u>

Exhibit I-2

Hamblen County, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2022

	Custodial Funds			Total
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Other Custodial	
<u>Additions</u>				
Sales Tax Collections for Other Governments	\$ 16,670,940	\$ 0	\$ 0	\$ 16,670,940
Fines/Fees and Other Collections	0	13,973,990	0	13,973,990
Other Employee Benefit Charges/Contributions	0	0	26,733	26,733
Total Additions	\$ 16,670,940	\$ 13,973,990	\$ 26,733	\$ 30,671,663
<u>Deductions</u>				
Payment of Sales Tax Collections for Other Governments	\$ 16,670,940	\$ 0	\$ 0	\$ 16,670,940
Payments to State	0	6,363,401	0	6,363,401
Payments to Individuals and Others	0	5,422,226	0	5,422,226
Payments of Fringe Benefit Expenses	0	0	26,733	26,733
Total Deductions	\$ 16,670,940	\$ 11,785,627	\$ 26,733	\$ 28,483,300
Change in Net Position	\$ 0	\$ 2,188,363	\$ 0	\$ 2,188,363
Net Position July 1, 2021	0	4,022,565	6,451	4,029,016
Net Position June 30, 2022	\$ 0	\$ 6,210,928	\$ 6,451	\$ 6,217,379

Hamblen County School Department

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

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

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

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

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

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

Exhibit J-1

Hamblen County, Tennessee
Statement of Activities
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

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	\$ 54,981,012	\$ 403,828	\$ 11,588,459	\$ 3,332,979	\$ (39,655,746)
Support Services	37,824,191	295,276	5,178,403	22,012,400	(10,338,112)
Operation of Non-instructional Services	9,848,813	403,452	11,337,285	0	1,891,924
Total Governmental Activities	\$ 102,654,016	\$ 1,102,556	\$ 28,104,147	\$ 25,345,379	\$ (48,101,934)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 11,943,369
Local Option Sales Taxes					18,790,138
Mixed Drink Tax					80,009
Grants and Contributions Not Restricted to Specific Programs					61,045,776
Unrestricted Investment Income					18,702
Miscellaneous					50,833
Gain on Disposal of Capital Assets					15,910
Total General Revenues					\$ 91,944,737
Change in Net Position					\$ 43,842,803
Net Position, July 1, 2021					<u>77,331,565</u>
Net Position, June 30, 2022					<u><u>\$ 121,174,368</u></u>

Exhibit J-2

Hamblen County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Hamblen County School Department
June 30, 2022

	Major Funds				Nonmajor	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Fund Internal School	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,610,806	\$ 2,610,806
Equity in Pooled Cash and Investments	15,085,905	575,554	7,831,257	0	0	23,492,716
Inventories	0	0	93,486	0	2,341	95,827
Accounts Receivable	78,755	180	43,203	0	0	122,138
Due from Other Governments	5,913,388	1,972,127	67,084	0	0	7,952,599
Due from Other Funds	435,894	1,523	5,828	0	0	443,245
Due from Primary Government	0	0	0	22,012,400	0	22,012,400
Property Taxes Receivable	11,387,581	0	0	0	0	11,387,581
Allowance for Uncollectible Property Taxes	(303,081)	0	0	0	0	(303,081)
Restricted Assets	983,264	0	0	0	0	983,264
Total Assets	\$ 33,581,706	\$ 2,549,384	\$ 8,040,858	\$ 22,012,400	\$ 2,613,147	\$ 68,797,495
<u>LIABILITIES</u>						
Accounts Payable	\$ 433,615	\$ 288,188	\$ 8,537	\$ 0	\$ 0	\$ 730,340
Accrued Payroll	18,953	91,684	0	0	0	110,637
Contracts Payable	0	315,500	0	0	0	315,500
Retainage Payable	0	75,176	0	0	0	75,176
Due to Other Funds	7,351	70,894	365,000	0	0	443,245
Other Current Liabilities	0	0	69,446	0	0	69,446
Total Liabilities	\$ 459,919	\$ 841,442	\$ 442,983	\$ 0	\$ 0	\$ 1,744,344
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 10,846,454	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,846,454

(Continued)

Exhibit J-2

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

	Major Funds				Nonmajor	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Fund Internal School	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Deferred Delinquent Property Taxes	\$ 163,421	\$ 0	\$ 0	\$ 0	\$ 0	163,421
Other Deferred/Unavailable Revenue	1,664,885	393,300	0	0	0	2,058,185
Total Deferred Inflows of Resources	\$ 12,674,760	\$ 393,300	\$ 0	\$ 0	\$ 0	13,068,060
<u>FUND BALANCES</u>						
Nonspendable:						
Inventory	\$ 0	\$ 0	93,486	\$ 0	2,341	95,827
Restricted:						
Restricted for Education	74,119	0	7,504,389	0	2,610,806	10,189,314
Restricted for Capital Projects	0	0	0	22,012,400	0	22,012,400
Restricted for Hybrid Retirement Stabilization Funds	983,264	0	0	0	0	983,264
Committed:						
Committed for Education	484,352	1,500,000	0	0	0	1,984,352
Assigned:						
Assigned for Education	3,861,759	0	0	0	0	3,861,759
Assigned for Capital Projects	4,821,511	0	0	0	0	4,821,511
Unassigned	10,222,022	(185,358)	0	0	0	10,036,664
Total Fund Balances	\$ 20,447,027	\$ 1,314,642	\$ 7,597,875	\$ 22,012,400	\$ 2,613,147	\$ 53,985,091
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 33,581,706	\$ 2,549,384	\$ 8,040,858	\$ 22,012,400	\$ 2,613,147	\$ 68,797,495

Exhibit J-3

Hamblen County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Hamblen County School Department
June 30, 2022

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

Total fund balances - balance sheet- governmental funds (Exhibit J-2)		\$	53,985,091
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.			
Add: land	\$	6,441,653	
Add: construction in progress		1,897,990	
Add: buildings and improvements net of accumulated depreciation		44,488,584	
Add: other capital assets net of accumulated depreciation		<u>12,132,215</u>	64,960,442
(2) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			2,221,606
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: OPEB liability	\$	(14,775,460)	
Less: compensated absences payable		(259,010)	
Less: retirement incentive		(180,313)	
Less: retirement honorarium		<u>(1,116,007)</u>	(16,330,790)
(4) 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	\$	19,457,420	
Less: deferred inflows of resources related to pensions		(44,464,674)	
Add: deferred outflows of resources related to OPEB		2,199,149	
Less: deferred inflows of resources related to OPEB		<u>(10,573,738)</u>	(33,381,843)
(5) Net pensions assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	5,936,285	
Add: net pension asset - teacher retirement plan		922,764	
Add: net pension asset - teacher legacy pension plan		<u>42,860,813</u>	<u>49,719,862</u>
Net position of governmental activities (Exhibit A)			<u>\$ 121,174,368</u>

Exhibit J-4

Hamblen County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

	Major Funds				Nonmajor Fund	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Internal School	
<u>Revenues</u>						
Local Taxes	\$ 31,106,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,106,020
Charges for Current Services	673,303	0	426,686	0	0	1,099,989
Other Local Revenues	336,644	0	18,702	0	2,278,860	2,634,206
State of Tennessee	60,791,633	0	72,574	0	0	60,864,207
Federal Government	515,068	19,290,302	8,093,417	0	0	27,898,787
Other Governments and Citizens Groups	0	0	0	22,012,400	0	22,012,400
Total Revenues	\$ 93,422,668	\$ 19,290,302	\$ 8,611,379	\$ 22,012,400	\$ 2,278,860	\$ 145,615,609
<u>Expenditures</u>						
Current:						
Instruction	\$ 57,359,544	\$ 11,389,119	\$ 0	\$ 0	\$ 0	\$ 68,748,663
Support Services	27,752,691	4,166,295	0	0	0	31,918,986
Operation of Non-Instructional Services	1,765,659	121,825	5,923,640	0	2,127,258	9,938,382
Capital Outlay	2,481,512	3,727,527	0	0	0	6,209,039
Debt Service:						
Other Debt Service	500,000	0	0	0	0	500,000
Capital Projects	0	0	0	242,953	0	242,953
Total Expenditures	\$ 89,859,406	\$ 19,404,766	\$ 5,923,640	\$ 242,953	\$ 2,127,258	\$ 117,558,023
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,563,262	\$ (114,464)	\$ 2,687,739	\$ 21,769,447	\$ 151,602	\$ 28,057,586
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500
Transfers In	784,381	1,000,000	0	0	0	1,784,381
Transfers Out	(1,000,000)	(70,894)	(365,000)	(348,487)	0	(1,784,381)
Total Other Financing Sources (Uses)	\$ (215,119)	\$ 929,106	\$ (365,000)	\$ (348,487)	\$ 0	\$ 500
Net Change in Fund Balances	\$ 3,348,143	\$ 814,642	\$ 2,322,739	\$ 21,420,960	\$ 151,602	\$ 28,058,086
Fund Balance, July 1, 2021	17,098,884	500,000	5,275,136	591,440	2,461,545	25,927,005
Fund Balance, June 30, 2022	\$ 20,447,027	\$ 1,314,642	\$ 7,597,875	\$ 22,012,400	\$ 2,613,147	\$ 53,985,091

Exhibit J-5

Hamblen County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 28,058,086
(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	\$ 6,542,471	
Less: current-year depreciation expense	<u>(4,101,183)</u>	2,441,288
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2022	\$ 2,221,606	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(1,785,956)</u>	435,650
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (9,676)	
Change in OPEB liability	592,552	
Change in retirement incentive	(72,664)	
Change in retirement honorarium	(68,465)	
Change in net pension asset/liability	40,411,772	
Change in deferred outflows related to pensions	11,504,004	
Change in deferred inflows related to pensions	(40,220,083)	
Change in deferred outflows related to OPEB	(336,927)	
Change in deferred inflows related to OPEB	<u>1,107,266</u>	<u>12,907,779</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 43,842,803</u>

Exhibit J-6

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
General Purpose School Fund
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 31,106,020	\$ 0	\$ 0	\$ 31,106,020	\$ 27,663,933	\$ 27,663,933	\$ 3,442,087
Charges for Current Services	673,303	0	0	673,303	807,000	807,000	(133,697)
Other Local Revenues	336,644	0	0	336,644	190,586	302,111	34,533
State of Tennessee	60,791,633	0	0	60,791,633	59,411,166	61,647,772	(856,139)
Federal Government	515,068	0	0	515,068	350,346	452,748	62,320
Total Revenues	\$ 93,422,668	\$ 0	\$ 0	\$ 93,422,668	\$ 88,423,031	\$ 90,873,564	\$ 2,549,104
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 46,462,678	\$ (209,639)	\$ 171,750	\$ 46,424,789	\$ 47,290,563	\$ 48,446,390	\$ 2,021,601
Special Education Program	7,072,471	(5,434)	6,458	7,073,495	7,461,411	7,504,112	430,617
Career and Technical Education Program	3,631,478	(66,654)	4,115	3,568,939	3,786,895	3,809,137	240,198
Student Body Education Program	192,917	0	10,517	203,434	213,000	213,000	9,566
<u>Support Services</u>							
Attendance	2,605	0	0	2,605	4,000	4,000	1,395
Health Services	873,467	(4,032)	636	870,071	879,511	906,526	36,455
Other Student Support	1,759,573	(5,500)	0	1,754,073	1,788,518	1,797,983	43,910
Regular Instruction Program	2,754,256	(30,615)	53,342	2,776,983	2,733,913	3,006,514	229,531
Special Education Program	1,037,570	0	0	1,037,570	1,165,091	1,224,792	187,222
Career and Technical Education Program	247,301	0	0	247,301	258,886	263,886	16,585
Technology	1,778,569	(14,260)	46,110	1,810,419	1,845,051	1,845,051	34,632
Other Programs	509,562	0	0	509,562	0	509,562	0
Board of Education	1,271,646	(8,786)	0	1,262,860	1,393,036	1,434,885	172,025
Director of Schools	660,774	(1,280)	313	659,807	713,286	713,286	53,479
Office of the Principal	5,139,229	0	0	5,139,229	5,260,546	5,298,266	159,037
Fiscal Services	603,091	(297)	1,933	604,727	702,866	702,866	98,139
Operation of Plant	6,010,693	(13,914)	732	5,997,511	6,607,584	6,607,584	610,073
Maintenance of Plant	1,585,103	(39,145)	22,878	1,568,836	1,625,809	1,625,809	56,973
Transportation	3,519,252	(14,361)	33,914	3,538,805	3,727,026	4,006,413	467,608

(Continued)

Exhibit J-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 468,365	\$ (4,625)	\$ 5,014	\$ 468,754	\$ 581,219	\$ 581,219	\$ 112,465
Early Childhood Education	1,297,294	(3,290)	7,353	1,301,357	1,279,999	1,382,920	81,563
<u>Capital Outlay</u>							
Regular Capital Outlay	2,481,512	(522,567)	906,512	2,865,457	3,587,000	3,587,000	721,543
<u>Interest on Debt</u>							
Education	0	0	0	0	500,000	0	0
<u>Other Debt Service</u>							
Education	500,000	0	0	500,000	0	500,000	0
Total Expenditures	\$ 89,859,406	\$ (944,399)	\$ 1,271,577	\$ 90,186,584	\$ 93,405,210	\$ 95,971,201	\$ 5,784,617
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,563,262	\$ 944,399	\$ (1,271,577)	\$ 3,236,084	\$ (4,982,179)	\$ (5,097,637)	\$ 8,333,721
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 500	\$ 0	\$ 0	\$ 500	\$ 10,000	\$ 10,000	\$ (9,500)
Transfers In	784,381	0	0	784,381	526,739	526,739	257,642
Transfers Out	(1,000,000)	0	0	(1,000,000)	(28,244)	(1,028,244)	28,244
Total Other Financing Sources	\$ (215,119)	\$ 0	\$ 0	\$ (215,119)	\$ 508,495	\$ (491,505)	\$ 276,386
Net Change in Fund Balance	\$ 3,348,143	\$ 944,399	\$ (1,271,577)	\$ 3,020,965	\$ (4,473,684)	\$ (5,589,142)	\$ 8,610,107
Fund Balance, July 1, 2021	17,098,884	(944,399)	0	16,154,485	16,198,173	16,198,173	(43,688)
Fund Balance, June 30, 2022	\$ 20,447,027	\$ 0	\$ (1,271,577)	\$ 19,175,450	\$ 11,724,489	\$ 10,609,031	\$ 8,566,419

Exhibit J-7

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
School Federal Projects Fund
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 19,290,302	\$ 0	\$ 0	\$ 19,290,302	\$ 13,600,154	\$ 41,613,089	\$ (22,322,787)
Total Revenues	\$ 19,290,302	\$ 0	\$ 0	\$ 19,290,302	\$ 13,600,154	\$ 41,613,089	\$ (22,322,787)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 6,778,146	\$ (1,372,796)	\$ 230,158	\$ 5,635,508	\$ 4,783,809	\$ 11,749,319	\$ 6,113,811
Special Education Program	2,713,108	0	0	2,713,108	2,410,925	3,397,633	684,525
Career and Technical Education Program	1,897,865	0	368,967	2,266,832	430,089	3,051,586	784,754
<u>Support Services</u>							
Health Services	401,286	0	5,062	406,348	516,023	2,266,572	1,860,224
Other Student Support	523,106	0	8,127	531,233	103,998	1,241,410	710,177
Regular Instruction Program	1,773,730	(53,924)	43,304	1,763,110	1,845,005	3,348,148	1,585,038
Special Education Program	184,762	0	0	184,762	181,685	309,816	125,054
Career and Technical Education Program	61,180	0	0	61,180	10,000	61,181	1
Technology	300,315	(70,126)	12,428	242,617	114,100	559,132	316,515
Director of Schools	4,590	0	0	4,590	0	4,686	96
Office of the Principal	74,424	0	0	74,424	1	122,020	47,596
Fiscal Services	57,101	0	0	57,101	0	203,101	146,000
Operation of Plant	615,886	(500,647)	12,778	128,017	1,005,263	823,905	695,888
Maintenance of Plant	15,567	0	0	15,567	7,000	15,743	176
Transportation	154,348	0	0	154,348	145,000	414,726	260,378
<u>Operation of Non-Instructional Services</u>							
Food Service	42,541	0	0	42,541	0	44,380	1,839
Community Services	60,206	0	0	60,206	60,000	328,149	267,943
Early Childhood Education	19,078	0	0	19,078	0	19,079	1
<u>Capital Outlay</u>							
Regular Capital Outlay	3,727,527	0	1,456,153	5,183,680	1,955,843	13,565,325	8,381,645
Total Expenditures	\$ 19,404,766	\$ (1,997,493)	\$ 2,136,977	\$ 19,544,250	\$ 13,568,741	\$ 41,525,911	\$ 21,981,661

(Continued)

Exhibit J-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ (114,464)	\$ 1,997,493	\$ (2,136,977)	\$ (253,948)	\$ 31,413	\$ 87,178	\$ (341,126)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 1,000,000	\$ 0	\$ 0	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
Transfers Out	(70,894)	0	0	(70,894)	(31,413)	(87,178)	16,284
Total Other Financing Sources	\$ 929,106	\$ 0	\$ 0	\$ 929,106	\$ (31,413)	\$ 912,822	\$ 16,284
Net Change in Fund Balance	\$ 814,642	\$ 1,997,493	\$ (2,136,977)	\$ 675,158	\$ 0	\$ 1,000,000	\$ (324,842)
Fund Balance, July 1, 2021	500,000	(1,997,493)	0	(1,497,493)	0	0	(1,497,493)
Fund Balance, June 30, 2022	\$ 1,314,642	\$ 0	\$ (2,136,977)	\$ (822,335)	\$ 0	\$ 1,000,000	\$ (1,822,335)

Exhibit J-8

Hamblen County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Hamblen County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 426,686	\$ 0	\$ 426,686	\$ 275,000	\$ 275,000	\$ 151,686
Other Local Revenues	18,702	0	18,702	25,000	25,000	(6,298)
State of Tennessee	72,574	0	72,574	60,000	60,000	12,574
Federal Government	8,093,417	0	8,093,417	6,605,707	6,768,755	1,324,662
Total Revenues	\$ 8,611,379	\$ 0	\$ 8,611,379	\$ 6,965,707	\$ 7,128,755	\$ 1,482,624
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	\$ 5,923,640	\$ 22,115	\$ 5,945,755	\$ 8,941,222	\$ 9,134,270	\$ 3,188,515
Total Expenditures	\$ 5,923,640	\$ 22,115	\$ 5,945,755	\$ 8,941,222	\$ 9,134,270	\$ 3,188,515
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,687,739	\$ (22,115)	\$ 2,665,624	\$ (1,975,515)	\$ (2,005,515)	\$ 4,671,139
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (365,000)	\$ 0	\$ (365,000)	\$ (365,000)	\$ (365,000)	\$ 0
Total Other Financing Sources	\$ (365,000)	\$ 0	\$ (365,000)	\$ (365,000)	\$ (365,000)	\$ 0
Net Change in Fund Balance	\$ 2,322,739	\$ (22,115)	\$ 2,300,624	\$ (2,340,515)	\$ (2,370,515)	\$ 4,671,139
Fund Balance, July 1, 2021	5,275,136	0	5,275,136	5,973,757	5,973,757	(698,621)
Fund Balance, June 30, 2022	\$ 7,597,875	\$ (22,115)	\$ 7,575,760	\$ 3,633,242	\$ 3,603,242	\$ 3,972,518

MISCELLANEOUS SCHEDULES

Exhibit K-1

Hamblen County, Tennessee
Schedule of Changes in Long-term Other Loans and Bonds
For the Year Ended June 30, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-21	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-22
<u>OTHER LOANS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Local Government Public Improvement Bonds, Series E-4-A - Refunding	\$ 10,100,000	Variable (1)	8-13-08	6-1-25	\$ 7,080,000	\$ 0	\$ 1,630,000	\$ 5,450,000
Qualified School Construction Bonds	11,280,000	1.515 %	12-17-09	7-1-26	3,654,915	0	703,854	2,951,061
Revolving Fund Loan Agreement with Appalachian Electric Cooperative	360,000	0	7-20-20	5-1-30	356,667	0	40,000	316,667
Total Other Loans Payable					<u>\$ 11,091,582</u>	<u>\$ 0</u>	<u>\$ 2,373,854</u>	<u>\$ 8,717,728</u>
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation Bonds, Series 2014	5,200,000	1.446	3-28-14	6-1-23	\$ 965,000	\$ 0	\$ 645,000	\$ 320,000
General Obligation Bonds, Series 2020A	19,995,000	2-5	1-31-20	6-1-49	19,995,000	0	100,000	19,895,000
General Obligation Bonds, Series 2021	9,405,000	2-4	12-17-21	6-1-51	0	9,405,000	0	9,405,000
General Obligation Bonds, Series 2022	91,025,000	4-5	5-13-22	6-1-52	0	91,025,000	0	91,025,000
Total Bonds Payable					<u>\$ 20,960,000</u>	<u>\$ 100,430,000</u>	<u>\$ 745,000</u>	<u>\$ 120,645,000</u>

(1) This issue was swapped to a synthetic fixed rate by execution of a swap agreement in a prior year.

Exhibit K-2

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

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2023	\$ 2,463,854	\$ 404,261	\$ 12,162	\$ 2,880,277
2024	2,558,854	330,611	6,245	2,895,710
2025	2,658,854	252,892	0	2,911,746
2026	813,140	170,892	0	984,032
2027	106,354	14,241	0	120,595
2028	40,000	0	0	40,000
2029	40,000	0	0	40,000
2030	36,672	0	0	36,672
Total	\$ 8,717,728	\$ 1,172,897	\$ 18,407	\$ 9,909,032

Year Ending June 30	Bonds		Total
	Principal	Interest	
2023	\$ 1,860,000	\$ 4,778,218	\$ 6,638,218
2024	1,940,000	4,829,033	6,769,033
2025	2,035,000	4,733,033	6,768,033
2026	3,935,000	4,634,733	8,569,733
2027	4,365,000	4,441,433	8,806,433
2028	4,370,000	4,226,633	8,596,633
2029	4,370,000	4,011,583	8,381,583
2030	4,370,000	3,796,533	8,166,533
2031	4,370,000	3,581,483	7,951,483
2032	4,370,000	3,392,083	7,762,083
2033	4,365,000	3,206,133	7,571,133
2034	4,365,000	3,016,833	7,381,833
2035	4,365,000	2,826,614	7,191,614
2036	4,365,000	2,635,476	7,000,476
2037	4,360,000	2,447,789	6,807,789
2038	4,360,000	2,292,233	6,652,233
2039	4,360,000	2,136,676	6,496,676
2040	4,360,000	1,981,120	6,341,120
2041	4,360,000	1,824,645	6,184,645
2042	4,360,000	1,668,170	6,028,170
2043	4,360,000	1,511,350	5,871,350
2044	4,360,000	1,354,530	5,714,530
2045	4,360,000	1,197,710	5,557,710
2046	4,360,000	1,040,890	5,400,890
2047	4,360,000	882,979	5,242,979
2048	4,360,000	725,068	5,085,068
2049	4,360,000	567,156	4,927,156
2050	3,620,000	408,900	4,028,900
2051	3,620,000	270,050	3,890,050
2052	3,280,000	131,193	3,411,193
Total	\$ 120,645,000	\$ 74,550,280	\$ 195,195,280

Exhibit K-3

Hamblen County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Solid Waste/Sanitation	State direct appropriations	\$ 320,000
"	Highway/Public Works	"	61,864
Other General Government Capital Projects	Other Capital Projects	Capital expenditures	<u>7,500,000</u>
Total Transfers Primary Government			<u>\$ 7,881,864</u>
<u>DISCRETELY PRESENTED HAMBLEN COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 70,894
Central Cafeteria	"	"	365,000
Education Capital Projects	"	Capital project	348,487
General Purpose School	School Federal Projects	Cash flow	<u>1,000,000</u>
Total Transfers Discretely Presented Hamblen County School Department			<u>\$ 1,784,381</u>

Exhibit K-4

Hamblen County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 109,777	\$ 400,000	Tennessee Risk Management Trust
Highway Superintendent	Section 8-24-102, <i>TCA</i>	101,811	400,000	"
Director of Schools	State Board of Education and County Board of Education	180,621 (1)	100,000	The Ohio Casualty Insurance Company
Trustee	Section 8-24-102, <i>TCA</i>	92,555	2,985,873	The Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	94,587 (2)	400,000	Tennessee Risk Management Trust
Finance Director	County Commission	90,032	400,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	92,555	400,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	92,555	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	92,555 (3)	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	92,555	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	105,350 (4)	400,000	"
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			400,000	Tennessee Risk Management Trust
Public Employee Dishonesty - School Department			250,000	Liberty Mutual Insurance Company

(1) Includes a travel allowance of \$12,000, and a 403(b) contribution of \$12,000.

(2) Includes a travel related supplement of \$2,032.

(3) Does not include special commissioner fees of \$54,365.

(4) Includes \$2,739 for serving as workhouse superintendent and \$800 for a law enforcement training supplement.

Exhibit K-5

Hamblen County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2022

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 10,051,420	\$ 1,296,785	\$ 0	\$ 0	\$ 0
Discount on Property Taxes	499,040	0	0	0	0
Trustee's Collections - Prior Year	225,144	24,394	0	0	0
Trustee's Collections - Bankruptcy	502	18	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	130,763	19,262	0	0	0
Interest and Penalty	93,129	12,668	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	804	272	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	167,940	0	0	0	0
Payments in-Lieu-of Taxes - Other	31,976	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	9,420	1,822,521	0	0	0
Hotel/Motel Tax	18,300	0	0	0	0
Wheel Tax	1,684,542	0	0	0	0
Litigation Tax - General	119,954	0	0	0	0
Litigation Tax - Special Purpose	49,378	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Litigation Tax - Courthouse Security	106,996	0	0	0	0
Business Tax	1,382,083	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	0
Wholesale Beer Tax	0	139,062	0	0	0
Total Local Taxes	<u>\$ 14,571,391</u>	<u>\$ 3,314,982</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,149	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	362,981	0	0	0	0
<u>Permits</u>					
Beer Permits	0	1,948	0	0	0
Building Permits	225,943	0	0	0	0
Total Licenses and Permits	\$ 594,073	\$ 1,948	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 3,414	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	16,036	0	0	0	0
Drug Control Fines	12,360	0	1,525	0	0
Drug Court Fees	2,498	0	0	0	0
Jail Fees	476	0	0	0	0
DUI Treatment Fines	1,211	0	0	0	0
Data Entry Fee - Circuit Court	3,659	0	0	0	0
<u>General Sessions Court</u>					
Fines	22,718	0	0	0	0
Fines for Littering	38	0	0	0	0
Officers Costs	46,768	0	0	0	0
Game and Fish Fines	180	0	0	0	0
Drug Control Fines	0	0	10,962	0	0
Drug Court Fees	8,623	0	0	0	0
Jail Fees	62,707	0	0	0	0
DUI Treatment Fines	7,349	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Data Entry Fee - General Sessions Court	\$ 19,174	\$ 0	\$ 0	\$ 0	\$ 0
Courtroom Security Fee	419	0	0	0	0
<u>Juvenile Court</u>					
Fines	2,134	0	0	0	0
Officers Costs	4,970	0	0	0	0
Drug Control Fines	1,211	0	0	0	0
Interpreter Fee	760	0	0	0	0
Data Entry Fee - Juvenile Court	1,894	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	18	0	0	0	0
Data Entry Fee - Chancery Court	10,452	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	59,547	0	0
Other Fines, Forfeitures, and Penalties	61	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 229,130	\$ 0	\$ 72,034	\$ 0	\$ 0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 9,995	\$ 0	\$ 0	\$ 0	\$ 0
Work Release Charges for Board	5,743	0	0	0	0
<u>Fees</u>					
Recreation Fees	167,238	0	0	0	0
Copy Fees	8,768	0	0	0	0
Telephone Commissions	42,895	0	0	0	0
Vending Machine Collections	131	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Tourism Fees	\$ 31,150	\$ 0	\$ 0	\$ 0	\$ 0
Electronic Citation Fee	316	0	0	0	0
Constitutional Officers' Fees and Commissions	140	0	0	0	782
Special Commissioner Fees/Special Master Fees	0	0	0	0	54,365
Data Processing Fee - Register	24,236	0	0	0	0
Probation Fees	285	0	0	0	0
Data Processing Fee - Sheriff	9,129	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,850	0	0	0	0
Data Processing Fee - County Clerk	8,769	0	0	0	0
Vehicle Registration Reinstatement Fees	8,860	0	0	0	0
<u>Education Charges</u>					
Community Service Fees - Adults	8,417	0	0	0	0
Total Charges for Current Services	\$ 331,922	\$ 0	\$ 0	\$ 0	\$ 55,147
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 840	\$ 0	\$ 0
Lease/Rentals	69,064	0	0	0	0
Sale of Materials and Supplies	230	13,380	0	0	0
Commissary Sales	15,286	0	0	0	0
Miscellaneous Refunds	104,879	396	0	0	0
Expenditure Credits	0	10	0	0	0
<u>Nonrecurring Items</u>					
Sale of Equipment	48,083	0	0	0	0
Damages Recovered from Individuals	0	0	3,213	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
<u>Other Local Revenues (Cont.)</u>					
<u>Other Local Revenues</u>					
Other Local Revenues	\$ 1,152	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	<u>\$ 238,694</u>	<u>\$ 13,786</u>	<u>\$ 4,053</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 898,062	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	284,473	0	0	0	0
General Sessions Court Clerk	627,514	0	0	0	0
Clerk and Master	315,461	0	0	0	0
Juvenile Court Clerk	59,099	0	0	0	0
Register	392,872	0	0	0	0
Sheriff	16,786	0	0	0	0
Trustee	1,126,949	0	0	0	0
Total Fees Received From County Officials	<u>\$ 3,721,216</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	82,260	0	0	0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	33,600	0	0	0	0
<u>Health and Welfare Grants</u>					
Health Department Programs	591,056	0	0	0	0
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	0
Litter Program	50,175	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues</u>					
Beer Tax	\$ 0	\$ 19,194	\$ 0	\$ 0	\$ 0
Vehicle Certificate of Title Fees	16,337	0	0	0	0
Alcoholic Beverage Tax	118,697	0	0	0	0
Opioid Settlement Funds	0	0	0	1,833,010	0
State Revenue Sharing - T.V.A.	679,257	0	0	0	0
State Revenue Sharing - Telecommunications	65,097	0	0	0	0
State Shared Sports Gaming Privilege Tax	33,522	0	0	0	0
Contracted Prisoner Boarding	388,791	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	730,232	0	0	0	0
Other State Revenues	15,150	0	0	0	0
Total State of Tennessee	\$ 2,828,338	\$ 19,194	\$ 0	\$ 1,833,010	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Civil Defense Reimbursement	\$ 29,382	\$ 0	\$ 0	\$ 0	\$ 0
Disaster Relief	0	0	0	0	0
Homeland Security Grants	19,431	0	0	0	0
Other Federal through State	35,094	0	0	0	0
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	27,180	0	0	0	0
Total Federal Government	\$ 111,087	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 29,484	\$ 0	\$ 8,721	\$ 0	\$ 0
Contracted Services	223,748	0	0	0	0
<u>Citizens Groups</u>					
Donations	17,648	0	900	0	0
Total Other Governments and Citizens Groups	<u>\$ 270,880</u>	<u>\$ 0</u>	<u>\$ 9,621</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 22,896,731</u>	<u>\$ 3,349,910</u>	<u>\$ 85,708</u>	<u>\$ 1,833,010</u>	<u>\$ 55,147</u>

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			Total
	Revenue Fund	Fund	Other General			
	Highway / Public Works	General Debt Service	General Capital Projects	Government Capital Projects	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 7,158,690	\$ 0	\$ 0	\$ 0	\$ 18,506,895
Discount on Property Taxes	0	0	0	0	0	499,040
Trustee's Collections - Prior Year	0	124,033	0	0	0	373,571
Trustee's Collections - Bankruptcy	0	310	0	0	0	830
Circuit Clerk/Clerk and Master Collections - Prior Years	0	71,761	0	0	0	221,786
Interest and Penalty	0	52,590	0	0	0	158,387
Payments in-Lieu-of Taxes - T.V.A.	0	441	0	0	0	1,517
Payments in-Lieu-of Taxes - Local Utilities	0	114,493	0	0	0	282,433
Payments in-Lieu-of Taxes - Other	0	22,177	0	0	0	54,153
<u>County Local Option Taxes</u>						
Local Option Sales Tax	86,000	63,000	0	0	0	1,980,941
Hotel/Motel Tax	0	0	0	0	0	18,300
Wheel Tax	0	0	0	0	0	1,684,542
Litigation Tax - General	0	0	0	0	0	119,954
Litigation Tax - Special Purpose	0	0	0	0	0	49,378
Litigation Tax - Jail, Workhouse, or Courthouse	0	99,117	0	0	0	99,117
Litigation Tax - Courthouse Security	0	0	0	0	0	106,996
Business Tax	0	0	0	0	0	1,382,083
Mineral Severance Tax	60,147	0	0	0	0	60,147
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	25,724	0	0	0	25,724
Wholesale Beer Tax	0	0	0	0	0	139,062
Total Local Taxes	\$ 146,147	\$ 7,732,336	\$ 0	\$ 0	\$ 0	\$ 25,764,856

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			Total
	Revenue Fund	Fund	General Capital Projects	Other Government Capital Projects	Other Capital Projects	
	Highway / Public Works	General Debt Service	General Capital Projects	Other Government Capital Projects	Other Capital Projects	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	5,149
Cable TV Franchise	0	0	0	0	0	362,981
<u>Permits</u>						
Beer Permits	0	0	0	0	0	1,948
Building Permits	0	0	0	0	0	225,943
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	596,021
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,414
Officers Costs	0	0	0	0	0	16,036
Drug Control Fines	0	0	0	0	0	13,885
Drug Court Fees	0	0	0	0	0	2,498
Jail Fees	0	2,299	0	0	0	2,775
DUI Treatment Fines	0	0	0	0	0	1,211
Data Entry Fee - Circuit Court	0	0	0	0	0	3,659
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	22,718
Fines for Littering	0	0	0	0	0	38
Officers Costs	0	0	0	0	0	46,768
Game and Fish Fines	0	0	0	0	0	180
Drug Control Fines	0	0	0	0	0	10,962
Drug Court Fees	0	0	0	0	0	8,623
Jail Fees	0	58,188	0	0	0	120,895
DUI Treatment Fines	0	0	0	0	0	7,349

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			Total
	Revenue Fund	Fund	Other General			
	Highway / Public Works	General Debt Service	General Capital Projects	Government Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Data Entry Fee - General Sessions Court	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	19,174
Courtroom Security Fee	0	0	0	0	0	419
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	2,134
Officers Costs	0	0	0	0	0	4,970
Drug Control Fines	0	0	0	0	0	1,211
Interpreter Fee	0	0	0	0	0	760
Data Entry Fee - Juvenile Court	0	0	0	0	0	1,894
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	18
Data Entry Fee - Chancery Court	0	0	0	0	0	10,452
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	59,547
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	61
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 60,487	\$ 0	\$ 0	\$ 0	361,651
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,995
Work Release Charges for Board	0	0	0	0	0	5,743
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	167,238
Copy Fees	0	0	0	0	0	8,768
Telephone Commissions	0	0	0	0	0	42,895
Vending Machine Collections	0	0	0	0	0	131

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			Total
	Revenue Fund	Fund	Other General			
	Highway / Public Works	General Debt Service	General Capital Projects	Government Capital Projects	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Tourism Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	31,150
Electronic Citation Fee	0	0	0	0	0	316
Constitutional Officers' Fees and Commissions	0	0	0	0	0	922
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	54,365
Data Processing Fee - Register	0	0	0	0	0	24,236
Probation Fees	0	0	0	0	0	285
Data Processing Fee - Sheriff	0	0	0	0	0	9,129
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	5,850
Data Processing Fee - County Clerk	0	0	0	0	0	8,769
Vehicle Registration Reinstatement Fees	0	0	0	0	0	8,860
<u>Education Charges</u>						
Community Service Fees - Adults	0	0	0	0	0	8,417
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	387,069
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 247,987	\$ 0	\$ 10,212	\$ (112,082)	146,957
Lease/Rentals	0	0	0	0	0	69,064
Sale of Materials and Supplies	0	0	0	0	0	13,610
Commissary Sales	0	0	0	0	0	15,286
Miscellaneous Refunds	1,013	73	17,515	0	0	123,876
Expenditure Credits	0	0	0	0	0	10
<u>Nonrecurring Items</u>						
Sale of Equipment	17,218	0	0	0	0	65,301
Damages Recovered from Individuals	0	0	0	0	0	3,213

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other General Government Capital Projects	Other Capital Projects	
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 0	\$ 500,000	\$ 0	\$ 0	\$ 75,675	\$ 576,827
Total Other Local Revenues	\$ 18,231	\$ 748,060	\$ 17,515	\$ 10,212	\$ (36,407)	\$ 1,014,144
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 898,062
Circuit Court Clerk	0	0	0	0	0	284,473
General Sessions Court Clerk	0	0	0	0	0	627,514
Clerk and Master	0	0	0	0	0	315,461
Juvenile Court Clerk	0	0	0	0	0	59,099
Register	0	0	0	0	0	392,872
Sheriff	0	0	0	0	0	16,786
Trustee	0	0	0	0	0	1,126,949
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,721,216
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
Solid Waste Grants	0	0	0	0	0	82,260
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	33,600
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	591,056
<u>Public Works Grants</u>						
State Aid Program	245,693	0	0	0	0	245,693
Litter Program	0	0	0	0	0	50,175

(Continued)

Exhibit K-5

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

	Special	Debt Service	Capital Projects Funds			Total
	Revenue Fund	Fund	Other General			
	Highway / Public Works	General Debt Service	General Capital Projects	Government Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Beer Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	19,194
Vehicle Certificate of Title Fees	0	0	0	0	0	16,337
Alcoholic Beverage Tax	0	0	0	0	0	118,697
Opioid Settlement Funds	0	0	0	0	0	1,833,010
State Revenue Sharing - T.V.A.	200,000	0	0	0	0	879,257
State Revenue Sharing - Telecommunications	0	0	0	0	0	65,097
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	33,522
Contracted Prisoner Boarding	0	0	0	0	0	388,791
Gasoline and Motor Fuel Tax	2,395,584	0	0	0	0	2,395,584
Petroleum Special Tax	43,135	0	0	0	0	43,135
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	41,802	0	0	772,034
Other State Revenues	0	0	0	0	0	15,150
Total State of Tennessee	\$ 2,884,412	\$ 0	\$ 41,802	\$ 0	\$ 0	7,606,756
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	29,382
Disaster Relief	8,933	0	0	0	0	8,933
Homeland Security Grants	0	0	0	0	0	19,431
Other Federal through State	0	0	1,108,207	0	0	1,143,301
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	0	0	0	9,412,489	0	9,439,669
Total Federal Government	\$ 8,933	\$ 0	\$ 1,108,207	\$ 9,412,489	\$ 0	10,640,716

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			
	Highway / Public Works	General Debt Service	General Capital Projects	Other General Government Capital Projects	Other Capital Projects	Total
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	38,205
Contracted Services	0	0	0	0	0	223,748
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	18,548
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>280,501</u>
Total	<u>\$ 3,057,723</u>	<u>\$ 8,540,883</u>	<u>\$ 1,167,524</u>	<u>\$ 9,422,701</u>	<u>\$ (36,407)</u>	<u>\$ 50,372,930</u>

Exhibit K-6

Hamblen County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Hamblen School Department
For the Year Ended June 30, 2022

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,510,681	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,510,681
Trustee's Collections - Prior Year	289,221	0	0	0	0	289,221
Trustee's Collections - Bankruptcy	842	0	0	0	0	842
Circuit Clerk/Clerk and Master Collections - Prior Years	141,468	0	0	0	0	141,468
Interest and Penalty	106,667	0	0	0	0	106,667
Payments in-Lieu-of Taxes - T.V.A.	1,038	0	0	0	0	1,038
Payments in-Lieu-of Taxes - Local Utilities	194,300	0	0	0	0	194,300
Payments in-Lieu-of Taxes - Other	36,618	0	0	0	0	36,618
<u>County Local Option Taxes</u>						
Local Option Sales Tax	18,642,278	0	0	0	0	18,642,278
Mixed Drink Tax	80,009	0	0	0	0	80,009
<u>Statutory Local Taxes</u>						
Bank Excise Tax	102,898	0	0	0	0	102,898
Total Local Taxes	\$ 31,106,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,106,020
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 130,195	\$ 0	\$ 0	\$ 0	\$ 0	\$ 130,195
Tuition - Other	273,633	0	0	0	0	273,633
Lunch Payments - Children	0	0	220,180	0	0	220,180
Lunch Payments - Adults	0	0	82,907	0	0	82,907
A la Carte Sales	0	0	97,798	0	0	97,798
Receipts from Individual Schools	186,185	0	0	0	0	186,185
Other Charges for Services	83,290	0	25,801	0	0	109,091
Total Charges for Current Services	\$ 673,303	\$ 0	\$ 426,686	\$ 0	\$ 0	\$ 1,099,989

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ (45,945)	\$ 0	\$ 18,702	\$ 0	\$ 0	\$ (27,243)
Lease/Rentals	1,100	0	0	0	0	1,100
Sale of Materials and Supplies	1,467	0	0	0	0	1,467
Miscellaneous Refunds	48,503	0	0	0	0	48,503
<u>Nonrecurring Items</u>						
Sale of Equipment	15,910	0	0	0	0	15,910
Damages Recovered from Individuals	464	0	0	0	0	464
Contributions and Gifts	313,279	0	0	0	0	313,279
<u>Other Local Revenues</u>						
Other Local Revenues	1,866	0	0	2,278,860	0	2,280,726
Total Other Local Revenues	\$ 336,644	\$ 0	\$ 18,702	\$ 2,278,860	\$ 0	\$ 2,634,206
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 509,562	\$ 0	\$ 0	\$ 0	\$ 0	\$ 509,562
<u>State Education Funds</u>						
Basic Education Program	58,130,281	0	0	0	0	58,130,281
Early Childhood Education	724,390	0	0	0	0	724,390
School Food Service	0	0	72,574	0	0	72,574
Other State Education Funds	806,999	0	0	0	0	806,999
Career Ladder Program	126,521	0	0	0	0	126,521
<u>Other State Revenues</u>						
Other State Grants	299,119	0	0	0	0	299,119
Safe Schools	194,761	0	0	0	0	194,761
Total State of Tennessee	\$ 60,791,633	\$ 0	\$ 72,574	\$ 0	\$ 0	\$ 60,864,207

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 5,748,936	\$ 0	\$ 0	\$ 5,748,936
USDA - Commodities	0	0	524,307	0	0	524,307
Breakfast	0	0	1,593,904	0	0	1,593,904
USDA - Other	0	0	226,270	0	0	226,270
Vocational Education - Basic Grants to States	0	184,232	0	0	0	184,232
Other Vocational	52,751	0	0	0	0	52,751
Title I Grants to Local Education Agencies	0	2,580,641	0	0	0	2,580,641
Special Education - Grants to States	102,402	2,474,100	0	0	0	2,576,502
Special Education Preschool Grants	0	75,046	0	0	0	75,046
English Language Acquisition Grants	0	168,935	0	0	0	168,935
Education for Homeless Children and Youth	0	59,248	0	0	0	59,248
Eisenhower Professional Development State Grants	0	353,114	0	0	0	353,114
COVID-19 Grant #1	0	435,107	0	0	0	435,107
COVID-19 Grant B	0	4,273,704	0	0	0	4,273,704
COVID-19 Grant D	0	136,115	0	0	0	136,115
COVID-19 Grant E	0	1,149,188	0	0	0	1,149,188
American Rescue Plan Act Grant #1	0	6,345,583	0	0	0	6,345,583
American Rescue Plan Act Grant #2	0	205,526	0	0	0	205,526
American Rescue Plan Act Grant #3	0	25,549	0	0	0	25,549
American Rescue Plan Act Grant #4	0	49,726	0	0	0	49,726
Other Federal through State	359,915	774,488	0	0	0	1,134,403
Total Federal Government	\$ 515,068	\$ 19,290,302	\$ 8,093,417	\$ 0	\$ 0	\$ 27,898,787

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>General</u>	<u>School</u>	<u>Central</u>	<u>Internal</u>	<u>Projects</u>	
	<u>Purpose</u>	<u>Federal</u>	<u>Cafeteria</u>	<u>School</u>	<u>Capital</u>	
	<u>School</u>	<u>Projects</u>			<u>Projects</u>	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	22,012,400	\$ 22,012,400
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	22,012,400	\$ 22,012,400
Total	\$ 93,422,668	\$ 19,290,302	\$ 8,611,379	\$ 2,278,860	22,012,400	\$ 145,615,609

Exhibit K-7

Hamblen County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2022

General Fund

General Government

County Commission

Part-time Personnel	\$	385	
Board and Committee Members Fees		71,400	
Social Security		24	
Pensions		2,352	
Life Insurance		353	
Medical Insurance		48,663	
Employer Medicare		901	
Audit Services		26,445	
Dues and Memberships		5,495	
Maintenance Agreements		1,500	
Pauper Burials		1,280	
Travel		825	
Other Contracted Services		150	
Office Supplies		93	
Other Charges		3,121	
Total County Commission			\$ 162,987

Board of Equalization

Board and Committee Members Fees	\$	1,665	
Total Board of Equalization			1,665

County Mayor/Executive

County Official/Administrative Officer	\$	109,777	
Assistant(s)		41,126	
Longevity Pay		225	
Social Security		8,840	
Pensions		10,579	
Life Insurance		50	
Medical Insurance		22,226	
Employer Medicare		2,067	
Communication		2,182	
Dues and Memberships		2,040	
Postal Charges		3,590	
Printing, Stationery, and Forms		236	
Rentals		6,284	
Travel		3,435	
Office Supplies		820	
Other Charges		20,902	
Total County Mayor/Executive			234,379

County Attorney

Other Salaries and Wages	\$	1,200	
Social Security		74	
Employer Medicare		18	
Legal Services		17,543	
Total County Attorney			18,835

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	83,300	
Assistant(s)		35,042	
Deputy(ies)		29,250	
Longevity Pay		825	
Overtime Pay		518	
Election Commission		11,600	
Election Workers		15,571	
Social Security		9,732	
Pensions		10,404	
Life Insurance		76	
Medical Insurance		23,355	
Employer Medicare		2,276	
Communication		321	
Contracts with Private Agencies		8,030	
Legal Notices, Recording, and Court Costs		5,427	
Maintenance Agreements		22,481	
Postal Charges		4,855	
Printing, Stationery, and Forms		1,622	
Rentals		1,221	
Travel		32	
Office Supplies		3,734	
Office Equipment		1,243	
Total Election Commission			\$ 270,915

Register of Deeds

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		137,808	
Part-time Personnel		24,294	
Longevity Pay		4,950	
Social Security		15,727	
Pensions		16,472	
Life Insurance		126	
Medical Insurance		32,876	
Employer Medicare		3,678	
Communication		13	
Dues and Memberships		1,123	
Postal Charges		594	
Office Supplies		8,841	
Data Processing Equipment		22,075	
Total Register of Deeds			361,132

Planning

County Official/Administrative Officer	\$	47,751	
Deputy(ies)		47,277	
Secretary(ies)		36,092	
Part-time Personnel		13,982	
Longevity Pay		2,400	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

Board and Committee Members Fees	\$	13,000	
Social Security		9,489	
Pensions		10,256	
Life Insurance		89	
Medical Insurance		30,898	
Employer Medicare		2,219	
Communication		2,018	
Contracts with Private Agencies		17,100	
Dues and Memberships		374	
Legal Services		3,369	
Legal Notices, Recording, and Court Costs		380	
Maintenance and Repair Services - Vehicles		300	
Postal Charges		467	
Rentals		958	
Gasoline		1,274	
Office Supplies		4,033	
Refunds		50	
In Service/Staff Development		2,344	
Total Planning			\$ 246,120

Codes Compliance

Deputy(ies)	\$	42,031	
Social Security		2,583	
Pensions		2,942	
Life Insurance		25	
Medical Insurance		6,251	
Employer Medicare		604	
Legal Services		3,499	
Uniforms		496	
Total Codes Compliance			58,431

Geographical Information Systems

Deputy(ies)	\$	41,339	
Longevity Pay		300	
Social Security		2,559	
Pensions		2,913	
Life Insurance		26	
Medical Insurance		5,730	
Employer Medicare		598	
Contracts with Government Agencies		34,678	
Travel		822	
Other Contracted Services		472	
Total Geographical Information Systems			89,437

Other Facilities

Supervisor/Director	\$	41,640	
Custodial Personnel		83,471	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Other Facilities (Cont.)

Maintenance Personnel	\$	74,558	
Part-time Personnel		19,675	
Longevity Pay		6,000	
Overtime Pay		9,068	
Social Security		13,681	
Pensions		14,992	
Life Insurance		151	
Medical Insurance		61,932	
Employer Medicare		3,200	
Communication		24,663	
Maintenance Agreements		37,712	
Maintenance and Repair Services - Buildings		44,980	
Maintenance and Repair Services - Equipment		1,392	
Maintenance and Repair Services - Vehicles		2,672	
Pest Control		4,135	
Other Contracted Services		609	
Custodial Supplies		23,773	
Electricity		306,826	
Gasoline		6,603	
Natural Gas		29,197	
Uniforms		3,649	
Maintenance Equipment		1,960	
Total Other Facilities			\$ 816,539

Preservation of Records

Supervisor/Director	\$	14,171	
Social Security		879	
Employer Medicare		205	
Postal Charges		8	
Rentals		1,118	
Office Supplies		4,006	
Total Preservation of Records			20,387

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	90,032	
Accountants/Bookkeepers		240,424	
Longevity Pay		2,775	
Social Security		19,346	
Pensions		23,326	
Life Insurance		176	
Medical Insurance		78,139	
Employer Medicare		4,524	
Advertising		1,983	
Contracts with Private Agencies		1,110	
Dues and Memberships		774	
Maintenance Agreements		14,420	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Printing, Stationery, and Forms	\$	1,480	
Travel		170	
Office Supplies		5,257	
In Service/Staff Development		823	
Total Accounting and Budgeting			\$ 484,759

Property Assessor's Office

County Official/Administrative Officer	\$	94,587	
Deputy(ies)		112,550	
Data Processing Personnel		42,009	
Longevity Pay		5,325	
Social Security		15,167	
Pensions		17,813	
Life Insurance		126	
Medical Insurance		39,580	
Employer Medicare		3,547	
Communication		47	
Contracts with Government Agencies		17,566	
Dues and Memberships		1,350	
Maintenance and Repair Services - Vehicles		1,457	
Postal Charges		2,199	
Printing, Stationery, and Forms		275	
Gasoline		3,168	
Office Supplies		1,808	
Data Processing Equipment		440	
Office Equipment		823	
Total Property Assessor's Office			359,837

Reappraisal Program

Deputy(ies)	\$	60,362	
Longevity Pay		1,650	
Social Security		3,500	
Pensions		4,341	
Life Insurance		49	
Medical Insurance		20,827	
Employer Medicare		818	
Contracts with Government Agencies		6,027	
Contracts with Private Agencies		66,995	
Legal Services		78	
Postal Charges		1,922	
Rentals		726	
Other Contracted Services		373	
Office Supplies		581	
Office Equipment		449	
Total Reappraisal Program			168,698

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		139,323	
Longevity Pay		900	
Social Security		13,953	
Pensions		15,565	
Life Insurance		126	
Medical Insurance		40,980	
Employer Medicare		3,263	
Communication		1	
Dues and Memberships		888	
Legal Notices, Recording, and Court Costs		715	
Maintenance Agreements		15,199	
Postal Charges		10,977	
Printing, Stationery, and Forms		11,177	
Rentals		1,027	
Travel		679	
Office Supplies		2,903	
In Service/Staff Development		224	
Office Equipment		3,552	
Total County Trustee's Office			\$ 354,007

County Clerk's Office

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		328,628	
Longevity Pay		10,275	
Social Security		25,832	
Pensions		30,045	
Life Insurance		279	
Medical Insurance		74,222	
Employer Medicare		6,041	
Communication		1,864	
Dues and Memberships		1,428	
Maintenance Agreements		20,788	
Postal Charges		38,194	
Printing, Stationery, and Forms		2,422	
Rentals		787	
Travel		2,769	
Other Contracted Services		165	
Office Supplies		6,874	
Data Processing Equipment		7,200	
Total County Clerk's Office			650,368

Data Processing

Supervisor/Director	\$	43,778
Longevity Pay		1,200
Social Security		2,480
Pensions		3,149

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Life Insurance	\$	25	
Medical Insurance		16,091	
Employer Medicare		580	
Communication		310	
Contracts with Private Agencies		16,760	
Data Processing Services		32,135	
Maintenance Agreements		9,245	
Travel		17	
Data Processing Equipment		22,096	
Total Data Processing			\$ 147,866

Other Finance

Deputy(ies)	\$	190,216	
Longevity Pay		6,375	
Social Security		11,636	
Pensions		13,760	
Life Insurance		148	
Medical Insurance		49,256	
Employer Medicare		2,721	
Communication		3,402	
Data Processing Services		1,539	
Lease Payments		27,534	
Maintenance and Repair Services - Buildings		351	
Rentals		865	
Electricity		9,595	
Office Supplies		3,235	
Total Other Finance			320,633

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		414,907	
Part-time Personnel		58,428	
Longevity Pay		10,500	
Overtime Pay		871	
Other Salaries and Wages		8,689	
Jury and Witness Expense		10,694	
Social Security		34,798	
Pensions		36,556	
Life Insurance		353	
Medical Insurance		122,577	
Employer Medicare		8,138	
Communication		1,319	
Dues and Memberships		1,048	
Legal Notices, Recording, and Court Costs		374	
Maintenance Agreements		48,856	
Postal Charges		5,240	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Printing, Stationery, and Forms	\$	7,581	
Rentals		5,294	
Travel		56	
Office Supplies		7,847	
Data Processing Equipment		17,595	
Total Circuit Court			\$ 894,276

General Sessions Court

Judge(s)	\$	352,069	
Other Salaries and Wages		61,654	
Social Security		21,567	
Pensions		28,122	
Life Insurance		87	
Medical Insurance		36,156	
Employer Medicare		5,815	
Communication		104	
Dues and Memberships		2,273	
Rentals		698	
Travel		826	
Other Contracted Services		3,254	
Office Supplies		1,935	
In Service/Staff Development		858	
Total General Sessions Court			515,418

Drug Court

Supervisor/Director	\$	39,862	
Longevity Pay		750	
Social Security		2,453	
Pensions		2,843	
Life Insurance		25	
Medical Insurance		7,750	
Employer Medicare		574	
Communication		2,762	
Dues and Memberships		430	
Evaluation and Testing		8,519	
Rentals		1,131	
Travel		1,525	
Office Supplies		4,369	
Other Supplies and Materials		2,437	
In Service/Staff Development		3,135	
Total Drug Court			78,565

Chancery Court

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		139,788	
Part-time Personnel		9,236	
Longevity Pay		5,775	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Social Security	\$	14,440	
Pensions		16,668	
Life Insurance		126	
Medical Insurance		51,378	
Employer Medicare		3,377	
Communication		322	
Dues and Memberships		1,033	
Maintenance Agreements		21,778	
Postal Charges		14,991	
Printing, Stationery, and Forms		481	
Rentals		1,583	
Travel		960	
Office Supplies		5,080	
In Service/Staff Development		795	
Data Processing Equipment		2,484	
Total Chancery Court			\$ 382,850

Juvenile Court

Assistant(s)	\$	24,833	
Supervisor/Director		55,174	
Probation Officer(s)		34,958	
Social Workers		22,750	
Educational Assistants		32,334	
Attendants		14,078	
Longevity Pay		1,875	
Social Security		10,942	
Pensions		12,035	
Life Insurance		110	
Medical Insurance		40,300	
Employer Medicare		2,559	
Communication		1,004	
Contracts with Government Agencies		25,870	
Evaluation and Testing		2,426	
Maintenance and Repair Services - Vehicles		302	
Postal Charges		242	
Rentals		1,177	
Travel		1,084	
Other Contracted Services		8,625	
Food Supplies		669	
Gasoline		698	
Office Supplies		10,539	
In Service/Staff Development		1,400	
Office Equipment		910	
Total Juvenile Court			306,894

Courtroom Security

Deputy(ies)	\$	241,384	
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(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Courtroom Security (Cont.)

Lieutenant(s)	\$	44,103	
Sergeant(s)		40,220	
Salary Supplements		6,300	
Part-time Personnel		119,573	
Longevity Pay		3,450	
Overtime Pay		52,360	
Social Security		30,299	
Pensions		39,585	
Life Insurance		242	
Medical Insurance		82,212	
Employer Medicare		7,086	
Evaluation and Testing		774	
Travel		3,932	
Uniforms		3,623	
In Service/Staff Development		8,166	
Law Enforcement Equipment		8,988	
Total Courtroom Security			\$ 692,297

Victim Assistance Programs

Supervisor/Director	\$	38,301	
Deputy(ies)		22,890	
Longevity Pay		825	
Social Security		3,711	
Pensions		4,095	
Life Insurance		36	
Medical Insurance		10,727	
Employer Medicare		868	
Communication		28	
Total Victim Assistance Programs			81,481

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	104,550	
Supervisor/Director		64,577	
Deputy(ies)		703,561	
Captain(s)		53,030	
Lieutenant(s)		298,921	
Sergeant(s)		389,451	
Salary Supplements		30,300	
Clerical Personnel		171,251	
Longevity Pay		41,700	
Overtime Pay		125,311	
Social Security		116,492	
Pensions		179,151	
Life Insurance		1,032	
Medical Insurance		408,308	
Employer Medicare		27,244	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Communication	\$	50,077	
Contracts with Private Agencies		1,445	
Dues and Memberships		2,910	
Maintenance Agreements		83,816	
Maintenance and Repair Services - Equipment		3,647	
Maintenance and Repair Services - Vehicles		51,013	
Postal Charges		1,905	
Printing, Stationery, and Forms		3,269	
Rentals		3,512	
Towing Services		2,415	
Travel		19,245	
Other Contracted Services		4,156	
Gasoline		151,650	
Law Enforcement Supplies		9,857	
Lubricants		3,772	
Office Supplies		9,121	
Tires and Tubes		8,473	
Uniforms		1,302	
Other Supplies and Materials		7,147	
In Service/Staff Development		16,420	
Other Charges		22,876	
Law Enforcement Equipment		99,869	
Total Sheriff's Department			\$ 3,272,776

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$	1,950	
Maintenance Agreements		425	
Office Supplies		414	
In Service/Staff Development		555	
Total Administration of the Sexual Offender Registry			3,344

Jail

Captain(s)	\$	51,834	
Lieutenant(s)		76,583	
Sergeant(s)		200,540	
Guards		1,204,845	
Cafeteria Personnel		92,617	
Longevity Pay		16,725	
Overtime Pay		103,708	
Social Security		102,630	
Pensions		121,681	
Life Insurance		1,129	
Medical Insurance		432,645	
Employer Medicare		24,002	
Evaluation and Testing		1,250	
Maintenance Agreements		49,678	
Maintenance and Repair Services - Buildings		63,548	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Maintenance and Repair Services - Equipment	\$	19,401	
Medical and Dental Services		927,022	
Rentals		2,040	
Travel		5,080	
Custodial Supplies		76,690	
Food Supplies		289,108	
Office Supplies		8,727	
Prisoners Clothing		14,716	
Uniforms		5,783	
In Service/Staff Development		3,073	
Other Charges		13,835	
Food Service Equipment		7,133	
Law Enforcement Equipment		17,247	
Other Equipment		3,432	
Total Jail			\$ 3,936,702

Workhouse

Guards	\$	64,154	
Longevity Pay		1,425	
Social Security		3,884	
Pensions		4,591	
Life Insurance		50	
Medical Insurance		17,364	
Employer Medicare		908	
Total Workhouse			92,376

Work Release Program

Supervisor/Director	\$	46,020	
Laborers		48,601	
Secretary(ies)		34,275	
Longevity Pay		5,550	
Other Salaries and Wages		1,056	
Social Security		7,938	
Pensions		9,485	
Life Insurance		101	
Medical Insurance		28,593	
Employer Medicare		1,856	
Communication		1,071	
Maintenance and Repair Services - Vehicles		2,498	
Postal Charges		22	
Printing, Stationery, and Forms		300	
Other Contracted Services		100,847	
Gasoline		2,743	
Office Supplies		451	
Other Supplies and Materials		25	
In Service/Staff Development		471	
Total Work Release Program			291,903

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control

Contributions	\$ 220,000	
Total Fire Prevention and Control		\$ 220,000

Civil Defense

Supervisor/Director	\$ 51,893	
Part-time Personnel	16,503	
Longevity Pay	750	
Social Security	4,199	
Pensions	4,664	
Life Insurance	38	
Medical Insurance	11,344	
Employer Medicare	982	
Communication	672	
Evaluation and Testing	35	
Maintenance and Repair Services - Vehicles	6,808	
Postal Charges	34	
Travel	364	
Gasoline	4,442	
Office Supplies	1,719	
Uniforms	307	
Liability Insurance	2,690	
Other Charges	5,016	
Communication Equipment	659	
Total Civil Defense		113,119

Other Emergency Management

Contributions	\$ 192,001	
Total Other Emergency Management		192,001

Inspection and Regulation

Board and Committee Members Fees	\$ 4,850	
Social Security	301	
Employer Medicare	70	
Evaluation and Testing	766	
Total Inspection and Regulation		5,987

County Coroner/Medical Examiner

Communication	\$ 3,420	
Contracts with Private Agencies	106,780	
Other Contracted Services	58,745	
Office Supplies	1,616	
Total County Coroner/Medical Examiner		170,561

Other Public Safety

Other Equipment	\$ 17,950	
Total Other Public Safety		17,950

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Clerical Personnel	\$	407,562	
Longevity Pay		10,500	
Social Security		24,081	
Pensions		29,192	
Life Insurance		326	
Medical Insurance		110,623	
Employer Medicare		5,632	
Contracts with Government Agencies		55,076	
Travel		1,754	
Other Supplies and Materials		7,582	
Total Local Health Center			\$ 652,328

Rabies and Animal Control

Supervisor/Director	\$	39,140	
Deputy(ies)		26,519	
Overtime Pay		7,583	
Social Security		4,539	
Pensions		5,127	
Life Insurance		48	
Medical Insurance		7,032	
Employer Medicare		1,062	
Communication		1,768	
Contracts with Private Agencies		240,000	
Maintenance and Repair Services - Vehicles		987	
Gasoline		6,822	
Office Supplies		86	
Tires and Tubes		737	
Uniforms		1,025	
Other Supplies and Materials		1,688	
Total Rabies and Animal Control			344,163

Nursing Home

Contributions	\$	5,000	
Total Nursing Home			5,000

Alcohol and Drug Programs

Contributions	\$	5,500	
Total Alcohol and Drug Programs			5,500

Appropriation to State

Contributions	\$	115,233	
Total Appropriation to State			115,233

Other Local Welfare Services

Contributions	\$	26,190	
Total Other Local Welfare Services			26,190

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management

Contracts with Government Agencies	\$ 18,997	
Total Sanitation Management		\$ 18,997

Other Public Health and Welfare

Contracts with Government Agencies	\$ 82,260	
Total Other Public Health and Welfare		82,260

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$ 11,600	
Total Adult Activities		11,600

Senior Citizens Assistance

Contributions	\$ 6,500	
Total Senior Citizens Assistance		6,500

Libraries

Contributions	\$ 301,950	
Total Libraries		301,950

Parks and Fair Boards

Supervisor/Director	\$ 45,980	
Maintenance Personnel	31,732	
Part-time Personnel	11,725	
Longevity Pay	1,575	
Overtime Pay	42,361	
Social Security	8,244	
Pensions	8,515	
Life Insurance	50	
Medical Insurance	11,460	
Employer Medicare	1,928	
Communication	2,167	
Maintenance and Repair Services - Equipment	3,946	
Maintenance and Repair Services - Vehicles	1,046	
Custodial Supplies	7,063	
Diesel Fuel	2,859	
Electricity	51,285	
Gasoline	4,252	
Uniforms	899	
Water and Sewer	24,948	
Other Supplies and Materials	1,244	
Liability Insurance	6,663	
Refunds	1,005	
Workers' Compensation Insurance	2,427	
Other Charges	3,208	
Other Construction	17,283	
Total Parks and Fair Boards		293,865

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational

Contributions	\$ 351,000	
Total Other Social, Cultural, and Recreational		\$ 351,000

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$ 170,628	
Communication	53	
Travel	1,343	
Office Supplies	1,150	
Total Agricultural Extension Service		173,174

Forest Service

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

Soil Conservation

Secretary(ies)	\$ 30,187	
Longevity Pay	1,650	
Social Security	1,712	
Pensions	2,229	
Life Insurance	25	
Medical Insurance	16,091	
Employer Medicare	400	
Total Soil Conservation		52,294

Storm Water Management

Contracts with Government Agencies	\$ 3,460	
Contracts with Other Public Agencies	4,500	
Engineering Services	11,550	
Other Contracted Services	872	
Instructional Supplies and Materials	958	
Total Storm Water Management		21,340

Other Operations

Tourism

Contributions	\$ 22,500	
Other Contracted Services	32,170	
Total Tourism		54,670

Industrial Development

Contributions	\$ 91,000	
Contracts for Development Costs	494,099	
Total Industrial Development		585,099

Veterans' Services

County Official/Administrative Officer	\$ 26,265	
Social Security	1,766	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Pensions	\$	1,839	
Life Insurance		25	
Employer Medicare		381	
Communication		36	
Maintenance Agreements		449	
Postal Charges		111	
Travel		449	
Office Supplies		201	
Total Veterans' Services			\$ 31,522

Employee Benefits

Handling Charges and Administrative Costs	\$	1,180	
Unemployment Compensation		1,530	
Other Fringe Benefits		1,512	
Contracts with Private Agencies		56	
Other Contracted Services		39	
Liability Insurance		434,644	
Workers' Compensation Insurance		111,848	
Liability Claims		26,570	
Total Employee Benefits			577,379

Miscellaneous

Contracts with Other Public Agencies	\$	15,404	
Trustee's Commission		267,991	
Total Miscellaneous			283,395

Operation of Non-Instructional Services

Community Services

Contributions	\$	5,000	
Total Community Services			5,000

Capital Projects

General Administration Projects

Administration Equipment	\$	16,439	
Building Improvements		7,436	
Communication Equipment		3,804	
Heating and Air Conditioning Equipment		22,444	
Land		3,043	
Motor Vehicles		23,500	
Total General Administration Projects			76,666

Public Safety Projects

Data Processing Equipment	\$	19,259	
Motor Vehicles		320,776	
Other Construction		33,667	
Total Public Safety Projects			373,702

Total General Fund \$ 20,485,322

(Continued)

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	61,660	
Mechanic(s)		30,465	
Equipment Operators - Heavy		165,255	
Truck Drivers		288,380	
Laborers		185,160	
Longevity Pay		12,000	
Overtime Pay		8,731	
Social Security		44,135	
Pensions		52,548	
Life Insurance		532	
Medical Insurance		192,054	
Employer Medicare		10,322	
Other Fringe Benefits		450	
Advertising		3,519	
Contracts with Private Agencies		56	
Maintenance and Repair Services - Equipment		157,547	
Towing Services		1,955	
Disposal Fees		881,147	
Diesel Fuel		195,971	
Gasoline		6,091	
Lubricants		9,028	
Office Supplies		409	
Small Tools		4,627	
Tires and Tubes		22,783	
Uniforms		8,679	
Other Supplies and Materials		14,049	
Liability Insurance		36,452	
Trustee's Commission		44,852	
Workers' Compensation Insurance		42,408	
Liability Claims		380	
Heating and Air Conditioning Equipment		949	
Motor Vehicles		141,163	
Solid Waste Equipment		67,325	
Total Sanitation Management			\$ 2,691,082

Total Solid Waste/Sanitation Fund \$ 2,691,082

Drug Control Fund

Public Safety

Drug Enforcement

Salary Supplements	\$	6,000
Social Security		372
Pensions		630
Employer Medicare		87
Rentals		12,780
Travel		12,721
Veterinary Services		240

(Continued)

Exhibit K-7

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Animal Food and Supplies	\$	1,838	
Electricity		9,803	
Law Enforcement Supplies		4,042	
Trustee's Commission		554	
In Service/Staff Development		3,800	
Law Enforcement Equipment		26,714	
Total Drug Enforcement			<u>\$ 79,581</u>

Total Drug Control Fund \$ 79,581

Other Special Revenue Fund

Capital Projects

Public Safety Projects

Architects	\$	5,000	
Total Public Safety Projects			<u>\$ 5,000</u>

Total Other Special Revenue Fund 5,000

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	54,365	
Constitutional Officers' Operating Expenses		782	
Total Chancery Court			<u>\$ 55,147</u>

Total Constitutional Officers - Fees Fund 55,147

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	101,811	
Assistant(s)		41,034	
Accountants/Bookkeepers		40,385	
Longevity Pay		2,175	
Board and Committee Members Fees		18,200	
Social Security		12,244	
Pensions		10,339	
Life Insurance		80	
Medical Insurance		23,615	
Employer Medicare		2,864	
Advertising		1,211	
Communication		3,809	
Data Processing Services		810	
Dues and Memberships		3,609	
Legal Services		255	
Postal Charges		174	
Other Contracted Services		440	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Electricity	\$	34,545	
Office Supplies		958	
Propane Gas		12,000	
Water and Sewer		1,317	
Liability Insurance		43,383	
Trustee's Commission		27,955	
Vehicle and Equipment Insurance		28,039	
Other Charges		14,189	
Total Administration			\$ 425,441

Highway and Bridge Maintenance

Supervisor/Director	\$	55,188	
Equipment Operators		274,118	
Truck Drivers		330,803	
Laborers		121,726	
Longevity Pay		15,975	
Overtime Pay		28,161	
Social Security		48,100	
Pensions		57,818	
Life Insurance		543	
Medical Insurance		229,650	
Employer Medicare		11,249	
Contracts with Private Agencies		13,535	
Rentals		6,587	
Asphalt - Hot Mix		224,924	
Concrete		1,465	
Crushed Stone		93,906	
General Construction Materials		2,317	
Pipe - Metal		11,167	
Road Signs		11,177	
Salt		19,603	
Uniforms		9,504	
Fencing		30,794	
Total Highway and Bridge Maintenance			1,598,310

Operation and Maintenance of Equipment

Supervisor/Director	\$	10,672	
Mechanic(s)		47,663	
Longevity Pay		600	
Overtime Pay		1,608	
Social Security		3,435	
Pensions		4,238	
Life Insurance		32	
Medical Insurance		10,756	
Employer Medicare		803	
Diesel Fuel		77,846	
Equipment Parts - Heavy		131,769	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Garage Supplies	\$	3,968	
Gasoline		31,011	
Lubricants		6,283	
Small Tools		4,601	
Tires and Tubes		40,976	
Other Supplies and Materials		2,809	
Total Operation and Maintenance of Equipment			\$ 379,070

Employee Benefits

Workers' Compensation Insurance	\$	14,265	
Liability Claims		414	
Total Employee Benefits			14,679

Capital Outlay

Highway Equipment	\$	147,552	
Motor Vehicles		174,455	
State Aid Projects		240,934	
Other Construction		343,566	
Total Capital Outlay			906,507

Total Highway/Public Works Fund \$ 3,324,007

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	47,987	
Principal on Other Loans		443,588	
Total General Government			\$ 491,575

Highways and Streets

Principal on Bonds	\$	334,884	
Total Highways and Streets			334,884

Education

Principal on Bonds	\$	362,129	
Principal on Other Loans		1,930,266	
Total Education			2,292,395

Interest on Debt

General Government

Interest on Bonds	\$	418,387	
Interest on Other Loans		76,020	
Total General Government			494,407

Highways and Streets

Interest on Bonds	\$	9,519	
Total Highways and Streets			9,519

(Continued)

Exhibit K-7

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 338,466	
Interest on Other Loans	401,900	
Total Education	<u>740,366</u>	\$ 740,366

Other Debt Service

General Government

Trustee's Commission	\$ 147,875	
Total General Government		147,875

Education

Other Debt Service	\$ 12,486	
Total Education		<u>12,486</u>

Total General Debt Service Fund \$ 4,523,507

General Capital Projects Fund

Capital Projects

Administration of Justice Projects

Communication Equipment	\$ 44,047	
Total Administration of Justice Projects		\$ 44,047

Public Safety Projects

Building Improvements	\$ 15,000	
Total Public Safety Projects		15,000

Public Health and Welfare Projects

Contracts with Other Public Agencies	\$ 6,522	
Other Equipment	437,189	
Other Construction	442,126	
Total Public Health and Welfare Projects		885,837

Education Capital Projects

Engineering Services	\$ 16,202	
Other Construction	226,708	
Total Education Capital Projects		<u>242,910</u>

Total General Capital Projects Fund 1,187,794

Other Capital Projects #1 Fund

Capital Projects

Public Safety Projects

Communication Equipment	\$ 1,912,489	
Total Public Safety Projects		<u>\$ 1,912,489</u>

Total Other Capital Projects #1 Fund 1,912,489

(Continued)

Exhibit K-7

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

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Architects	\$ 3,065,681	
Permits	2,500	
Other Contracted Services	257,102	
Underwriter's Discount	870,863	
Other Debt Issuance Charges	597,752	
Building Construction	21,188,481	
Land	1,327	
Site Development	500	
Total Public Safety Projects		\$ 25,984,206

Education Capital Projects

Contributions	\$ 22,012,400	
Total Education Capital Projects		<u>22,012,400</u>

Total Other Capital Projects Fund \$ 47,996,606

Total Governmental Funds - Primary Government \$ 82,260,535

Exhibit K-8

Hamblen County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Hamblen County School Department
For the Year Ended June 30, 2022

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 30,238,091	
Career Ladder Program	80,590	
Salary Supplements	561,991	
Educational Assistants	1,461,472	
Other Salaries and Wages	24,933	
Certified Substitute Teachers	503,529	
Non-certified Substitute Teachers	18,139	
Social Security	1,895,864	
Pensions	2,878,436	
Life Insurance	29,710	
Medical Insurance	5,218,868	
Unemployment Compensation	11,357	
Employer Medicare	455,170	
Other Fringe Benefits	598,369	
Other Contracted Services	109,805	
Instructional Supplies and Materials	551,842	
Textbooks - Electronic	298,785	
Textbooks - Bound	392,396	
Other Supplies and Materials	65,004	
Other Charges	97,517	
Regular Instruction Equipment	970,810	
Total Regular Instruction Program		\$ 46,462,678

Special Education Program

Teachers	\$ 3,876,483	
Career Ladder Program	6,000	
Educational Assistants	722,759	
Speech Pathologist	538,952	
Certified Substitute Teachers	53,500	
Non-certified Substitute Teachers	10,690	
Social Security	301,678	
Pensions	477,709	
Life Insurance	5,594	
Medical Insurance	916,014	
Unemployment Compensation	2,175	
Employer Medicare	71,685	
Instructional Supplies and Materials	53,998	
Special Education Equipment	35,234	
Total Special Education Program		7,072,471

Career and Technical Education Program

Teachers	\$ 2,573,734
Career Ladder Program	6,000
Certified Substitute Teachers	58,812
Social Security	153,595
Pensions	238,701

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Life Insurance	\$	2,265	
Medical Insurance		407,962	
Unemployment Compensation		912	
Employer Medicare		36,303	
Instructional Supplies and Materials		62,436	
Other Supplies and Materials		77,516	
Vocational Instruction Equipment		13,242	
Total Career and Technical Education Program			\$ 3,631,478

Student Body Education Program

Other Contracted Services	\$	68,036	
Other Supplies and Materials		90,000	
Other Charges		34,881	
Total Student Body Education Program			192,917

Support Services

Attendance

Travel	\$	2,605	
Total Attendance			2,605

Health Services

Supervisor/Director	\$	57,259	
Medical Personnel		523,456	
Other Salaries and Wages		24,714	
Social Security		34,278	
Pensions		52,048	
Life Insurance		857	
Medical Insurance		158,113	
Unemployment Compensation		336	
Employer Medicare		8,017	
Travel		1,376	
Drugs and Medical Supplies		5,045	
Other Supplies and Materials		7,868	
In Service/Staff Development		100	
Total Health Services			873,467

Other Student Support

Career Ladder Program	\$	500	
Guidance Personnel		1,304,835	
School Resource Officer		5,225	
Other Salaries and Wages		7,852	
Social Security		70,485	
Pensions		117,008	
Life Insurance		1,075	
Medical Insurance		199,255	
Unemployment Compensation		427	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Employer Medicare	\$	17,900	
Evaluation and Testing		35,011	
Total Other Student Support			\$ 1,759,573

Regular Instruction Program

Supervisor/Director	\$	228,085	
Librarians		1,139,418	
Secretary(ies)		190,879	
Other Salaries and Wages		172,905	
In-service Training		57,653	
Social Security		99,633	
Pensions		154,903	
Life Insurance		1,448	
Medical Insurance		263,244	
Unemployment Compensation		577	
Employer Medicare		24,138	
Travel		17,637	
Other Contracted Services		93,751	
Library Books/Media		24,533	
Other Supplies and Materials		17,589	
In Service/Staff Development		70,673	
Other Charges		64,762	
Other Equipment		132,428	
Total Regular Instruction Program			2,754,256

Special Education Program

Supervisor/Director	\$	64,631	
Psychological Personnel		239,903	
Medical Personnel		50,880	
Secretary(ies)		74,804	
Clerical Personnel		27,246	
Other Salaries and Wages		116,456	
Social Security		34,152	
Pensions		46,226	
Life Insurance		523	
Medical Insurance		93,942	
Unemployment Compensation		205	
Employer Medicare		8,081	
Maintenance and Repair Services - Equipment		96	
Travel		10,031	
Other Contracted Services		259,631	
Other Supplies and Materials		4,208	
In Service/Staff Development		6,555	
Total Special Education Program			1,037,570

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	87,100	
Secretary(ies)		38,222	
Other Salaries and Wages		56,536	
Social Security		10,084	
Pensions		17,470	
Life Insurance		139	
Medical Insurance		28,943	
Unemployment Compensation		57	
Employer Medicare		2,358	
Travel		6,392	
Total Career and Technical Education Program			\$ 247,301

Technology

Supervisor/Director	\$	87,991	
Computer Programmer(s)		58,281	
Secretary(ies)		37,675	
Other Salaries and Wages		560,609	
Social Security		43,525	
Pensions		52,118	
Life Insurance		697	
Medical Insurance		120,695	
Unemployment Compensation		266	
Employer Medicare		10,179	
Communication		69,776	
Consultants		3,038	
Internet Connectivity		158,922	
Travel		4,109	
Office Supplies		15,522	
Uniforms		7,240	
Cabling		4,921	
Software		359,023	
In Service/Staff Development		2,000	
Data Processing Equipment		181,982	
Total Technology			1,778,569

Other Programs

On-behalf Payments to OPEB	\$	509,562	
Total Other Programs			509,562

Board of Education

Board and Committee Members Fees	\$	37,200	
Social Security		2,306	
Pensions		1,932	
Life Insurance		269	
Medical Insurance		18,592	
Employer Medicare		539	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Audit Services	\$	34,000	
Dues and Memberships		13,260	
Legal Services		15,166	
Travel		10,543	
Liability Insurance		238,419	
Premiums on Corporate Surety Bonds		1,739	
Trustee's Commission		516,860	
Workers' Compensation Insurance		329,088	
Other Charges		51,733	
Total Board of Education			\$ 1,271,646

Director of Schools

County Official/Administrative Officer	\$	156,621	
Assistant(s)		223,787	
Career Ladder Program		1,000	
Secretary(ies)		97,797	
Social Security		28,721	
Pensions		53,048	
Life Insurance		949	
Medical Insurance		33,970	
Unemployment Compensation		95	
Employer Medicare		7,427	
Communication		13,269	
Postal Charges		139	
Travel		15,067	
Other Contracted Services		8,230	
Office Supplies		12,874	
Other Charges		7,780	
Total Director of Schools			660,774

Office of the Principal

Principals	\$	1,666,425	
Career Ladder Program		11,396	
Assistant Principals		1,250,229	
Secretary(ies)		862,935	
Social Security		224,383	
Pensions		361,922	
Life Insurance		3,138	
Medical Insurance		545,023	
Unemployment Compensation		1,215	
Employer Medicare		52,492	
Communication		160,071	
Total Office of the Principal			5,139,229

Fiscal Services

Supervisor/Director	\$	96,593	
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(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Accountants/Bookkeepers	\$	181,933	
Social Security		15,649	
Pensions		18,119	
Life Insurance		200	
Medical Insurance		32,115	
Unemployment Compensation		105	
Employer Medicare		3,944	
Maintenance and Repair Services - Equipment		573	
Travel		4,943	
Other Contracted Services		13,036	
Data Processing Supplies		3,669	
Office Supplies		4,482	
Administration Equipment		227,730	
Total Fiscal Services			\$ 603,091

Operation of Plant

Custodial Personnel	\$	1,968,655	
Other Salaries and Wages		27,986	
Social Security		116,661	
Pensions		126,402	
Life Insurance		2,713	
Medical Insurance		453,890	
Unemployment Compensation		1,140	
Employer Medicare		28,021	
Other Contracted Services		243,139	
Custodial Supplies		234,511	
Electricity		2,052,154	
Natural Gas		285,539	
Water and Sewer		426,719	
Other Supplies and Materials		16,332	
Other Charges		2,443	
Plant Operation Equipment		24,388	
Total Operation of Plant			6,010,693

Maintenance of Plant

Supervisor/Director	\$	63,256	
Maintenance Personnel		697,425	
Social Security		44,872	
Pensions		53,148	
Life Insurance		878	
Medical Insurance		157,207	
Unemployment Compensation		342	
Employer Medicare		10,494	
Maintenance and Repair Services - Buildings		342,687	
Maintenance and Repair Services - Equipment		85,037	
Travel		2,605	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Equipment and Machinery Parts	\$	89,943	
Uniforms		10,471	
Other Charges		969	
Maintenance Equipment		25,769	
Total Maintenance of Plant			\$ 1,585,103

Transportation

Supervisor/Director	\$	62,029	
Mechanic(s)		215,573	
Bus Drivers		1,198,104	
Clerical Personnel		41,159	
Social Security		84,986	
Pensions		111,059	
Life Insurance		2,329	
Medical Insurance		374,025	
Unemployment Compensation		1,196	
Employer Medicare		20,325	
Contracts with Parents		214	
Maintenance and Repair Services - Vehicles		16,599	
Medical and Dental Services		7,276	
Travel		93	
Diesel Fuel		407,528	
Garage Supplies		3,070	
Gasoline		50,000	
Lubricants		17,991	
Tires and Tubes		49,905	
Uniforms		3,668	
Vehicle Parts		189,856	
Other Supplies and Materials		438	
Vehicle and Equipment Insurance		145,569	
Other Charges		47,592	
Transportation Equipment		468,668	
Total Transportation			3,519,252

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	50,212	
Other Salaries and Wages		351,149	
Social Security		21,088	
Pensions		6,436	
Life Insurance		50	
Medical Insurance		7,746	
Unemployment Compensation		494	
Employer Medicare		4,932	
Other Supplies and Materials		19,483	
Other Equipment		6,775	
Total Community Services			468,365

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Teachers	\$ 614,524	
Educational Assistants	370,172	
Certified Substitute Teachers	7,355	
Non-certified Substitute Teachers	8,340	
Social Security	55,049	
Pensions	57,786	
Life Insurance	605	
Medical Insurance	115,718	
Unemployment Compensation	508	
Employer Medicare	13,811	
Instructional Supplies and Materials	36,364	
Other Supplies and Materials	10,000	
In Service/Staff Development	2,739	
Other Charges	4,323	
Total Early Childhood Education		\$ 1,297,294

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 2,481,512	
Total Regular Capital Outlay		2,481,512

Other Debt Service

Education

Other Debt Service	\$ 500,000	
Total Education		500,000

Total General Purpose School Fund \$ 89,859,406

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 1,469,530	
Educational Assistants	935,774	
Other Salaries and Wages	758,344	
Certified Substitute Teachers	16,705	
Non-certified Substitute Teachers	2,145	
Social Security	177,131	
Pensions	233,462	
Life Insurance	2,443	
Medical Insurance	377,596	
Unemployment Compensation	912	
Employer Medicare	43,395	
Instructional Supplies and Materials	566,340	
Other Supplies and Materials	8,215	
Regular Instruction Equipment	2,186,154	
Total Regular Instruction Program		\$ 6,778,146

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	21,875	
Educational Assistants		1,654,387	
Speech Pathologist		1,800	
Other Salaries and Wages		130,875	
Non-certified Substitute Teachers		25,680	
Social Security		106,525	
Pensions		118,365	
Life Insurance		3,246	
Medical Insurance		532,915	
Unemployment Compensation		1,320	
Employer Medicare		25,036	
Instructional Supplies and Materials		16,831	
Textbooks - Electronic		2,856	
Special Education Equipment		71,397	
Total Special Education Program			\$ 2,713,108

Career and Technical Education Program

Teachers	\$	133,455	
Other Salaries and Wages		50,002	
Social Security		10,926	
Pensions		15,888	
Life Insurance		113	
Medical Insurance		20,743	
Employer Medicare		2,575	
Instructional Supplies and Materials		73,481	
Other Supplies and Materials		12,000	
Vocational Instruction Equipment		1,578,682	
Total Career and Technical Education Program			1,897,865

Support Services

Health Services

Social Workers	\$	79,631	
Medical Personnel		147,555	
Other Salaries and Wages		25,000	
Social Security		15,124	
Pensions		18,090	
Life Insurance		294	
Medical Insurance		52,018	
Unemployment Compensation		38	
Employer Medicare		3,537	
Contracts with Private Agencies		11,310	
Drugs and Medical Supplies		12,051	
Other Supplies and Materials		36,398	
In Service/Staff Development		240	
Total Health Services			401,286

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$	109,587	
Social Workers		58,242	
Other Salaries and Wages		138,928	
Social Security		22,257	
Pensions		30,964	
Life Insurance		278	
Medical Insurance		49,556	
Unemployment Compensation		15	
Employer Medicare		5,213	
Travel		9,956	
Other Supplies and Materials		70,916	
In Service/Staff Development		27,194	
Total Other Student Support			\$ 523,106

Regular Instruction Program

Supervisor/Director	\$	152,297	
Educational Assistants		8,167	
Other Salaries and Wages		689,465	
Certified Substitute Teachers		3,197	
Non-certified Substitute Teachers		1,226	
Social Security		48,688	
Pensions		77,602	
Life Insurance		598	
Medical Insurance		111,996	
Unemployment Compensation		213	
Employer Medicare		11,902	
Contracts with Private Agencies		28,944	
Travel		4,271	
Other Contracted Services		369,484	
Other Supplies and Materials		22,810	
In Service/Staff Development		148,578	
Other Charges		598	
Other Equipment		93,694	
Total Regular Instruction Program			1,773,730

Special Education Program

Other Salaries and Wages	\$	136,452	
Social Security		8,090	
Pensions		13,874	
Life Insurance		97	
Medical Insurance		19,626	
Employer Medicare		1,907	
Other Contracted Services		2,107	
In Service/Staff Development		2,609	
Total Special Education Program			184,762

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Other Salaries and Wages	\$	42,825	
Social Security		2,655	
Pensions		3,777	
Employer Medicare		621	
In Service/Staff Development		11,302	
Total Career and Technical Education Program			\$ 61,180

Technology

Other Salaries and Wages	\$	87,580	
Social Security		5,428	
Pensions		5,491	
Life Insurance		92	
Medical Insurance		7,106	
Employer Medicare		1,269	
Software		97,840	
Other Supplies and Materials		23,454	
Other Equipment		72,055	
Total Technology			300,315

Director of Schools

Other Salaries and Wages	\$	4,000	
Social Security		186	
Pensions		346	
Employer Medicare		58	
Total Director of Schools			4,590

Office of the Principal

Other Salaries and Wages	\$	49,500	
Social Security		3,069	
Pensions		4,482	
Employer Medicare		718	
Administration Equipment		16,655	
Total Office of the Principal			74,424

Fiscal Services

Accountants/Bookkeepers	\$	39,917	
Other Salaries and Wages		2,750	
Social Security		2,554	
Pensions		2,969	
Life Insurance		53	
Medical Insurance		8,257	
Employer Medicare		601	
Total Fiscal Services			57,101

Operation of Plant

Other Salaries and Wages	\$	31,000	
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(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Social Security	\$	1,891	
Pensions		2,030	
Employer Medicare		450	
Custodial Supplies		9,778	
Plant Operation Equipment		570,737	
Total Operation of Plant			\$ 615,886

Maintenance of Plant

Other Salaries and Wages	\$	7,625	
Social Security		473	
Pensions		534	
Employer Medicare		111	
Maintenance Equipment		6,824	
Total Maintenance of Plant			15,567

Transportation

Other Salaries and Wages	\$	25,625	
Social Security		1,589	
Pensions		1,724	
Employer Medicare		372	
Other Charges		64	
Transportation Equipment		124,974	
Total Transportation			154,348

Operation of Non-Instructional Services

Food Service

Other Salaries and Wages	\$	38,250	
Social Security		2,372	
Pensions		1,365	
Employer Medicare		554	
Total Food Service			42,541

Community Services

Other Salaries and Wages	\$	55,375	
Social Security		3,433	
Pensions		595	
Employer Medicare		803	
Total Community Services			60,206

Early Childhood Education

Other Salaries and Wages	\$	16,750	
Social Security		1,008	
Pensions		1,077	
Employer Medicare		243	
Total Early Childhood Education			19,078

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Building Construction	\$ 3,323,853	
Building Improvements	399,674	
Site Development	4,000	
Total Regular Capital Outlay	\$ 3,727,527	\$ 3,727,527

Total School Federal Projects Fund \$ 19,404,766

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 69,155	
Accountants/Bookkeepers	44,539	
Clerical Personnel	38,391	
Cafeteria Personnel	1,915,522	
Other Salaries and Wages	35,136	
Social Security	127,584	
Pensions	74,481	
Life Insurance	2,246	
Medical Insurance	360,999	
Unemployment Compensation	1,994	
Employer Medicare	29,770	
Maintenance and Repair Services - Equipment	28,261	
Travel	2,513	
Other Contracted Services	248,080	
Food Preparation Supplies	22,181	
Food Supplies	2,074,748	
Office Supplies	4,796	
Uniforms	4,972	
USDA - Commodities	524,307	
Other Supplies and Materials	201,791	
In Service/Staff Development	907	
Other Charges	29,943	
Food Service Equipment	81,324	
Total Food Service	\$ 5,923,640	\$ 5,923,640

Total Central Cafeteria Fund 5,923,640

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 2,127,258	
Total Community Services	\$ 2,127,258	\$ 2,127,258

Total Internal School Fund 2,127,258

(Continued)

Exhibit K-8

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

<u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Contributions	\$	75,675	
Building Improvements		<u>167,278</u>	
Total Education Capital Projects			<u>\$ 242,953</u>
Total Education Capital Projects Fund			<u>\$ 242,953</u>
Total Governmental Funds - Hamblen County School Department			<u>\$ 117,558,023</u>

Exhibit K-9

Hamblen County, Tennessee
Schedule of Detailed Additions, Deductions, and Changes
in Net Position - City Custodial Fund
For the Year Ended June 30, 2022

	Cities - Sales Tax Fund
<hr/>	
<u>Additions</u>	
Local Option Sales Tax	\$ 16,670,940
Total Additions	<u>\$ 16,670,940</u>
 <u>Deductions</u>	
Remittance of Revenues Collected	\$ 16,504,230
Trustee's Commission	166,710
Total Cash Disbursements	<u>\$ 16,670,940</u>
 Excess of Additions Over (Under) Deductions	 \$ 0
Net Position, July 1, 2021	<u>0</u>
 Net Position, June 30, 2022	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Hamblen County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 15, 2023. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Hamblen County School Department, as described in our report on Hamblen County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable

possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hamblen County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hamblen County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 15, 2023

JEM/tg



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Hamblen County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hamblen County's major federal programs for the year ended June 30, 2022. Hamblen County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Hamblen County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Hamblen County, Tennessee, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does

not provide a legal determination of Hamblen County’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Hamblen County’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Hamblen County’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Hamblen County’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Hamblen County’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Hamblen County’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamblen County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Hamblen County's basic financial statements. We issued our report thereon dated February 15, 2023, 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

February 15, 2023

JEM/tg

Hamblen County, Tennessee, and the Hamblen County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)
For the Year-Ended June 30, 2022

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	\$ 1,127,012
National School Lunch Program	10.555	N/A	3,952,404 (6)
COVID 19 - National School Lunch Program	10.555	N/A	157,234 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	5,814
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	524,307 (6)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-22-70497	139,156
Total U.S. Department of Agriculture			<u>\$ 5,905,927</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(4)	\$ 377,058
Passed-through Tennessee Housing Development Agency:			
HOME Investment Partnership Program	14.239	N/A	444,126
Total U.S. Department of Housing and Urban Development			<u>\$ 821,184</u>
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Programs	16.607	N/A	\$ 2,148
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	N/A	5,000
Passed-through State Department of Finance and Administration:			
Covid 19 - Coronavirus Emergency Supplemental Funding Programs	16.034	N/A	43,648
Crime Victim Assistance	16.575	N/A	30,094
Total U.S. Department of Justice			<u>\$ 80,890</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (5)			
Highway Planning and Construction	20.205	(4)	\$ 243,375
Total U.S. Department of Transportation			<u>\$ 243,375</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 9,412,489
Total U.S. Department of the Treasury			<u>\$ 9,412,489</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,581,695
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	N/A	2,576,502 (6)
COVID 19 - Special Education - Grant to States (ARP)	84.027	84.027X	205,526 (6)
Special Education - Preschool Grants	84.173	N/A	75,046 (6)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	84.173X	25,549 (6)
Career and Technical Education - Basic Grants to States	84.048	N/A	184,232
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	52,751
Education for Homeless Children and Youth	84.196	N/A	61,739
Twenty-first Century Community Learning Centers	84.287	N/A	74,647
English Language Acquisition State Grants	84.365	N/A	168,908
Improving Teacher Quality State Grants	84.367	N/A	352,172
Student Support and Academic Enrichment Program	84.424	N/A	176,104
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER I)	84.425D	N/A	435,107 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER II)	84.425D	N/A	4,369,819 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Innovative High School Grant (ESSER II)	84.425D	N/A	1,074,541 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Early Literacy Network Grant (ESSER II)	84.425D	N/A	40,000 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	6,736,259 (6)
COVID 19 Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	49,857 (6)
Total U.S. Department of Education			<u>\$ 19,240,454</u>

(Continued)

Hamblen County, Tennessee, and the Hamblen 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 Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Family Planning Services	93.217	GG-22-70497	\$ 68,764
Medicaid Cluster: (5)			
Medical Assistance Program	93.778	GG-22-70497	22,229
Maternal and Child Health Services Block Grant to the States	93.994	GG-22-70497	75,991
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	N/A	338,126
Temporary Assistance for Needy Families	93.558	(4)	359,915
Child Care and Development Block Grant - ARP	93.575	N/A	52,232
Total U.S. Department of Health and Human Services			\$ 917,257
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance	97.036	N/A	\$ 8,933
Emergency Management Performance Grants	97.042	(4)	29,382
Homeland Security Grant Program	97.067	N/A	19,431
Total U.S. Department of Homeland Security			\$ 57,746
Total Expenditures of Federal Grants			\$ 36,679,322

State Grants		Contract Number	
Health Department Programs - State Department of Health	N/A	GG-22-70497	\$ 284,915
VOCA - State Department of Finance and Administration	N/A	(4)	50,667
Mental Health Transport - State Department of Finance and Administration	N/A	(4)	66,671
Litter Program - State Department of Transportation	N/A	(4)	50,175
The Tourism Enhancement Grant - State Department of Tourism and Development	N/A	(4)	41,802
Juvenile Justice - State Commission on Children and Youth	N/A	(4)	9,000
State Direct Appropriations Grant FY 2021 - State Department of Finance and Administration	N/A	(4)	547,144
State Aid Program - State Department of Transportation	N/A	(4)	245,693
Drug Court Recovery Program - State Office of Criminal Justice Programs	N/A	(4)	70,000
Coordinated School Health - State Department of Education	N/A	(4)	99,316
Law Enforcement Training - State Department of Safety	N/A	(4)	33,600
Family Resource Center - State Department of Education	N/A	(4)	59,223
Safe Schools Act of 1998 - State Department of Education	N/A	(4)	194,761
Early Childhood Education - State Department of Education	N/A	(4)	724,390
After School Program - State Department of Human Services	N/A	(4)	117,203
Summer Learning Camps - State Department of Education	N/A	(4)	806,999
Total State Grants			\$ 3,401,559

FAL = Federal Assistance Listing
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Hamblen County 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 \$5,760,957; Highway Planning and Construction Cluster total \$243,375;
Special Education Cluster total \$2,882,623; Medicaid Cluster total \$22,229.
- (6) Total for FAL No. 10.555 is \$4,633,945; FAL No. 84.027 is \$2,782,028; FAL NO. 84.173 is \$100,595; FAL No. 84.425 is \$12,705,583.
- (7) CONSOLIDATED ADMINISTRATION

Program Title	Federal Assistance Listing Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 166,273
Title II, Part A Improving Teacher Quality State Grants	84.367	16,444
English Language Acquisition State Grants	84.365	473
Student Support Academic Enrichment Program	84.424	1,494
Total amounts consolidated for administration purposes		\$ 184,684

Hamblen County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2022

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 Hamblen County, Tennessee, for the year ended June 30, 2022.

Prior-year Financial Statement Findings

There were no prior-year financial statement findings to report.

Prior-year Federal Awards Findings

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

HAMBLEN COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Hamblen County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$1,100,380**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings relating to the financial statements of Hamblen County, Tennessee as a result of our examination for the year ended June 30, 2022.

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, 2022.

Hamblen County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2022

The audit of Hamblen County did not report any findings and recommendations. Therefore, no management responses are 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).

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 Hamblen County.

HAMBLEN COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Hamblen County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Hamblen County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.