



## ANNUAL FINANCIAL REPORT

### Sevier County, Tennessee

*For the Year Ended June 30, 2022*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**SEVIER 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](http://www.comptroller.tn.gov)

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

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

### ***Scope***

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

### ***Results***

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

Our audit resulted in no findings.



# INTRODUCTORY SECTION

# Sevier County Officials

## June 30, 2022

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### **Officials**

Larry Waters, County Mayor  
Jonas Smelcer, Road Superintendent  
Stephanie Huskey, Director of Schools  
Faye Loveday, Trustee  
Thomas King, Assessor of Property  
Karen Cotter, County Clerk  
Rita Ellison, Circuit Court Clerk  
Penny Johnson, General Sessions and Juvenile Courts Clerk  
Carolyn McMahan, Clerk and Master  
Cyndi Pickel, Register of Deeds  
Ronald Seals, Sheriff

### **Board of County Commissioners**

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

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

### **Board of Education**

John McClure, Chairman  
Mark Strange  
Mike Oakley

Charles Temple  
Kevin Townsend

### **Audit Committee**

Kent Woods, Chairman  
Ronnie Whaley  
Fred Atchley  
Gary Cole

Warren Hurst  
Ben Clabo  
David Norton



# FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sevier County, Tennessee, as of and for the year ended June 30, 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sevier County, Tennessee, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Other General Government, and Highway/Public Works funds 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 Sevier County School Department, which represent .61 percent, .86 percent, and 1.7 percent, respectively, of the assets, net position, and revenues of the discretely presented Sevier County School Department. Internal School Fund of the Sevier County School Department has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier County’s basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Sevier County School Department (a discretely presented component unit), 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 and the General Debt Service Fund, combining and individual fund financial statements of the Sevier 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 December 7, 2022, on our consideration of Sevier County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Sevier County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sevier County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

December 7, 2022

JEM/tg

# BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component Unit
	Governmental	Business-type	Total	Sevier
	Activities	Activities		County School Department
<u>ASSETS</u>				
Cash	\$ 1,707,751	\$ 200	\$ 1,707,951	\$ 2,691,955
Equity in Pooled Cash and Investments	160,102,287	4,597,756	164,700,043	100,996,451
Accounts Receivable	2,230,374	234,360	2,464,734	1,502,116
Allowance for Uncollectibles	(632,216)	(13,468)	(645,684)	0
Due from Other Governments	3,798,077	0	3,798,077	19,977,993
Prepaid Items	204,488	2,305	206,793	0
Property Taxes Receivable	40,270,013	0	40,270,013	40,270,012
Allowance for Uncollectible Property Taxes	(1,068,827)	0	(1,068,827)	(1,068,827)
Net Pension Asset - Agent Plan	21,924,599	195,059	22,119,658	16,892,084
Net Pension Asset - Teacher Retirement Plan	0	0	0	1,172,329
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	76,283,761
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	1,266,794
Capital Assets :				
Assets Not Depreciated:				
Land	7,491,303	45,000	7,536,303	23,913,106
Construction in Progress	1,057,084	0	1,057,084	18,690,046
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	33,127,497	0	33,127,497	120,059,707
Infrastructure	53,822,151	17,099,059	70,921,210	5,541,139
Other Capital Assets	6,519,547	189,728	6,709,275	9,656,478
Total Assets	\$ 330,554,128	\$ 22,349,999	\$ 352,904,127	\$ 437,845,144
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred Charge on Refunding	\$ 206,324	\$ 0	\$ 206,324	\$ 0
Pension Changes in Experience	1,051,123	9,352	1,060,475	1,086,602
Pension Changes in Assumptions	6,601,360	58,731	6,660,091	25,890,695
Pension Changes in Proportion	0	0	0	47,483
Pension Contributions After Measurement Date	847,495	8,315	855,810	7,260,598
OPEB Changes in Experience	548,302	3,395	551,697	4,811,664
OPEB Changes in Assumptions	777,084	5,036	782,120	3,672,751
OPEB Changes in Proportion	0	0	0	2,402,899
OPEB Contributions After Measurement Date	251,720	1,565	253,285	1,598,231
Total Deferred Outflows of Resources	\$ 10,283,408	\$ 86,394	\$ 10,369,802	\$ 46,770,923

(Continued)

Exhibit A

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

	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Sevier County School Department
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,047,954	\$ 5,281	\$ 1,053,235	\$ 63,615
Accrued Payroll	348,507	3,159	351,666	0
Accrued Interest Payable	115,533	0	115,533	0
Payroll Deductions Payable	789,622	8,773	798,395	0
Due to Other Governments	19,066,553	0	19,066,553	0
Derivative - Interest Rate Swap	383,725	0	383,725	0
Other Current Liabilities	608,819	0	608,819	6,464,506
Customer Deposits Payable	0	182,400	182,400	0
Noncurrent Liabilities:				
Due Within One Year - Debt	9,880,027	0	9,880,027	0
Due Within One Year - Other	1,230,460	11,456	1,241,916	0
Due in More Than One Year - Debt	112,216,724	0	112,216,724	0
Due in More Than One Year - Other	6,304,511	39,907	6,344,418	38,839,622
Total Liabilities	\$ 151,992,435	\$ 250,976	\$ 152,243,411	\$ 45,367,743
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Accumulated Increase in Fair Value of Hedging Derivatives	\$ 4,107	\$ 0	\$ 4,107	\$ 0
Deferred Current Property Taxes	38,768,905	0	38,768,905	38,768,904
Pension Changes in Experience	1,076,286	9,575	1,085,861	7,406,062
Pension Changes in Investment Earnings	13,478,317	119,914	13,598,231	71,893,958
Pension Changes in Proportion	0	0	0	43,611
Deferred Credit on Refunding	367,580	0	367,580	0
OPEB Changes in Experience	605,301	4,702	610,003	2,294,218
OPEB Changes in Assumptions	276,601	2,172	278,773	3,506,689
OPEB Changes in Proportion	0	0	0	3,442,030
Total Deferred Inflows of Resources	\$ 54,577,097	\$ 136,363	\$ 54,713,460	\$ 127,355,472
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 76,508,839	\$ 17,333,787	\$ 93,842,626	\$ 177,860,476
Restricted for:				
General Government	11,833,255	0	11,833,255	0
Administration of Justice	2,586,341	0	2,586,341	0
Public Safety	101,152	0	101,152	0
Highways	9,708,314	0	9,708,314	0
Debt Service	39,068,812	0	39,068,812	0
Capital Outlay	2,385,233	0	2,385,233	0
Education	0	0	0	5,424,204
Pensions	21,924,599	195,059	22,119,658	95,614,968
Unrestricted	(29,848,541)	4,520,208	(25,328,333)	32,993,204
Total Net Position	\$ 134,268,004	\$ 22,049,054	\$ 156,317,058	\$ 311,892,852

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



Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							Component Unit Sevier County School Department
	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 15,504,018	\$ 3,488,565	\$ 112,295	\$ 0	\$ (11,903,158)	\$ 0	\$ (11,903,158)	\$ 0
Finance	3,567,174	6,512,764	0	0	2,945,590	0	2,945,590	0
Administration of Justice	4,798,327	2,476,071	323,831	0	(1,998,425)	0	(1,998,425)	0
Public Safety	19,957,875	1,272,712	1,196,624	35,738	(17,452,801)	0	(17,452,801)	0
Public Health and Welfare	11,544,506	4,762,802	879,054	0	(5,902,650)	0	(5,902,650)	0
Social, Cultural, and Recreational Services	2,492,526	19,501	290,613	100,000	(2,082,412)	0	(2,082,412)	0
Agriculture and Natural Resources	480,514	0	0	0	(480,514)	0	(480,514)	0
Highways	11,198,290	1,158,467	3,586,923	128,228	(6,324,672)	0	(6,324,672)	0
Education	6,337,136	1,736,651	0	0	(4,600,485)	0	(4,600,485)	0
Interest on Long-term Debt	3,266,809	0	0	0	(3,266,809)	0	(3,266,809)	0
<b>Total Governmental Activities</b>	<b>\$ 79,147,175</b>	<b>\$ 21,427,533</b>	<b>\$ 6,389,340</b>	<b>\$ 263,966</b>	<b>\$ (51,066,336)</b>	<b>\$ 0</b>	<b>\$ (51,066,336)</b>	<b>\$ 0</b>
Business-type Activities:								
Public Utility Fund	\$ 2,408,863	\$ 2,819,189	\$ 0	\$ 0	\$ 0	\$ 410,326	\$ 410,326	\$ 0
<b>Total Business-type Activities</b>	<b>\$ 2,408,863</b>	<b>\$ 2,819,189</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 410,326</b>	<b>\$ 410,326</b>	<b>\$ 0</b>
<b>Total Primary Government</b>	<b>\$ 81,556,038</b>	<b>\$ 24,246,722</b>	<b>\$ 6,389,340</b>	<b>\$ 263,966</b>	<b>\$ (51,066,336)</b>	<b>\$ 410,326</b>	<b>\$ (50,656,010)</b>	<b>\$ 0</b>
Component Unit:								
Sevier County School Department	\$ 174,335,548	\$ 450,517	\$ 47,323,578	\$ 5,724,575	\$ 0	\$ 0	\$ 0	\$ (120,836,878)
<b>Total Component Unit</b>	<b>\$ 174,335,548</b>	<b>\$ 450,517</b>	<b>\$ 47,323,578</b>	<b>\$ 5,724,575</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (120,836,878)</b>

(Continued)

Exhibit B

Sevier County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Unit
					Governmental Activities	Business-type Activities	Total	Sevier County School Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 22,754,437	\$ 0	\$ 22,754,437	\$ 38,285,792
Property Taxes Levied for Special Purposes					2,320,353	0	2,320,353	0
Property Taxes Levied for Highways					7,501,919	0	7,501,919	0
Property Taxes Levied for Debt Service					5,695,278	0	5,695,278	0
Local Option Sales Taxes					13,520,150	0	13,520,150	94,246,171
Other Local Taxes					1,791,882	0	1,791,882	5,333,911
Hotel/Motel Tax					8,291,087	0	8,291,087	8,729,941
Business Tax					4,888,773	0	4,888,773	0
Mixed Drink Tax					0	0	0	1,115,465
Grants and Contributions Not Restricted to Specific Programs					12,519,643	0	12,519,643	54,703,699
Unrestricted Investment Income					1,538,158	0	1,538,158	8,142
Miscellaneous					264,889	0	264,889	65,489
Total General Revenues					\$ 81,086,569	\$ 0	\$ 81,086,569	\$ 202,488,610
Change in Fair Value of Investment Derivatives - Interest Rate Swap					\$ 571,845	\$ 0	\$ 571,845	\$ 0
Change in Net Position					\$ 30,592,078	\$ 410,326	\$ 31,002,404	\$ 81,651,732
Net Position, July 1, 2021					103,675,926	21,638,728	125,314,654	230,241,120
Net Position, June 30, 2022					\$ 134,268,004	\$ 22,049,054	\$ 156,317,058	\$ 311,892,852

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

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Other	Highway /	General	Funds	
		Government	Public	Debt	Other	
	Fund	Works	Service	Governmental	Governmental	
				Funds	Funds	
<u>ASSETS</u>						
Cash	\$ 30,725	\$ 0	\$ 0	\$ 0	\$ 3,442	\$ 34,167
Equity in Pooled Cash and Investments	70,571,978	19,127,476	10,206,735	39,089,148	21,106,950	160,102,287
Accounts Receivable	2,183,651	0	511	30,939	15,273	2,230,374
Allowance for Uncollectibles	(632,216)	0	0	0	0	(632,216)
Due from Other Governments	2,534,370	0	624,435	0	639,272	3,798,077
Due from Other Funds	26,520	0	0	0	0	26,520
Property Taxes Receivable	23,944,332	0	7,890,746	5,454,848	2,980,087	40,270,013
Allowance for Uncollectible Property Taxes	(635,519)	0	(209,432)	(151,548)	(72,328)	(1,068,827)
Prepaid Items	193,209	0	0	0	11,279	204,488
Total Assets	\$ 98,217,050	\$ 19,127,476	\$ 18,512,995	\$ 44,423,387	\$ 24,683,975	\$ 204,964,883
<u>LIABILITIES</u>						
Accounts Payable	\$ 493,108	\$ 0	\$ 351,517	\$ 0	\$ 203,329	\$ 1,047,954
Accrued Payroll	291,076	0	43,166	0	14,265	348,507
Payroll Deductions Payable	746,939	0	133	0	38,491	785,563
Future Compensation Payable	4,044	0	0	0	15	4,059
Due to Other Funds	0	0	669	0	26,520	27,189
Due to Other Governments	0	19,066,553	0	0	0	19,066,553
Total Liabilities	\$ 1,535,167	\$ 19,066,553	\$ 395,485	\$ 0	\$ 282,620	\$ 21,279,825
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 23,051,781	\$ 0	\$ 7,596,610	\$ 5,239,042	\$ 2,881,472	\$ 38,768,905
Deferred Delinquent Property Taxes	193,176	0	63,660	48,294	19,756	324,886

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Other	Highway /	General	Funds	
		Government	Public	Debt	Other	
	Fund	Works	Service	Governmental	Governmental	
				Funds	Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 2,102,825	\$ 0	\$ 301,738	\$ 0	\$ 300,000	\$ 2,704,563
Total Deferred Inflows of Resources	\$ 25,347,782	\$ 0	\$ 7,962,008	\$ 5,287,336	\$ 3,201,228	\$ 41,798,354
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 193,209	\$ 0	\$ 0	\$ 0	\$ 11,279	\$ 204,488
Restricted:						
Restricted for General Government	0	0	0	0	55,075	55,075
Restricted for Administration of Justice	0	0	0	0	2,586,341	2,586,341
Restricted for Public Safety	0	0	0	0	101,152	101,152
Restricted for Public Health and Welfare	0	0	0	0	1,590,281	1,590,281
Restricted for Other Operations	11,778,180	0	0	0	0	11,778,180
Restricted for Highways/Public Works	0	0	9,342,916	0	0	9,342,916
Restricted for Capital Outlay	669,601	0	0	0	15,652,469	16,322,070
Restricted for Debt Service	0	0	0	39,136,051	0	39,136,051
Committed:						
Committed for General Government	0	60,923	0	0	0	60,923
Committed for Administration of Justice	0	0	0	0	155,773	155,773
Committed for Public Safety	0	0	0	0	42,336	42,336
Committed for Public Health and Welfare	0	0	0	0	778,761	778,761
Committed for Highways/Public Works	0	0	812,586	0	0	812,586
Committed for Capital Outlay	0	0	0	0	203,948	203,948
Committed for Capital Projects	0	0	0	0	22,712	22,712
Assigned:						
Assigned for General Government	3,051,620	0	0	0	0	3,051,620

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total	
	General	Other	Highway /	General	Funds		Governmental
		Government	Public	Debt	Other		
<u>FUND BALANCES (Cont.)</u>		Fund	Works	Service		Funds	
Unassigned	\$ 55,641,491	\$ 0	\$ 0	\$ 0	\$ 0	\$ 55,641,491	
Total Fund Balances	\$ 71,334,101	\$ 60,923	\$ 10,155,502	\$ 39,136,051	\$ 21,200,127	\$ 141,886,704	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 98,217,050	\$ 19,127,476	\$ 18,512,995	\$ 44,423,387	\$ 24,683,975	\$ 204,964,883	

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

Exhibit C-2

Sevier County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
June 30, 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)		\$ 141,886,704
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 7,491,303	
Add: construction in progress	1,057,084	
Add: buildings and improvements net of accumulated depreciation	33,127,497	
Add: infrastructure net of accumulated depreciation	53,822,151	
Add: other capital assets net of accumulated depreciation	<u>6,519,547</u>	102,017,582
(2) Internal service funds are used by management to charge the cost of workers' compensation, employee health, dental, and vision benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		1,065,434
(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	\$ (39,935,000)	
Less: bonds payable	(76,839,122)	
Less: deferred amounts on refunding	(161,256)	
Less: unamortized premium on debt	(5,322,629)	
Less: compensated absences payable	(1,471,767)	
Less: OPEB Liability	(6,063,204)	
Less: accrued interest on bonds and other loans	(115,533)	
Less: fair value of derivative - interest rate swap	(383,725)	
Less: deferred amount for fair value of cash flow hedge derivative	<u>(4,107)</u>	(130,296,343)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows related to pensions	\$ 8,499,978	
Less: deferred inflows related to pensions	(14,554,603)	
Add: deferred outflows related to OPEB	1,577,106	
Less: deferred inflows related to OPEB	<u>(881,902)</u>	(5,359,421)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		21,924,599
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>3,029,449</u>
Net position of governmental activities (Exhibit A)		<u>\$ 134,268,004</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 47,612,670	\$ 0	\$ 7,815,162	\$ 5,964,434	\$ 6,828,047	\$ 68,220,313
Licenses and Permits	1,436,891	0	0	0	0	1,436,891
Fines, Forfeitures, and Penalties	440,178	0	0	0	125,608	565,786
Charges for Current Services	5,690,739	0	0	0	44,724	5,735,463
Other Local Revenues	195,162	59,077	106,224	1,478,523	123,894	1,962,880
Fees Received From County Officials	9,736,470	0	0	0	0	9,736,470
State of Tennessee	3,695,823	0	3,651,838	0	366,818	7,714,479
Federal Government	2,011,229	17,359	0	0	0	2,028,588
Other Governments and Citizens Groups	940,674	0	1,151,232	8,540,143	8,540	10,640,589
<b>Total Revenues</b>	<b>\$ 71,759,836</b>	<b>\$ 76,436</b>	<b>\$ 12,724,456</b>	<b>\$ 15,983,100</b>	<b>\$ 7,497,631</b>	<b>\$ 108,041,459</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 7,381,553	\$ 0	\$ 0	\$ 0	\$ 229,329	\$ 7,610,882
Finance	3,789,235	0	0	0	89,356	3,878,591
Administration of Justice	4,808,499	0	0	0	257,653	5,066,152
Public Safety	19,184,741	0	0	0	1,612,664	20,797,405
Public Health and Welfare	7,707,237	0	0	0	4,762,557	12,469,794
Social, Cultural, and Recreational Services	2,141,093	0	0	0	16,325	2,157,418
Agriculture and Natural Resources	498,790	0	0	0	0	498,790
Other Operations	5,607,771	17,359	0	0	172,227	5,797,357
Highways	399,656	0	10,586,140	0	0	10,985,796
Debt Service:						
Principal on Debt	0	0	0	11,326,730	0	11,326,730
Interest on Debt	0	0	0	3,561,684	0	3,561,684
Other Debt Service	0	0	0	270,170	5,350,107	5,620,277

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 1,428,602	\$ 0	\$ 0	\$ 0	\$ 1,203,864	\$ 2,632,466
Total Expenditures	\$ 52,947,177	\$ 17,359	\$ 10,586,140	\$ 15,158,584	\$ 13,694,082	\$ 92,403,342
<u>Excess (Deficiency) of Revenues</u>						
Over Expenditures	\$ 18,812,659	\$ 59,077	\$ 2,138,316	\$ 824,516	\$ (6,196,451)	\$ 15,638,117
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,995,000	\$ 17,995,000
Refunding Debt Issued	0	0	0	8,260,000	0	8,260,000
Premiums on Debt Sold	0	0	0	803,209	1,885,934	2,689,143
Insurance Recovery	14,754	0	0	0	0	14,754
Transfers In	0	0	112,976	0	1,166,000	1,278,976
Transfers Out	(1,278,976)	0	0	0	0	(1,278,976)
Payments to Refunded Debt Escrow Agent	0	0	0	(8,945,000)	0	(8,945,000)
Total Other Financing Sources (Uses)	\$ (1,264,222)	\$ 0	\$ 112,976	\$ 118,209	\$ 21,046,934	\$ 20,013,897
<u>Net Change in Fund Balances</u>						
Fund Balance, July 1, 2021	\$ 17,548,437	\$ 59,077	\$ 2,251,292	\$ 942,725	\$ 14,850,483	\$ 35,652,014
Fund Balance, June 30, 2022	53,785,664	1,846	7,904,210	38,193,326	6,349,644	106,234,690
Fund Balance, June 30, 2022	\$ 71,334,101	\$ 60,923	\$ 10,155,502	\$ 39,136,051	\$ 21,200,127	\$ 141,886,704

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



Sevier County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 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)		\$ 35,652,014
(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	\$ 9,104,750	
Less: current-year depreciation expense	<u>(9,559,242)</u>	(454,492)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net assets.		
Add: donated assets	\$ 11,400	
Less: book value of assets disposed	<u>(6,933)</u>	4,467
(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	\$ 3,029,449	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(3,656,061)</u>	(626,612)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on other loans	\$ 5,941,703	
Add: principal payments on bonds	5,385,027	
Less: bond proceeds	(26,255,000)	
Add: payment to refunding agent	8,945,000	
Less: change in premium on debt issuances	(2,028,194)	
Less: change in deferred amount on refunding debt	<u>(381,837)</u>	(8,393,301)

(Continued)

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

(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$	15,763
Change in OPEB liability		(721,358)
Change in compensated absences payable		(162,432)
Change in net pension asset		10,580,070
Change in deferred outflows related to pensions		5,920,538
Change in deferred inflows related to pensions		(12,842,327)
Change in deferred outflows related to OPEB		777,509
Change in deferred inflows related to OPEB		34,046
		<u>\$ 3,601,809</u>
(6) Internal service funds are used by management to charge the cost of workers' compensation, employee health, dental, and vision benefits to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		236,348
(7) For interest rate swap agreements that are classified as investment derivatives, the change in fair market value is reflected in changes in net position for governmental activities.		
Change in fair value of all derivatives	\$	635,495
Change in deferred amounts related to derivatives		(63,650)
		<u>571,845</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 30,592,078</u>

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

Exhibit C-5

Sevier County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 47,612,670	\$ 36,831,713	\$ 39,507,514	\$ 8,105,156
Licenses and Permits	1,436,891	1,095,000	1,095,000	341,891
Fines, Forfeitures, and Penalties	440,178	368,421	368,421	71,757
Charges for Current Services	5,690,739	5,098,525	5,098,525	592,214
Other Local Revenues	195,162	64,000	71,053	124,109
Fees Received From County Officials	9,736,470	7,400,000	7,400,000	2,336,470
State of Tennessee	3,695,823	4,100,800	3,888,360	(192,537)
Federal Government	2,011,229	1,716,143	2,078,122	(66,893)
Other Governments and Citizens Groups	940,674	675,417	756,315	184,359
Total Revenues	\$ 71,759,836	\$ 57,350,019	\$ 60,263,310	\$ 11,496,526
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 571,745	\$ 754,230	\$ 754,230	\$ 182,485
Beer Board	4,305	11,250	11,250	6,945
Other Boards and Committees	1,010,399	1,025,193	1,027,393	16,994
County Mayor/Executive	1,008,786	1,088,032	1,088,032	79,246
Election Commission	565,086	713,463	713,463	148,377
Register of Deeds	650,746	737,748	737,748	87,002
Planning	335,718	369,832	389,832	54,114
Building	319,315	358,120	363,620	44,305
Geographical Information Systems	243,604	236,744	246,244	2,640
County Buildings	1,466,650	1,529,378	1,592,378	125,728
Other Facilities	372,910	331,500	374,700	1,790
Other General Administration	597,189	601,230	612,730	15,541
Preservation of Records	235,100	250,694	250,694	15,594
<u>Finance</u>				
Property Assessor's Office	1,360,647	1,461,675	1,461,675	101,028
County Trustee's Office	782,214	807,631	807,631	25,417
County Clerk's Office	1,245,880	1,363,776	1,363,776	117,896
Data Processing	400,494	313,184	410,534	10,040
<u>Administration of Justice</u>				
Circuit Court	1,151,339	1,242,404	1,242,404	91,065
General Sessions Court	874,812	913,480	936,480	61,668
General Sessions Judge	541,171	572,778	572,778	31,607
Drug Court	0	50,000	0	0
Chancery Court	508,901	506,300	511,300	2,399
Juvenile Court	188,683	183,817	192,917	4,234
District Attorney General	107,342	101,791	109,141	1,799
Judicial Commissioners	355,632	395,403	395,403	39,771
Probation Services	924,524	867,000	966,550	42,026
Victim Assistance Programs	156,095	187,693	187,693	31,598
<u>Public Safety</u>				
Sheriff's Department	8,646,854	8,521,140	8,738,823	91,969
Drug Enforcement	413,932	310,977	421,577	7,645
Jail	7,963,264	8,315,215	8,315,215	351,951
Juvenile Services	386,103	426,896	434,506	48,403
Fire Prevention and Control	45,376	1,115,953	1,115,953	1,070,577

(Continued)

## Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Safety (Cont.)</u>				
Civil Defense	\$ 4,000	\$ 4,000	\$ 4,000	\$ 0
Rescue Squad	53,750	53,750	53,750	0
Other Emergency Management	225,162	223,846	286,307	61,145
County Coroner/Medical Examiner	541,228	481,025	586,575	45,347
Other Public Safety	905,072	948,309	948,309	43,237
<u>Public Health and Welfare</u>				
Local Health Center	70,787	105,905	105,905	35,118
Rabies and Animal Control	216,791	189,300	216,791	0
Ambulance/Emergency Medical Services	5,820,856	5,734,067	6,074,817	253,961
Maternal and Child Health Services	695,598	1,179,454	1,179,454	483,856
Alcohol and Drug Programs	266,197	441,675	441,675	175,478
Other Local Health Services	192,629	216,500	216,500	23,871
Appropriation to State	86,261	86,261	86,261	0
Other Local Welfare Services	3,150	29,500	29,500	26,350
Other Public Health and Welfare	354,968	383,209	398,209	43,241
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	481,579	508,354	512,442	30,863
Libraries	1,537,596	1,576,440	1,599,080	61,484
Parks and Fair Boards	121,918	121,860	124,860	2,942
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	288,633	309,145	309,925	21,292
Forest Service	1,000	1,000	1,000	0
Soil Conservation	43,474	43,630	43,630	156
Storm Water Management	165,683	208,022	208,022	42,339
<u>Other Operations</u>				
Tourism	1,635,353	2,580,000	2,581,020	945,667
Veterans' Services	136,004	140,438	140,438	4,434
Contributions to Other Agencies	284,041	287,941	287,941	3,900
Employee Benefits	721,421	1,368,400	1,368,400	646,979
COVID-19 Grant #2	19,347	0	19,347	0
COVID-19 Grant #4	1,992	0	1,992	0
COVID-19 Grant C	4,415	0	4,415	0
COVID-19 Grant D	72,317	0	77,314	4,997
American Rescue Plan Act Grant #1	10,483	0	11,013	530
American Rescue Plan Act Grant #2	45,902	0	46,481	579
Miscellaneous	2,676,496	2,539,500	2,810,000	133,504
<u>Highways</u>				
Litter and Trash Collection	362,102	339,841	365,361	3,259
Other Charges	37,554	34,348	40,848	3,294
<u>Capital Projects</u>				
Public Health and Welfare Projects	2,868	0	2,900	32
Social, Cultural, and Recreation Projects	36,562	0	100,000	63,438
Other General Government Projects	1,389,172	2,504,500	2,504,500	1,115,328
Total Expenditures	\$ 52,947,177	\$ 58,304,747	\$ 60,135,652	\$ 7,188,475
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 18,812,659	\$ (954,728)	\$ 127,658	\$ 18,685,001

(Continued)

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 14,754	\$ 0	\$ 0	\$ 14,754
Transfers Out	(1,278,976)	0	(1,266,000)	(12,976)
Total Other Financing Sources	\$ (1,264,222)	\$ 0	\$ (1,266,000)	\$ 1,778
Net Change in Fund Balance	\$ 17,548,437	\$ (954,728)	\$ (1,138,342)	\$ 18,686,779
Fund Balance, July 1, 2021	53,785,664	42,839,855	42,839,855	10,945,809
Fund Balance, June 30, 2022	\$ 71,334,101	\$ 41,885,127	\$ 41,701,513	\$ 29,632,588

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

Exhibit C-6

Sevier County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Other General Government 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	\$ 59,077	\$ 0	\$ 59,077	\$ 0
Federal Government	17,359	0	17,359	0
Total Revenues	<u>\$ 76,436</u>	<u>\$ 0</u>	<u>\$ 76,436</u>	<u>\$ 0</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
American Rescue Plan Act Grant #6	\$ 17,359	\$ 0	\$ 17,359	\$ 0
Total Expenditures	<u>\$ 17,359</u>	<u>\$ 0</u>	<u>\$ 17,359</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 59,077</u>	<u>\$ 0</u>	<u>\$ 59,077</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 59,077	\$ 0	\$ 59,077	\$ 0
Fund Balance, July 1, 2021	1,846	0	0	1,846
Fund Balance, June 30, 2022	<u>\$ 60,923</u>	<u>\$ 0</u>	<u>\$ 59,077</u>	<u>\$ 1,846</u>

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

Exhibit C-7

Sevier County, Tennessee  
Statement 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)	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	\$ 7,815,162	\$ 0	\$ 7,815,162	\$ 7,242,373	\$ 7,867,373	\$ (52,211)
Other Local Revenues	106,224	0	106,224	63,000	110,000	(3,776)
State of Tennessee	3,651,838	0	3,651,838	2,935,512	3,770,146	(118,308)
Other Governments and Citizens Groups	1,151,232	0	1,151,232	100,000	1,060,000	91,232
<b>Total Revenues</b>	<b>\$ 12,724,456</b>	<b>\$ 0</b>	<b>\$ 12,724,456</b>	<b>\$ 10,340,885</b>	<b>\$ 12,807,519</b>	<b>\$ (83,063)</b>
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 316,382	\$ 0	\$ 316,382	\$ 331,951	\$ 333,051	\$ 16,669
Highway and Bridge Maintenance	7,814,805	0	7,814,805	6,855,281	10,030,015	2,215,210
Operation and Maintenance of Equipment	1,502,186	0	1,502,186	1,506,903	1,658,803	156,617
Quarry Operations	149,164	0	149,164	243,734	255,434	106,270
Other Charges	289,337	0	289,337	355,000	355,000	65,663
Employee Benefits	70,953	0	70,953	118,482	118,482	47,529
Capital Outlay	443,313	797,810	1,241,123	929,534	1,668,734	427,611
<b>Total Expenditures</b>	<b>\$ 10,586,140</b>	<b>\$ 797,810</b>	<b>\$ 11,383,950</b>	<b>\$ 10,340,885</b>	<b>\$ 14,419,519</b>	<b>\$ 3,035,569</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,138,316	\$ (797,810)	\$ 1,340,506	\$ 0	\$ (1,612,000)	\$ 2,952,506
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 112,976	\$ 0	\$ 112,976	\$ 0	\$ 0	\$ 112,976
<b>Total Other Financing Sources</b>	<b>\$ 112,976</b>	<b>\$ 0</b>	<b>\$ 112,976</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 112,976</b>

(Continued)

Exhibit C-7

Sevier County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund (Cont.)

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 2,251,292	\$ (797,810)	\$ 1,453,482	\$ 0	\$ (1,612,000)	\$ 3,065,482
Fund Balance, July 1, 2021	7,904,210	0	7,904,210	5,210,326	5,210,326	2,693,884
Fund Balance, June 30, 2022	\$ 10,155,502	\$ (797,810)	\$ 9,357,692	\$ 5,210,326	\$ 3,598,326	\$ 5,759,366

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



Sevier County, Tennessee  
Statement of Net Position  
Proprietary Funds  
June 30, 2022

	Business-type Activities - Major Enterprise Fund Public Utility Fund	Governmental Activities Internal Service Funds
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 200	\$ 1,673,584
Equity in Pooled Cash and Investments	4,597,756	0
Accounts Receivable	234,360	0
Allowance for Uncollectibles	(13,468)	0
Due from Other Funds	0	669
Prepaid Items	2,305	0
Total Current Assets	<u>\$ 4,821,153</u>	<u>\$ 1,674,253</u>
Noncurrent Assets:		
Net Pension Asset	\$ 195,059	\$ 0
Capital Assets:		
Assets Not Depreciated:		
Land	45,000	0
Assets Net of Accumulated Depreciation:		
Infrastructure	17,099,059	0
Other Capital Assets	189,728	0
Total Noncurrent Assets	<u>\$ 17,528,846</u>	<u>\$ 0</u>
Total Assets	<u>\$ 22,349,999</u>	<u>\$ 1,674,253</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Outflows of Resources:		
Pension Changes in Assumptions	\$ 58,731	\$ 0
Pension Changes in Experience	9,352	0
Pension Contributions After Measurement Date	8,315	0
OPEB Changes in Experience	3,395	0
OPEB Changes in Assumptions	5,036	0
OPEB Contributions After Measurement Date	1,565	0
Total Deferred Outflows of Resources	<u>\$ 86,394</u>	<u>\$ 0</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 22,436,393</u>	<u>\$ 1,674,253</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 5,281	\$ 0
Accrued Payroll	3,159	0
Payroll Deductions Payable	8,773	0
Accrued Leave	11,456	0
Other Current Liabilities	0	608,819
Customer Deposits Payable	182,400	0
Total Current Liabilities	<u>\$ 211,069</u>	<u>\$ 608,819</u>

(Continued)

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

	Business-type Activities - Major <u>Enterprise Fund</u> Public Utility <u>Fund</u>	<u>Governmental Activities</u> Internal <u>Service Funds</u>
<u>LIABILITIES (Cont.)</u>		
Noncurrent Liabilities:		
Accrued Leave	\$ 1,273	\$ 0
OPEB Liability	38,634	0
Total Noncurrent Liabilities	<u>\$ 39,907</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 250,976</u>	<u>\$ 608,819</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Inflows of Resources:		
Pension Changes in Experience	\$ 9,575	\$ 0
Pension Changes in Investment Earnings	119,914	0
OPEB Changes in Experience	4,702	0
OPEB Changes in Assumptions	2,172	0
Total Deferred Inflows of Resources	<u>\$ 136,363</u>	<u>\$ 0</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 17,333,787	\$ 0
Restricted for Pensions	195,059	0
Unrestricted	<u>4,520,208</u>	<u>1,065,434</u>
Total Net Position	<u>\$ 22,049,054</u>	<u>\$ 1,065,434</u>

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

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

	Business-type Activities - Major Enterprise Fund	Governmental Activities Internal Service Funds
	Public Utility Fund	
<u>Operating Revenues</u>		
Self-Insurance Premiums	\$ 0	\$ 9,660,060
Patient Charges	0	300,008
Water Sales	2,681,328	0
Water Tap Sales	115,461	0
Service Charges	22,400	0
Total Operating Revenues	<u>\$ 2,819,189</u>	<u>\$ 9,960,068</u>
<u>Operating Expenses</u>		
Handling Charges and Administrative Costs	\$ 0	\$ 857,455
Employee and Dependent Insurance	0	348,491
Disability and Life Insurance	0	169,477
Bank Charges	0	393
Excess Risk Insurance	0	811,017
Medical Claims	0	5,686,800
Other Self-Insured Claims	0	1,835,190
Supervisor/Director	73,323	0
Secretary(ies)	36,859	0
Educational Incentive	5,000	0
Longevity	2,750	0
Other Salaries and Wages	185,993	0
Social Security	16,952	0
Employee and Dependent Insurance	53,227	0
Employer Medicare	3,965	0
Communication	3,784	0
Consultants	2,500	0
Contracts with Other Public Agencies	1,147,299	0
Dues and Memberships	1,812	0
Legal Services	750	0
Maintenance and Repair Services - Equipment	103,936	0
Maintenance and Repair Services - Vehicles	300	0
Postal Charges	10,758	0
Travel	2,723	0
Other Contracted Services	25,983	0
Electricity	41,262	0
Gasoline	11,886	0
Office Supplies	19,175	0
Pipe	93,695	0
Uniforms	1,931	0
Water and Sewer	249	0
Other Supplies and Materials	57,875	16,053
Liability Insurance	459	0
Trustee's Commission	28,265	0
Vehicle and Equipment Insurance	1,636	0
Depreciation	474,516	0
Total Operating Expenses	<u>\$ 2,408,863</u>	<u>\$ 9,724,876</u>
Operating Income (Loss)	<u>\$ 410,326</u>	<u>\$ 235,192</u>

(Continued)

Exhibit D-2

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

	Business-type Activities - Major <u>Enterprise Fund</u> Public Utility <u>Fund</u>	<u>Governmental Activities</u> Internal <u>Service Funds</u>
<u>Nonoperating Revenues (Expenses)</u>		
Investment Income	\$ 0	\$ 1,156
Total Nonoperating Revenues (Expenses)	<u>\$ 0</u>	<u>\$ 1,156</u>
Change in Net Position	\$ 410,326	\$ 236,348
Net Position, July 1, 2021	<u>21,638,728</u>	<u>829,086</u>
Net Position, June 30, 2022	<u>\$ 22,049,054</u>	<u>\$ 1,065,434</u>

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

Sevier County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2022

	Business-type Activities - Major Enterprise Fund Public Utility Fund	Governmental Activities Internal Service Funds
<u>Cash Flows from Operating Activities</u>		
Receipts for Self-Insurance Premiums	\$ 0	\$ 9,661,944
Receipts for Patient Charges	0	300,008
Receipts from Customers and Users	2,867,386	0
Receipts for Stop Loss Reimbursement	0	79,884
Receipts for Prescription Rebates	0	113,278
Payments to Insurers	0	(1,328,985)
Payments for Claims	0	(7,966,663)
Payments for Administrative Costs	0	(910,183)
Payments to Vendors	(1,554,947)	0
Payments to Employees	(399,192)	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 913,247</u>	<u>\$ (50,717)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition and Construction of Capital Assets	\$ (45,000)	\$ 0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (45,000)</u>	<u>\$ 0</u>
<u>Cash Flows from Investing Activities</u>		
Interest on Investments	\$ 0	\$ 1,156
Net Cash Provided By (Used In) Investing Activities	<u>\$ 0</u>	<u>\$ 1,156</u>
Increase (Decrease) in Cash	\$ 868,247	\$ (49,561)
Cash, July 1, 2021	<u>3,729,709</u>	<u>1,723,145</u>
Cash, June 30, 2022	<u>\$ 4,597,956</u>	<u>\$ 1,673,584</u>
<u>Reconciliation of Net Operating Income (Loss)</u>		
to Net Cash Provided By (Used In) Operating Activities		
Operating Income (Loss)	\$ 410,326	\$ 235,192
Adjustments to Reconcile Net Operating Income (Loss)		
to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	474,516	0
Changes in Net Pension Asset/Liability	(97,942)	0
Changes in Deferred Outflows for Pensions	(53,852)	0
Changes in Deferred Inflows for Pensions	114,831	0
Change in OPEB Liability	4,134	0
Changes in Deferred Outflows Related to OPEB	(4,749)	0
Changes in Deferred Inflows Related to OPEB	(98)	0
Changes in Current Assets and Liabilities:		
(Increase) Decrease in Current Receivables	12,386	0
(Increase) Decrease in Due from Other Funds	0	1,884
Increase (Decrease) in Allowance for Uncollectibles	(1,689)	0
(Increase) Decrease in Prepaid Items	(243)	0
Increase (Decrease) in Accounts Payable	1,331	(36,282)
Increase (Decrease) in Other Current Liabilities	0	(251,511)
Increase (Decrease) in Accrued Payroll	1,227	0
Increase (Decrease) in Payroll Deductions	2,840	0
Increase (Decrease) in Accrued Leave	12,729	0
Increase (Decrease) in Customer Deposits Payable	37,500	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 913,247</u>	<u>\$ (50,717)</u>
<u>Reconciliation of Cash With the Statement of Net Position</u>		
Cash Per Net Position	\$ 200	\$ 1,673,584
Equity in Pooled Cash and Investments Per Net Position	<u>4,597,756</u>	<u>0</u>
Cash, June 30, 2022	<u>\$ 4,597,956</u>	<u>\$ 1,673,584</u>

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

Exhibit E-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 6,475,959
Equity in Pooled Cash and Investments	106,750
Due from Other Governments	<u>12,303,356</u>
Total Assets	<u>\$ 18,886,065</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 3,026
Accrued Payroll	663
Payroll Deductions Payable	912
Due to Other Taxing Units	<u>12,303,356</u>
Total Liabilities	<u>\$ 12,307,957</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 6,578,108</u>
Total Net Position	<u>\$ 6,578,108</u>

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

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

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 73,827,779
Fines/Fees and Other Collections	40,693,835
Drug Task Force Collections	84,165
District Attorney General Collections	24,367
Total Additions	<u>\$ 114,630,146</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 73,827,779
Payments to State	32,659,942
Payments to Individuals and Others	7,227,533
Payment of Drug Task Force Expenses	108,965
Payment of District Attorney General Expenses	14,736
Total Deductions	<u>\$ 113,838,955</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 791,191
Net Position, July 1, 2021	<u>5,786,917</u>
Net Position, June 30, 2022	<u>\$ 6,578,108</u>

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

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Reporting Entity**

Sevier County is a public municipal corporation governed by an elected 25-member board. As required by GAAP, these financial statements present Sevier County (the primary government) and its component units. Although required by GAAP, the financial statements of the Sevier County Emergency Communications District, the Sevier County Public Building Authority, and the Sevier County Fair Association, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Sevier County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Sevier County, and the Sevier County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Sevier County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

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

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

Administrative Offices:

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

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

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

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement

of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Sevier County School Department component unit only reports governmental activities in the government-wide financial statements.

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

Sevier County issues all debt for the discretely presented Sevier County School Department. Net debt issues totaling \$4,942,897 were contributed by the county to the school department during the year ended June 30, 2022.

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

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

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

Fund financial statements of Sevier County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis

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

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

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

Proprietary funds and fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The county's fiduciary fund category does not include any trust funds. The category only includes custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Sevier County reports the following major governmental funds:

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

**Other General Government Fund** – This special revenue fund accounts for proceeds received from the American Rescue Plan Act.

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

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

Sevier County reports the following major proprietary fund:

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

Additionally, Sevier County reports the following fund types:

**Capital Projects Fund** – The General Capital Projects Fund accounts for and reports the financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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

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

The discretely presented Sevier County School Department reports the following major governmental 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 used to account for restricted federal revenues, which must be expended on specific education programs.

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

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

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on hand, demand deposits, and cash on deposit with the county trustee.

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

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

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

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and

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

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

## **2. Receivables and Payables**

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

All ambulance service, water department, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance and water department receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.38 percent of total taxes levied.

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

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



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

Most payables are disaggregated on the face of the financial statements. The balance in the account Other Current Liabilities totaling \$608,819 in the governmental activities Statement of Net Position for the primary government represents self-insurance claims. The amount of other current liabilities reflected in the discretely presented school department's General Purpose Fund represents the remaining balance in the retirement and teachers' insurance clearing accounts. Due to Other Governments in the Other General Government Fund (\$19,066,533) represents American Rescue Plan Act funds received in advance.

**3. Prepaid Items**

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

**4. Restricted Assets**

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

**5. Capital Assets**

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

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

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

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

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

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

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

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net 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: current and delinquent property taxes, an accumulated increase in fair value of hedging derivatives, pension and OPEB changes in experience and proportion, pension changes in investment earnings, OPEB changes in assumptions, deferred credit on refunding, and various receivables for revenues, which do not meet the availability criteria for governmental funds.

**7. Compensated Absences**

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

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

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

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

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

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

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

The government-wide Statement of Net Position, Governmental Activities, reports \$87,607,706 of restricted net position, of which \$14,364,521 is restricted by enabling legislation.

As of June 30, 2022, Sevier County had \$78,487,856 in outstanding debt for capital purposes for the discretely presented Sevier County School Department and other entities. The debt is a liability of Sevier County, but the capital assets acquired are reported in the financial statements of the school department and the other entities. Therefore, Sevier County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Restricted for Other Operations in the General Fund (\$11,778,180) represents unexpended Hotel/Motel Tax revenues which are restricted for tourism expenditures.

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission makes assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the primary government's General Fund consists of amounts assigned for fund balance appropriated for use in the 2022-2023 budget (\$3,051,620). Assigned fund balance in the school department's General Purpose School Fund consists primarily of amounts for encumbrances (\$39,042,232) and fund balance appropriated for use in the 2022-2023 year budget (\$16,758,973).

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

**10. Minimum Fund Balance Policy**

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

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

Debt Service Fund – 25 percent of total outstanding debt.

**E. Pension Plans**

**Primary Government**

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

**Discretely Presented Sevier County School Department**

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

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

**Primary Government**

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

**Discretely Presented Sevier County School Department**

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

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

**Primary Government**

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

**Discretely Presented Sevier County School Department**

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

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

**Primary Government**

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

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

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

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

#### **A. Budgetary Information**

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

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

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

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

At June 30, 2022, Sevier County and the Sevier County School Department reported the following encumbrances:



<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Fund:	
Highway/Public Works	\$ 797,810
Nonmajor Governmental	347,285
School Department:	
Major Fund:	
General Purpose School	39,042,232
Nonmajor Governmental	25,568

**B. County Employees Indicted**

In October 2021, two employees of the Sevier County Clerk’s office were indicted by the Sevier County Grand Jury on multiple charges. Brandy Thornton was charged with six counts of official misconduct, three counts of bribery of a public servant, two counts of tampering with evidence, one count of forgery, and one count of criminal simulation. Roberta Lynne Webb-Allen was charged with four counts of tampering with governmental records, two counts of forgery, two counts of criminal simulation, and two counts of official misconduct. The individuals are currently awaiting trial on the charges which is scheduled for February 7, 2023.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

**Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 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 market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

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

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may

make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

The county had no pooled and nonpooled investments as of June 30, 2022.

### **TCRS Stabilization Trust**

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

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

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

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 392,706
Developed Market International Equity	N/A	N/A	177,351
Emerging Market International Equity	N/A	N/A	50,672
U.S. Fixed Income	N/A	N/A	253,359
Real Estate	N/A	N/A	126,679
Short-term Securities	N/A	N/A	12,668
NAV- Private Equity and Strategic Lending	N/A	N/A	<u>253,359</u>
Total			<u>\$ 1,266,794</u>

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/2022/ag21066.pdf>.

## B. Derivative Instruments

At June 30, 2022, Sevier County had the following derivative instruments outstanding:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$3M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	\$3,000,000	10-1-09	6-1-25	Pay 4.44% receive 63.4% of LIBOR
\$13M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	13,000,000	10-1-09	6-1-25	Pay 3.97% receive 67% of LIBOR
\$14.365M Swap	Pay fixed interest rate swap	Variable to synthetic fixed rate	14,365,000	10-1-09	6-1-25	Pay 4.38% receive 63.4% of LIBOR

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2022, classified by type, and the changes in fair value using a pay-fixed interest rate swap, receive a percentage of LIBOR pricing model (Level 2 inputs of the GAAP fair value hierarchy) of such derivative instruments for the year then ended, as reported in the 2022 financial statements, are as follows:

Type	<u>Changes in Fair Value</u>		<u>Fair Value at June 30, 2022</u>		6-30-22 Notional
	Classification	Amount	Classification	Amount	Amount
<b>Governmental Activities</b>					
Pay-fixed interest rate swaps:					
\$3M Hybrid Swap:					\$ 1,905,000
Cash Flow Hedge Portion	Deferred Outflow/Inflow	\$ 63,650	Debt	\$ 4,107	
Non-hedge Portion	Investment Earnings	65,376	Debt	(92,215)	
Total \$3M Hybrid Swap		<u>\$ 129,026</u>		<u>\$ (88,108)</u>	
\$13M Swap:					\$ 7,100,000
Investment Derivative	Investment Earnings	<u>\$ 439,721</u>	Debt	<u>\$ (250,752)</u>	
\$14.435M Swap:					\$ 995,000
Investment Derivative	Investment Earnings	<u>\$ 66,748</u>	Debt	<u>\$ (44,865)</u>	
Total		<u><u>\$ 635,495</u></u>		<u><u>\$ (383,725)</u></u>	

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

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

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

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

**Objective of the interest rate swap.** To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into an interest rate swap agreement in connection with its \$3 million Series IV-H-3 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series IV-H-3 bonds were refunded with a portion of the proceeds of the Series VII-A-4 bonds and the interest rate swap was associated with the Series VII-A-4 bonds. Prior to the end of fiscal year 2022, the county paid off, in full, the Series VII-A-4 bonds and the swap is now associated with the Series VII-B-1 bonds.

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 4.44 percent and receives a variable payment computed as 63.4 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$3 million, and the original associated variable-rate bonds had a \$3 million principal amount. At no time will the notional amount on the derivative instrument interest swap agreement exceed the outstanding principal of the Series VII-B-1 Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (the "SIFMA"). The swap agreement matures on June 1, 2025. As of June 30, 2022, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.440 %
Variable payment from counterparty	% of LIBOR	<u>-1.950</u>
Net interest rate swap payments		2.490 %
Variable-rate bond coupon payments		<u>0.930</u>
		<u>3.420 %</u>
Synthetic interest rate on bonds		<u>3.420 %</u>

**Fair value.** As of June 30, 2022, the swap had a negative fair value of \$88,108. 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 ("RJFP" formerly Morgan Keegan Financial Products) was rated "A3/BBB+/A-" by Moody's, Standard & Poor's and Fitch, respectively, as of June 30, 2022, with its Credit Support Provider, Deutsche Bank, rated "A2/A-/A-" by Moody's, Standard & Poor's and Fitch, respectively.

**Basis risk.** As noted above, the swap exposes the county to basis risk should the 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 rate swap payments, then the synthetic rate on the bonds will decrease.

**Termination risk.** The swap 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.

Year Ending June 30	Variable Rate Bonds		Net Interest Rate Swap		Total
	Principal	Interest	Payment		
2023	\$ 600,000	\$ 17,717	\$ 47,438	\$	665,155
2024	635,000	12,137	32,497		679,634
2025	670,000	6,231	16,684		692,915
Total	<u>\$ 1,905,000</u>	<u>\$ 36,085</u>	<u>\$ 96,619</u>	<u>\$</u>	<u>2,037,704</u>

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

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

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

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 3.97 percent and receives a variable payment computed as 67 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$13 million, and the original associated variable-rate bonds had a \$13 million principal amount. At no time will the notional amount on the derivative instrument swap agreement exceed the outstanding principal of the Series VII-B-1 Bonds. The bonds’ variable-rates have historically approx.-

imated the Securities Industry and Financial Markets Association Index™ (the “SIFMA”). The swap agreement matures on June 1, 2025. As of June 30, 2022, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	3.970 %
Variable payment from counterparty	% of LIBOR	<u>-2.061</u>
Net interest rate swap payments		1.909 %
Variable-rate bond coupon payments		<u>0.930</u>
Synthetic interest rate on bonds		<u><u>2.839 %</u></u>

**Fair value.** As of June 30, 2022, the swap had a negative fair value of \$250,752. 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, should 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 swap’s fair value. The swap counterparty, Raymond James Financial Products (“RJFP” formerly Morgan Keegan Financial Products) was rated “A3/BBB+/A-” by Moody’s, Standard & Poor’s and Fitch, respectively, as of June 30, 2022, with its Credit Support Provider, Deutsche Bank, rated “A2/A-/A-” by Moody’s, Standard & Poor’s and Fitch, respectively.

**Basis risk.** As noted above, the swap exposes the county to basis risk should the 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 rate swap payments, then the synthetic rate on the bonds will decrease.

**Termination risk.** The swap 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.

Year Ending June 30	Variable Rate Bonds		Net Interest	Total
	Principal	Interest	Rate Swap Payment	
2023	\$ 2,250,000	\$ 66,030	\$ 135,573	\$ 2,451,603
2024	2,350,000	45,105	92,610	2,487,715
2025	2,500,000	23,250	47,737	2,570,987
Total	\$ 7,100,000	\$ 134,385	\$ 275,920	\$ 7,510,305

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

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

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

**Terms.** Under the swap, the authority pays the counterparty a fixed payment of 4.38 percent and receives a variable payment computed as 63.4 percent of the five-year London Interbank Offered Rate (LIBOR). The swap had an original notional amount of \$14.435 million, and the original associated variable-rate bonds had a \$14.435 million principal amount. At no time will the notional amount on interest rate swap agreement exceed the outstanding principal of the Series VII-B-1 Bonds. The bonds’ variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (the “SIFMA”). The swap agreement matures on June 1, 2025. As of June 30, 2022, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.380 %
Variable payment from counterparty	% of LIBOR	<u>-1.950</u>
Net interest rate swap payments		2.430 %
Variable-rate bond coupon payments		<u>0.930</u>
Synthetic interest rate on bonds		<u><u>3.360 %</u></u>

**Fair value.** As of June 30, 2022, the swap had a negative fair value of \$44,865. 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 (“RJFP” formerly Morgan Keegan Financial Products) was rated “A3/BBB+/A-” by Moody’s, Standard and Poor’s and Fitch, respectively, 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 if the bond rate increases to above the net interest rate swap payments, thereby increasing the synthetic rate on the bonds. If a change occurs that results in the bond rate being below net interest rate swap payments, then the synthetic rate on the bonds will decrease.

**Termination risk.** The swap 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.

Year Ending June 30	Variable Rate Bonds		Net Interest Rate Swap		Total
	Principal	Interest	Payment		
2023	\$ 315,000	\$ 9,254	\$ 24,180	\$	348,434
2024	330,000	6,324	16,525		352,849
2025	350,000	3,255	8,506		361,761
Total	\$ 995,000	\$ 18,833	\$ 49,211	\$	1,063,044

**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	Transfers Out	Balance 6-30-22
Capital Assets Not Depreciated:					
Land	\$ 7,461,303	\$ 30,000	\$ 0	\$ 0	\$ 7,491,303
Construction in Progress	1,427,813	2,027,272	(2,398,001)	0	1,057,084
<b>Total Capital Assets</b>					
Not Depreciated	\$ 8,889,116	\$ 2,057,272	\$ (2,398,001)	\$ 0	\$ 8,548,387
Capital Assets Depreciated:					
Buildings and Improvements	\$ 69,598,020	\$ 2,618,965	\$ 0	\$ 0	\$ 72,216,985
Infrastructure	201,116,103	5,333,190	0	0	206,449,293
Other Capital Assets	21,023,319	1,504,724	(428,322)	(21,264)	22,078,457
<b>Total Capital Assets Depreciated</b>	\$ 291,737,442	\$ 9,456,879	\$ (428,322)	\$ (21,264)	\$ 300,744,735
Less Accumulated Depreciation For:					
Buildings and Improvements	\$ 36,931,791	\$ 2,157,697	\$ 0	\$ 0	\$ 39,089,488
Infrastructure	146,870,436	5,756,706	0	0	152,627,142
Other Capital Assets	14,356,724	1,644,839	(421,389)	(21,264)	15,558,910
<b>Total Accumulated Depreciation</b>	\$ 198,158,951	\$ 9,559,242	\$ (421,389)	\$ (21,264)	\$ 207,275,540
<b>Total Capital Assets Depreciated, Net</b>	\$ 93,578,491	\$ (102,363)	\$ (6,933)	\$ 0	\$ 93,469,195
<b>Governmental Activities Capital Assets, Net</b>	\$ 102,467,607	\$ 1,954,909	\$ (2,404,934)	\$ 0	\$ 102,017,582

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

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

**Governmental Activities:**

General Government	\$ 990,689
Finance	14,780
Administration of Justice	7,137
Public Safety	906,392
Public Health and Welfare	859,332
Social, Cultural, and Recreational Services	555,923
Agriculture and Natural Resources	9,466
Highways/Public Works	<u>6,215,523</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 9,559,242</u>

**Net Investment in Capital Assets**

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Capital Assets	\$ 102,017,582
Add:	
Unamortized balance of capital-related deferred outflows of resources	132,797
Less:	
Outstanding principal of capital debt and other capital borrowings (net of unspent proceeds)	(12,030,193)
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(10,709,200)
Unamortized balance of original issue premiums on outstanding capital-related debt	(2,596,739)
Unamortized balance of capital-related deferred inflows of resources	<u>(305,408)</u>
Net Investment in Capital Assets	<u>\$ 76,508,839</u>

**Business-Type Activities:**

	Balance 7-1-21	Transfers In	Increases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 0	\$ 0	\$ 45,000	\$ 45,000
Total Capital Assets Not Depreciated	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>
Capital Assets Depreciated:				
Infrastructure	\$ 22,354,270	\$ 0	\$ 0	\$ 22,354,270
Other Capital Assets	381,443	21,264	0	402,707
Total Capital Assets Depreciated	<u>\$ 22,735,713</u>	<u>\$ 21,264</u>	<u>\$ 0</u>	<u>\$ 22,756,977</u>
Less Accumulated Depreciation For:				
Infrastructure	\$ 4,795,982	\$ 0	\$ 459,229	\$ 5,255,211
Other Capital Assets	176,428	21,264	15,287	212,979
Total Accumulated Depreciation	<u>\$ 4,972,410</u>	<u>\$ 21,264</u>	<u>\$ 474,516</u>	<u>\$ 5,468,190</u>
Total Capital Assets Depreciated, Net	<u>\$ 17,763,303</u>	<u>\$ 0</u>	<u>\$ (474,516)</u>	<u>\$ 17,288,787</u>
Governmental Activities Capital Assets, Net	<u>\$ 17,763,303</u>	<u>\$ 0</u>	<u>\$ (429,516)</u>	<u>\$ 17,333,787</u>

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

There were no decreases in capital assets to report during the year ended June 30, 2022.

Depreciation expense totaling \$474,516 was charged to the Public Utility Fund.

**Discretely Presented Sevier County School Department**

**Governmental Activities:**

	Balance			Balance
	7-1-21	Increases	Decreases	6-30-22
	<hr/>			
Capital Assets Not Depreciated:				
Land	\$ 19,527,122	\$ 4,385,984	\$ 0	\$ 23,913,106
Construction in Progress	1,431,966	19,694,384	(2,436,304)	18,690,046
<b>Total Capital Assets</b>	<hr/>			
Not Depreciated	\$ 20,959,088	\$ 24,080,368	\$ (2,436,304)	\$ 42,603,152
	<hr/>			
Capital Assets Depreciated:				
Buildings and Improvements	\$ 201,744,857	\$ 1,538,740	\$ 0	\$ 203,283,597
Infrastructure	11,649,937	2,545,224	0	14,195,161
Other Capital Assets	25,788,712	4,172,402	(1,121,506)	28,839,608
<b>Total Capital Assets Depreciated</b>	<hr/>			
	\$ 239,183,506	\$ 8,256,366	\$ (1,121,506)	\$ 246,318,366
	<hr/>			
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 78,552,381	\$ 4,671,509	\$ 0	\$ 83,223,890
Infrastructure	8,099,320	554,702	0	8,654,022
Other Capital Assets	18,786,972	1,517,664	(1,121,506)	19,183,130
<b>Total Accumulated Depreciation</b>	<hr/>			
	\$ 105,438,673	\$ 6,743,875	\$ (1,121,506)	\$ 111,061,042
	<hr/>			
<b>Total Capital Assets Depreciated, Net</b>	\$ 133,744,833	\$ 1,512,491	\$ 0	\$ 135,257,324
	<hr/>			
<b>Governmental Activities Capital Assets, Net</b>	\$ 154,703,921	\$ 25,592,859	\$ (2,436,304)	\$ 177,860,476
	<hr/>			

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

**Governmental Activities:**

Instruction	\$ 4,381,212
Support Services	2,290,132
Operation of Non-instructional Services	<u>72,531</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,743,875</u>

**D. Construction Commitments**

At June 30, 2022, the Sevier County School Department's General Purpose School Fund had uncompleted construction contracts of approximately \$34,458,492 for the construction of two new schools. Funding has been received for these future expenditures.

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

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

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 26,520
Internal Service	Highway/Public Works	669

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.

**Interfund Transfers:**

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



**Primary Government**

Transfers Out	Transfers In		Purpose
	Highway/ Public Works Fund	Nonmajor Governmental Funds	
General Fund	\$ 112,976	\$ 0	Grant funding
"	0	1,116,000	To establish new fund
"	0	50,000	Operations of drug court
<b>Total</b>	<b>\$ 112,976</b>	<b>\$ 1,166,000</b>	

**Discretely Presented Sevier County School Department**

Transfer Out	Transfer In		Purpose
	School Federal Projects Fund		
General Purpose School Fund	\$ 1,000,000		Cash flow

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

**F. Long-term Debt**

**Primary Government**

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

General Obligation Bonds - Sevier County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds and loans. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2022, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Sevier County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 24 years. There were no capital outlay notes outstanding at June 30, 2022. 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	2 to 5 %	6-1-42	\$ 61,835,000	\$ 59,025,000
General Obligation Bonds - Refunding	3 to 5	6-1-32	18,685,000	13,190,000
Qualified School Construction Bonds	4.84	8-1-27	14,504,000	4,624,122
Direct Borrowing and Direct Placement:				
Other Loans - Variable Rate - Refunding	Variable	6-1-32	42,495,000	18,585,000
Other Loans - Variable Rate	Variable	6-1-32	21,450,000	21,350,000

Sevier County has entered a loan agreement with the Sevier County Public Building Authority (PBA). The loan agreement provides for the PBA to make funds available for loan to Sevier County on an as-needed basis to finance various capital projects for the county and the discretely presented school department. In addition to interest, the county pays various other fees (trustee, letter of credit, debt remarketing, administrative, etc.) in connection with this 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 Rate as of 6-30-22	Other Fees on Variable Rate Debt
Series VII-B-1 (Refunding)(1)	\$ 42,495,000	\$ 18,585,000	Variable	0.96 %	0.75 %
Series VII-B-1	21,450,000	<u>21,350,000</u>	Variable	0.96	0.75
Total		<u>\$ 39,935,000</u>			

(1) This issue refunded other issues for which outstanding interest rate swap agreements exist (Series IV-A-2 and Series V-A-1). Also, an interest rate swap agreement, previously associated with Series VII-A-4, is now

associated with this issue after the outstanding balance of Series VII-A-4 was paid off early during the year.

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.

Estimated interest payments and estimated other fees are included for the loan agreement. The Series VII-B-1 carries a variable interest rate with the rate changing weekly or monthly. Interest payments included in the table for the variable rate issue is computed based on the rate in effect at June 30, 2022. Net interest rate swap payments, discussed in Note IV.B., are in addition to interest and other fee amounts reflected in the following tables.

Year Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 6,235,027	\$ 3,269,168	\$ 9,504,195
2024	5,940,027	3,035,466	8,975,493
2025	5,920,027	2,807,467	8,727,494
2026	4,530,027	2,582,754	7,112,781
2027	4,734,014	2,433,129	7,167,143
2028-2032	20,670,000	6,522,140	27,192,140
2033-2037	19,230,000	3,378,603	22,608,603
2038-2042	9,580,000	738,499	10,318,499
Total	\$ 76,839,122	\$ 24,767,226	\$ 101,606,348

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2023	\$ 3,645,000	\$ 383,376	\$ 298,216	\$ 4,326,592
2024	4,525,000	348,384	270,997	5,144,381
2025	4,360,000	304,944	237,207	4,902,151
2026	3,315,000	263,088	204,648	3,782,736
2027	3,515,000	231,264	179,893	3,926,157
2028-2032	20,575,000	612,720	476,616	21,664,336
Total	\$ 39,935,000	\$ 2,143,776	\$ 1,667,577	\$ 43,746,353

There is \$39,136,051 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$781, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums totaled \$1,241, based on the 2020 federal census.

During the year, based on budgetary appropriations, the school department remitted \$8,540,143 to the primary government's General Debt Service Fund to be applied to the retirement of debt issued for the benefit of the school department. Also, during the year, the county reimbursed the school department \$663,074 of that amount from tax credit bond rebates received

related to the Qualified School Construction Bonds. Those rebates were received in the General Fund and subsequently contributed to the school department.

Changes in Long-term Debt

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

Governmental Activities:

	<u>Bonds</u>	<u>Other Loans - Direct Placement</u>
Balance, July 1, 2021	\$ 64,914,149	\$ 45,876,703
Additions	26,255,000	0
Reductions	<u>(14,330,027)</u>	<u>(5,941,703)</u>
Balance, June 30, 2022	<u>\$ 76,839,122</u>	<u>\$ 39,935,000</u>
Balance Due Within One Year	<u>\$ 6,235,027</u>	<u>\$ 3,645,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2022	\$ 116,774,122
Less: Balance Due Within One Year - Debt	(9,880,027)
Add: Unamortized Premium on Debt	<u>5,322,629</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 112,216,724</u>

Current Refunding

On December 10, 2021, Sevier County refunded two general obligation bond issues with a separate general obligation bond issue. The county issued \$8,260,000 of general obligation refunding bonds to provide resources to call and redeem the refunded debt. Because of the refunding, total debt service payments over the next 10 years will be reduced by \$259,286, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$241,823 was obtained.

**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	Compensated Absences
Balance, July 1, 2021	\$ 5,341,846	\$ 1,309,335
Additions	1,293,819	1,991,892
Reductions	(572,461)	(1,829,460)
Balance, June 30, 2022	<u>\$ 6,063,204</u>	<u>\$ 1,471,767</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 1,230,460</u>

Analysis of Noncurrent Liabilities - Other Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2022	\$ 7,534,971
Less: Balance Due Within One Year - Other	<u>(1,230,460)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 6,304,511</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

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

Changes in Long-term Obligations

Long-term obligations activity for the Public Utility Fund (enterprise fund) for the year ended June 30, 2022, was as follows:

Business-Type Activities:

	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2021	\$ 34,500	\$ 0
Additions	7,661	31,029
Reductions	(3,527)	(18,300)
Balance, June 30, 2022	<u>\$ 38,634</u>	<u>\$ 12,729</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 11,456</u>

Analysis of Noncurrent Liabilities - Other Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2022	\$ 51,363
Less: Balance Due Within One Year - Other	<u>(11,456)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 39,907</u>

Compensated absences and other postemployment benefits will be paid from Public Utility Fund.

**Discretely Presented Sevier County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2021	\$ 38,464,365
Additions	3,587,267
Reductions	<u>(3,212,010)</u>
Balance, June 30, 2022	<u>\$ 38,839,622</u>
Balance Due Within One Year	<u>\$ 0</u>

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

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

Local Option Sales Tax Revenues Pledged

In 2009, the citizens of Sevier County voted to increase the local option sales tax rate by .25 percent to pay for capital needs of the school department. The county pledged the additional sales tax collections generated from this increase to be used for educational capital outlay and debt service. For the current year, sales tax revenues generated by the increase were \$16,504,383.

**I. On-Behalf Payments**

**Discretely Presented Sevier County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Sevier County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2022, were \$537,705 and \$105,148, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

The county has chosen to establish three self-insurance funds for risks associated with the employees' health, dental, and vision plans for the primary government, and risks associated with workers' compensation claims for both the primary government and the school department. The self-insurance funds are accounted for as internal service funds where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$160,000 for each employee in any plan year for health coverage. The county also retains the risk of loss to a limit of \$600,000 per occurrence and approximately \$2,212,177 for all claims in any plan year for workers' compensation coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All full-time employees of the primary government are eligible to participate in the health, dental, and vision programs. A premium charge is allocated to each fund that accounts for employees who are covered by the employee health insurance plan and/or the workers' compensation plan. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$211,574 for health coverage, \$92,737 for dental and vision coverage and \$761,123 for workers' compensation coverage at June 30, 2022. Liabilities of these funds are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The self-insurance funds establish claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Employee Insurance - Health Fund

		Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2020-2021	\$	611,894	\$ 7,794,679	\$ (7,589,877)	\$ 816,696
2021-2022		816,696	6,957,078	(7,231,870)	541,904

Current year claims and estimates are presented net of stop-loss recoveries (\$23,951) and contracted prescription drug rebates (\$113,278) for the 2021-22 year.

Employee Insurance - Dental and Vision Fund

		Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2020-2021	\$	17,423	\$ 46,424	\$ (60,544)	\$ 3,303
2021-2022		3,303	46,572	(46,293)	3,582

Employee Insurance - Workers' Compensation Fund

		Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year End
2020-2021	\$	90,169	\$ 371,099	\$ (420,937)	\$ 40,331
2021-2022		40,331	518,340	(495,338)	63,333

Current year claims and estimates are presented net of stop-loss recoveries (\$55,933) for the 2021-22 year.

The discretely presented Sevier County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local educational agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.



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

## **B. Accounting Changes**

GASB Statement No. 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

Sevier County is contingently liable for the Tennessee Department of Environment and Conservation's financial assurance requirements regarding landfill closure/postclosure care costs. The county would be obligated for the financial assurance in the event of default on closure/postclosure care costs by Sevier Solid Waste, Inc., a joint venture discussed in Note V.E. The financial assurance requirements as of June 30, 2021, were \$1,170,807. The Tennessee

Department of Environment and Conservation has not provided the county with an updated amount for the 2022 year as of the date of this report.

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

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

**D. Changes in Administration**

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

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

On December 30, 2021, Gregory Patterson left the Office of Trustee and was succeeded by Faye Loveday.

**E. Joint Ventures**

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

Sevier Water Board, Inc., is a nonprofit organization created under the laws of the State of Tennessee that was designed to carry out future planning and implementing of certain water-related functions within Sevier County and the cities of Gatlinburg, Pigeon Forge, Sevierville, and Pittman Center. The

corporation was formed in 1995 pursuant to a mutual interlocal cooperation agreement between each of the governmental entities. It is governed by a board of directors, which consists of one representative from each governmental unit. Sevier County has control over budgeting and financing the joint venture only to the extent of representation by the one board member appointed and is responsible for funding a pro-rata share of any deficits from operations.

Sevier County and the city of Sevierville jointly constructed a baseball stadium, which they leased to a minor league baseball club. The Stadium Advisory Committee was created by an interlocal agreement between Sevier County and the city of Sevierville to oversee operations of the stadium facility and to report to the Sevier County Commission and the City of Sevierville Board of Mayor and Aldermen. The committee includes seven members nominated jointly by the county and city mayors who are appointed to four-year terms by both legislative bodies. Operations of the joint venture are split 70 percent (city of Sevierville) and 30 percent (Sevier County). The city of Sevierville maintains financial transactions relating to the joint venture, and complete financial statements may be obtained from the city of Sevierville.

Sevier County and the city of Gatlinburg jointly constructed a youth sports complex, Rocky Top Sports World. The Youth Sports Complex Advisory Board/Authority was created by an interlocal agreement between Sevier County and the city of Gatlinburg to oversee operations of the sports facility and to report to the Sevier County Commission and the city of Gatlinburg Commission. The board includes seven members, which include from the county: the county mayor, the director of schools, and one member nominated by the county commission; and from the city: the city manager and three members nominated by the city commission. Operations of the joint venture are split 70 percent (city of Gatlinburg) and 30 percent (Sevier County). Sevier County contributed \$179,640 for the operations for the 2021-2022 year. The city of Gatlinburg maintains financial transactions relating to the joint venture, and complete financial statements may be obtained from the city of Gatlinburg.

The Fourth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fourth Judicial District; Sevier, Cocke, Grainger, and Jefferson counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Sevier County made no contributions to the DTF for the year ended June 30, 2022, and does not have any equity interest in this joint venture.

The Sevier County Economic Development Council is a joint venture operated by Sevier County, the cities of Sevierville, Pigeon Forge, Gatlinburg, and

various local private enterprises. The board is comprised of 12 members, two of whom represent Sevier County. The purpose is to coordinate the governmental and private sector activities in attracting businesses and industries to the Sevier County area. Sevier County contributed \$232,600 to the operations of the Economic Development Council for the 2021-22 year.

Sevier Animal Care Center is a nonprofit public benefit organization created to operate and maintain a facility for the sheltering of animals within Sevier County. The corporation is governed by a board of directors which consists of the mayor of Sevier County and the city managers of Gatlinburg, Pigeon Forge, and Sevierville. The Sevier County mayor serves as the chairman of that board. Sevier County and the center have entered into a memorandum of understanding which provides for the shelter to accept animals from the county and for the county to provide annual appropriations to the shelter at the discretion of the county commission. Sevier County has control over budgeting and financing the joint venture only to the extent of representation by the county mayor on the shelter board. The corporation receives financial support from each of these four government entities. Sevier County contributed \$216,791 to the operations of the Sevier Animal Care Center for the 2021-2022 year.

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

Administrative Offices:

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

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

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

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

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

**F. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Sevier County and non-certified employees of the discretely presented Sevier County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 56.7 percent, the non-certified employees of the discretely presented school department comprise 43.3 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	642
Inactive Employees Entitled to But Not Yet Receiving Benefits	947
Active Employees	1,356
Total	<u><u>2,945</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Sevier County elected to make employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contribution for Sevier County was \$1,531,054 based on a rate of three percent of covered payroll. The minimum rate established by the Board of Trustees was 0.00 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Sevier County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

Sevier County’s net pension liability (asset) was measured as of June 30, 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	2.25%
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 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	4.88	%	31	%
Developed Market				
International Equity	5.37		14	
Emerging Market				
International Equity	6.09		4	
Private Equity and				
Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
			100	%
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 Sevier County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2020	\$ 154,532,763	\$ 174,765,558	\$ (20,232,795)
Changes for the Year:			
Service Cost	\$ 3,831,773	\$ 0	\$ 3,831,773
Interest	11,272,169	0	11,272,169
Differences Between Expected and Actual Experience	2,244,393	0	2,244,393
Changes in Assumptions	13,514,387	0	13,514,387
Contributions-Employer	0	2,401,069	(2,401,069)
Contributions-Employees	0	2,416,440	(2,416,440)
Net Investment Income	0	44,945,255	(44,945,255)
Benefit Payments, Including Refunds of Employee Contributions	(5,772,681)	(5,772,681)	0
Administrative Expense	0	(121,095)	121,095
Net Changes	\$ 25,090,041	\$ 43,868,988	\$ (18,778,947)
Balance, June 30, 2021	\$ 179,622,804	\$ 218,634,546	\$ (39,011,742)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	56.70%	\$ 101,846,130	\$ 123,965,788	\$ (22,119,658)
School Department	43.30%	77,776,674	94,668,758	(16,892,084)
Total		\$ 179,622,804	\$ 218,634,546	\$ (39,011,742)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Sevier County calculated using the discount rate of 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%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Sevier County	5.75%	6.75%	7.75%

Net Pension Liability (Asset)    \$ (14,554,273)    \$ (39,011,742)    \$ (59,298,740)

**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, Sevier County recognized pension expense (negative pension expense) of (\$4,886,909).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,870,327	\$ 1,915,098
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	23,982,770
Changes in Assumptions	11,746,192	0
Contributions Subsequent to the Measurement Date of June 30, 2021 (1)	1,531,054	N/A
Total	<u>\$ 15,147,573</u>	<u>\$ 25,897,868</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	\$ 8,576,376	\$ 14,684,092
School Department	6,571,197	11,213,776
Total	<u>\$ 15,147,573</u>	<u>\$ 25,897,868</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	\$ (3,984,851)
2024	(3,783,998)
2025	(3,286,563)
2026	(3,852,398)
2027	2,626,461
Thereafter	0

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

**Payable to the Pension Plan**

At June 30, 2022, Sevier County reported a payable of \$254,714 for the outstanding amount of contributions due to the pension plan at year end.

**Discretely Presented Sevier County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Sevier County and non-certified employees of the discretely presented Sevier County School Department are provided a defined benefit pension plan through the Public Employee Pension

Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 56.7 percent and the non-certified employees of the discretely presented school department comprise 43.3 percent of the plan based on contribution data.

### **Certified Employees**

### **Teacher Retirement Plan**

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

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

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to 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 \$411,450, which is 2.01 percent of covered payroll. In addition, employer contributions of \$362,975 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 (\$1,172,329) 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 1.082271 percent. The proportion measured as of June 30, 2020, was 1.068607 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense of \$141,042.

*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	\$ 20,395	\$ 214,512
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	674,824
Changes in Assumptions	422,848	0
Changes in Proportion of Net Pension Liability (Asset)	7,903	23,247
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	<u>411,450</u>	<u>N/A</u>
Total	<u>\$ 862,596</u>	<u>\$ 912,583</u>

The school department's employer contributions of \$411,450, 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	\$ (149,548)
2024	(145,854)
2025	(144,802)
2026	(161,783)
2027	18,209
Thereafter	122,341

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. 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	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 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%) or one percentage point higher (7.75%) 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)    \$ 403,015    \$ (1,172,329)    \$ (2,334,202)

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

**Teacher Legacy Pension Plan**

**General Information About the Pension Plan**

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

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

and beneficiary annuitants are entitled to 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 Sevier County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$6,173,904, 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 (\$76,283,761) 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 1.768595 percent. The proportion measured at June 30, 2020, was 1.771316 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$11,839,864).

*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
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 256,355	\$ 6,362,313
Changes in Assumptions	20,381,746	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	60,834,595
Changes in Proportion of Net Pension Liability (Asset)	39,580	20,364
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	<u>6,173,904</u>	<u>N/A</u>
Total	<u>\$ 26,851,585</u>	<u>\$ 67,217,272</u>

The school department's employer contributions of \$6,173,904 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	<u>Amount</u>
2023	\$ (11,047,146)
2024	(10,483,566)
2025	(8,591,375)
2026	(16,417,504)
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	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 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%) or one percentage point higher (7.75%) 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) \$ (13,575,943) \$ (76,283,761) \$ (128,469,174)

*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**

Sevier County offers its employees a deferred compensation plan, pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) establishes participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$1,023,671 and teachers contributed \$676,027 to this deferred compensation pension plan.

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

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

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

*Plan Description.* Sevier County participates in a self-insured postemployment benefits plan administered by Blue Cross Blue Shield for its retirees and their covered dependents. Eligible employees must be age 55 with 15 years of service or any age with 30 years of service until attainment of age 65 when they become eligible for Medicare. The retiree’s spouse is eligible for coverage until age 65, as long as the retiree is eligible for coverage or has reached age 65.

*Benefits Provided.* The plan provides healthcare benefits to eligible retirees and their dependents. The benefit terms provide for retirees to pay between \$280 and \$555 per month for their health insurance coverage depending on the coverage they choose. The county pays the remainder of the cost for covered medical services.

Employees Covered by Benefit Terms

At the measurement date of July 1, 2021, the following employees were covered by the benefit terms:

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

**Total OPEB Liability**

The plan’s total OPEB liability of \$5,350,000 was measured as of July 1, 2021, and was determined by an actuarial valuation as of July 1, 2020.

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

Actuarial Cost Method	Entry Age Normal
Salary Increases	2.50%
Discount Rate	1.92%
Healthcare Cost Trend Rates	14.97% for FY21 then 7% for FY22; decreasing .25% per year to an ultimate rate of 5%
Retirees share of Benefit-related Cost	From \$280 to \$555 depending on coverage selected



The discount rate was based on the Fidelity Municipal GO AA 20-year yield curve rate as of July 1, 2021.

Mortality rates were based on RP-2014 Mortality Table fully generational, with base year 2006, projected using two-dimensional mortality improvement 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, 2020	\$ 4,423,000
Changes for the Year:	
Service Cost	\$ 263,000
Interest	108,000
Difference between Expected and Actual Experience	540,000
Changes in Assumption and Other Inputs	582,000
Benefit Payments	(566,000)
Net Changes	<u>\$ 927,000</u>
Balance June 30, 2021	<u>\$ 5,350,000</u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the county recognized OPEB expense of \$742,000. At June 30, 2022, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 542,000	\$ 36,000
Changes of Assumptions/Inputs	636,000	3,000
Benefit Payment Subsequent to the Measurement Date of July 1, 2021	<u>245,000</u>	<u>0</u>
Total	<u>\$ 1,423,000</u>	<u>\$ 39,000</u>

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

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

Year Ending June 30	Amount
2023	\$ 352,000
2024	370,000
2025	299,000
2026	118,000
2027	0
Thereafter	0

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

<u>Discount Rate</u>	1% Decrease 0.92%	Current Discount Rate 1.92%	1% Increase 2.92%
Total OPEB Liability	\$ 5,799,000	\$ 5,350,000	\$ 4,933,000

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease 13.97% to 4%	Current Trend Rate 14.97% to 5%	1% Increase 15.97% to 6%
Total OPEB Liability	\$ 4,720,000	\$ 5,350,000	\$ 6,105,000

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

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

Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

The county and school department’s total OPEB liability for each plan was measured as of June 30, 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 decreasing annually over a 10-year period to an ultimate trend rate of 4.5%. TNMs: The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable
Retirees Share of Benefit	
Related Cost	Discussed under each plan

The discount rate was 2.16 percent, based on the average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but no not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 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 experiences. Mortality tables are used to measure

the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employees for non-disabled pre-retirement 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 a 6% to 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 Sevier County who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan-Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and local education agencies. However, the amounts reflected in this note disclosure pertain only to the Sevier County Primary Government. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

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

retiree premiums. Sevier County provides a direct subsidy of between \$25 and \$50 for eligible retirees depending on years of service.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	10
Inactive Employees Entitled to But Not Yet Receiving Benefits	33
Active Employees Eligible for Benefits	448
Total	<u><u>491</u></u>

In accordance with TCA 8-27-209, the state insurance committees established by TCA 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2022, the county paid \$8,285 for OPEB benefits as they came due.

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

	<u>Sevier County</u>
Balance July 1, 2020	<u>\$ 953,346</u>
Changes for the Year:	
Service Cost	\$ 36,754
Interest	21,771
Difference between Expected and Actual Experience	(25,892)
Changes in Assumptions and Other Inputs	(224,153)
Benefit Payments	(9,988)
Net Changes	<u>\$ (201,508)</u>
Balance June 30, 2021	<u><u>\$ 751,838</u></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 \$117,373. 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	\$ 9,697	\$ 574,003
Changes of Assumptions/Inputs	146,120	275,773
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2021	<u>8,285</u>	<u>0</u>
Total	<u>\$ 164,102</u>	<u>\$ 849,776</u>

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

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

Year Ending June 30	Sevier County
2023	\$ (175,898)
2024	(175,898)
2025	(175,898)
2026	(123,738)
2027	(9,291)
Thereafter	(33,236)

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

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

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	1.16%	2.16%	3.16%
Total OPEB Liability	\$ 879,888	\$ 751,839	\$ 646,007

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

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

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

*Benefits Provided.* The Sevier County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Retirees must retire from the Sevier County School System and have a minimum of ten years of service with the system in order to qualify for health insurance benefits. The school department provides a direct subsidy ranging from \$256 to \$544 per month toward the cost of insurance for retirees based on years of service and insurance coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	135
Inactive Employees Entitle To But Not Yet	
Receiving Benefit Payments	1
Active Employees Eligible For Benefits	1,325
 Total	 <u><u>1,461</u></u>

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$1,571,077 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Sevier County</u>		<u>Total OPEB Liability</u>
	<u>School Department</u>	<u>State of TN</u>	
	76.2125%	23.7875%	
Balance July 1, 2020	\$ 37,299,584	\$ 11,120,557	\$ 48,420,141
Changes for the Year:			
Service Cost	\$ 1,970,175	\$ 614,932	\$ 2,585,107
Interest	842,404	262,932	1,105,336
Difference between Expected and Actual Experience	903,251	281,924	1,185,175
Change in Proportion	(397,385)	397,385	0
Changes in Assumption and Other Inputs	(1,297,261)	(404,902)	(1,702,163)
Benefit Payments	(1,517,365)	(473,601)	(1,990,966)
Net Changes	<u>\$ 503,819</u>	<u>\$ 678,670</u>	<u>\$ 1,182,489</u>
Balance June 30, 2021	<u>\$ 37,803,403</u>	<u>\$ 11,799,227</u>	<u>\$ 49,602,630</u>



The Sevier County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Sevier County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$858,707 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Sevier County School Department's proportionate share of the collective OPEB liability was 76.2125 percent and the State of Tennessee's share was 23.7875 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 \$4,296,311, which includes expenses funded by nonemployer contributing entities. 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
	<u>                    </u>	<u>                    </u>
Difference Between Expected and Actual Experience	\$ 4,799,616	\$ 2,121,150
Changes of Assumptions/Inputs	3,369,425	3,278,622
Changes in Proportion	1,742,827	924,793
Benefits Paid After the Measurement Date of June 30, 2021	<u>1,571,077</u>	<u>0</u>
Total	<u>\$ 11,482,945</u>	<u>\$ 6,324,565</u>

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

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

<u>Year Ending June 30</u>	<u>School Department</u>
2023	\$ 625,025
2024	625,025
2025	625,025
2026	625,025
2027	696,730
Thereafter	390,473

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	\$ 40,447,591	\$ 37,803,403	\$ 35,265,359
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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	Curent 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	\$ 33,719,148	\$ 37,803,403	\$ 42,591,979
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## **Closed Tennessee Plan – Medicare (Discretely Presented School Department)**

*Plan Description.* Employees of the Sevier County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan – Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local education agencies, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 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 8-27-201*, *8-27-301* and *8-27-701*. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Sevier County School Department provided a direct subsidy to retired noncertified employees of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with from 10 to 20 years of service. The school department does not provide a direct subsidy to retired certified employees (teachers). The state, as a governmental nonemployer contributing entity contributes to the premiums of certain eligible retirees (teachers) of local education agencies based on years of service. The State of Tennessee provided a direct subsidy of \$50 for eligible retirees (teachers) with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service.

### Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	266
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	155
Active Employees Eligible For Benefits	1,456
Total	<u><u>1,877</u></u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2022, the school department paid \$27,154 to the TNM for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Sevier County</u>		Total OPEB Liability
	School Department 20.5239%	State of TN 79.4761%	
Balance July 1, 2020	\$ 1,164,781	\$ 4,449,597	\$ 5,614,378
Changes for the Year:			
Service Cost	\$ 35,061	\$ 138,205	\$ 173,266
Interest	41,424	85,148	126,572
Difference between Expected and Actual Experience	(58,472)	97,796	39,324
Changes in Proportion	(335,821)	335,821	0
Changes in Assumption and Other Inputs	214,172	(997,427)	(783,255)
Benefit Payments	(24,926)	(96,521)	(121,447)
Net Changes	<u>\$ (128,562)</u>	<u>\$ (436,978)</u>	<u>\$ (565,540)</u>
Balance June 30, 2021	<u>\$ 1,036,219</u>	<u>\$ 4,012,619</u>	<u>\$ 5,048,838</u>

The Sevier County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired teachers participating in the TNM. The Sevier County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$569,710 in revenue for subsidies provided by

the nonemployer contributing entities for benefits paid by the TNM for school department retirees.

During the year, the Sevier County School Department's proportionate share of the collective OPEB liability for the TNM plan was 20.5239 percent and the State of Tennessee's share was 79.4761 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the school department recognized collective OPEB expense of \$180,234, including the state's share of the OPEB expense.

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	\$ 12,048	\$ 173,066
Changes of Assumptions/Inputs	303,327	228,066
Changes in Proportion	660,072	2,517,237
Benefits Paid After the Measurement Date of June 30, 2021	<u>27,154</u>	<u>0</u>
Total	<u>\$ 1,002,601</u>	<u>\$ 2,918,369</u>

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

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

Year Ending June 30	School Department
2023	\$ (451,015)
2024	(451,015)
2025	(451,015)
2026	(451,013)
2027	(58,038)
Thereafter	(80,826)

*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	\$ 1,207,872	\$ 1,036,219	\$ 896,147
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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 Sevier County Board of Education adopted a policy to pay employees \$100 for each sick leave day that they had accumulated at the time of their retirement. Since payments will be calculated and made at the actual time of retirement, the amount of future payments was not measurable at June 30, 2022. Payments totaling \$608,000 were paid to individuals who retired during the year ending June 30, 2022.

#### **I. Purchasing Laws**

##### Office of County Mayor

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

##### Office of Road Superintendent

Chapter 133, Private Acts of 1969, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, govern purchasing procedures for the highway department. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Sevier County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

**J. Subsequent Events**

On August 31, 2022, Karen Cotter left the Office of County Clerk and was succeeded by Adra Rowland, Rita Ellison left the Office of Circuit Court Clerk and was succeeded by Karen Atchley, and Ronald Seals left the Office of Sheriff and was succeeded by Michael Hodges.

On September 19, 2022, the county commission passed an initial resolution authorizing the issuance of a loan agreement with the Sevier County Public Building Authority not to exceed \$2,325,000.

On October 17, 2022, the county commission approved to increase the threshold requiring competitive bids to purchases exceeding \$25,000.

**REQUIRED SUPPLEMENTARY  
INFORMATION**



Exhibit F-1

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

	2014	2015	2016	2017	2018	2019	2020	2021
<b>Total Pension Liability</b>								
Service Cost	\$ 3,022,637	\$ 3,246,116	\$ 3,328,622	\$ 3,511,649	\$ 3,699,127	\$ 3,704,977	\$ 3,830,843	\$ 3,831,773
Interest	7,814,520	8,172,691	8,613,091	9,195,486	9,578,282	10,044,078	10,621,303	11,272,169
Differences Between Actual and Expected Experience	(3,084,680)	(2,192,897)	(620,095)	(2,311,389)	(2,619,893)	(1,184,277)	(96,653)	2,244,393
Changes in Assumptions	0	0	0	2,905,233	0	0	0	13,514,387
Benefit Payments, Including Refunds of Employee Contributions	(3,049,729)	(3,350,941)	(3,521,901)	(3,956,855)	(4,004,543)	(4,472,635)	(4,985,225)	(5,772,681)
Net Change in Total Pension Liability	\$ 4,702,748	\$ 5,874,969	\$ 7,799,717	\$ 9,344,124	\$ 6,652,973	\$ 8,092,143	\$ 9,370,268	\$ 25,090,041
Total Pension Liability, Beginning	102,695,821	107,398,569	113,273,538	121,073,255	130,417,379	137,070,352	145,162,495	154,532,763
Total Pension Liability, Ending (a)	\$ 107,398,569	\$ 113,273,538	\$ 121,073,255	\$ 130,417,379	\$ 137,070,352	\$ 145,162,495	\$ 154,532,763	\$ 179,622,804
<b>Plan Fiduciary Net Position</b>								
Contributions - Employer	\$ 3,540,475	\$ 3,595,625	\$ 3,785,512	\$ 3,226,703	\$ 2,874,211	\$ 2,750,184	\$ 2,616,871	\$ 2,401,069
Contributions - Employee	1,927,724	1,891,110	1,998,862	2,020,513	2,059,378	2,148,465	2,192,295	2,416,440
Net Investment Income	16,292,190	3,588,942	3,242,578	14,425,127	11,844,514	11,548,193	8,265,857	44,945,255
Benefit Payments, Including Refunds of Employee Contributions	(3,049,729)	(3,350,941)	(3,521,901)	(3,956,855)	(4,004,543)	(4,472,635)	(4,985,225)	(5,772,681)
Administrative Expense	(50,907)	(67,022)	(101,968)	(112,967)	(128,087)	(119,140)	(119,169)	(121,095)
Other	0	0	13,303	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 18,659,753	\$ 5,657,714	\$ 5,416,386	\$ 15,602,521	\$ 12,645,473	\$ 11,855,067	\$ 7,970,629	\$ 43,868,988
Plan Fiduciary Net Position, Beginning	96,958,015	115,617,768	121,275,482	126,691,868	142,294,389	154,939,862	166,794,929	174,765,558
Plan Fiduciary Net Position, Ending (b)	\$ 115,617,768	\$ 121,275,482	\$ 126,691,868	\$ 142,294,389	\$ 154,939,862	\$ 166,794,929	\$ 174,765,558	\$ 218,634,546
Net Pension Liability (Asset), Ending (a - b)	\$ (8,219,199)	\$ (8,001,944)	\$ (5,618,613)	\$ (11,877,010)	\$ (17,869,510)	\$ (21,632,434)	\$ (20,232,795)	\$ (39,011,742)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.65%	107.06%	104.64%	109.11%	113.04%	114.90%	113.09%	121.72%
Covered Payroll	\$ 37,874,771	\$ 37,806,451	\$ 39,805,584	\$ 40,333,745	\$ 41,221,415	\$ 42,310,397	\$ 43,614,477	\$ 48,316,575
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(21.70%)	(21.17%)	(14.12%)	(29.45%)	(43.35%)	(51.13%)	(46.39%)	(80.74%)

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

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

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 3,540,475	\$ 3,595,625	\$ 3,785,512	\$ 1,597,216	\$ 1,636,490	\$ 1,002,759	\$ 610,603	\$ 134,460	\$ 0
Less: Contributions in Relation to the Actuarially Determined Contribution	(3,540,475)	(3,595,625)	(3,785,512)	(3,226,703)	(2,874,211)	(2,750,184)	(2,616,871)	(2,401,069)	(1,531,054)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (1,629,487)	\$ (1,237,721)	\$ (1,747,425)	\$ (2,006,268)	\$ (2,266,609)	\$ (1,531,054)
Covered Payroll	\$ 37,874,771	\$ 37,806,451	\$ 39,805,584	\$ 40,333,745	\$ 41,221,415	\$ 42,310,397	\$ 43,614,477	\$ 48,316,575	\$ 51,035,133
Contributions as a Percentage of Covered Payroll	9.35%	9.51%	9.51%	8.00%	6.97%	6.50%	6.00%	4.97%	3.00%

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

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

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 58,633	\$ 175,920	\$ 285,244	\$ 373,941	\$ 216,773	\$ 273,745	\$ 315,515	\$ 411,450
Less: Contributions in Relation to the Contractually Required Contribution	(58,633)	(175,920)	(285,244)	(373,941)	(216,773)	(273,745)	(315,515)	(411,450)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,465,835	\$ 4,398,007	\$ 7,131,093	\$ 9,348,537	\$ 11,173,961	\$ 13,484,755	\$ 15,849,859	\$ 20,470,059
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	1.99%	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 (SRT).  
 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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 5,337,621	\$ 5,388,753	\$ 5,463,193	\$ 5,431,387	\$ 5,459,068	\$ 6,246,512	\$ 6,266,808	\$ 5,961,562	\$ 6,173,904
Less: Contributions in Relation to the Contractually Required Contribution	(5,337,621)	(5,388,753)	(5,463,193)	(5,431,387)	(5,459,068)	(6,246,512)	(6,266,808)	(5,961,562)	(6,173,904)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 60,108,346	\$ 59,610,096	\$ 60,433,578	\$ 60,081,772	\$ 59,992,931	\$ 59,718,083	\$ 58,941,115	\$ 57,986,189	\$ 59,940,778
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.10%	10.46%	10.63%	10.28%	10.30%

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

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	0.705496%	0.999536%	1.086498%	1.069774%	1.055927%	1.068607%	1.082271%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (28,382)	\$ (104,055)	\$ (286,655)	\$ (485,172)	\$ (596,056)	\$ (607,655)	\$ (1,172,329)
Covered Payroll	\$ 1,465,835	\$ 4,398,007	\$ 7,131,093	\$ 9,348,537	\$ 11,173,961	\$ 13,484,755	\$ 15,849,859
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)	(4.51%)	(7.40%)
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

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

	2014	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	1.531426%	1.592362%	1.674153%	1.699648%	1.716947%	1.780958%	1.771316%	1.768595%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (248,850)	\$ 652,286	\$ 10,462,528	\$ (556,097)	\$ (6,041,791)	\$ (18,311,458)	\$ (13,507,593)	\$ (76,283,761)
Covered Payroll	\$ 60,108,346	\$ 59,610,096	\$ 60,433,578	\$ 60,081,772	\$ 59,992,931	\$ 59,718,083	\$ 58,941,115	\$ 57,986,189
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(0.93%)	(10.07%)	(30.66%)	(22.92%)	(131.56%)
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

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 187,000	\$ 192,000	\$ 194,000	\$ 217,000	\$ 263,000
Interest	129,000	138,000	135,000	126,000	108,000
Differences Between Actual and Expected Experience	0	(340,000)	24,000	206,000	540,000
Changes in Assumptions or Other Inputs	0	(23,000)	160,000	238,000	582,000
Benefit Payments	(114,000)	(43,000)	(166,000)	(336,000)	(566,000)
Net Change in Total OPEB Liability	\$ 202,000	\$ (76,000)	\$ 347,000	\$ 451,000	\$ 927,000
Total OPEB Liability, Beginning	3,499,000	3,701,000	3,625,000	3,972,000	4,423,000
Total OPEB Liability, Ending	\$ 3,701,000	\$ 3,625,000	\$ 3,972,000	\$ 4,423,000	\$ 5,350,000
Covered Employee Payroll	\$ 20,552,000	\$ 22,983,000	\$ 22,983,000	\$ 25,781,000	\$ 25,781,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	18.01%	15.77%	17.28%	17.16%	20.75%

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

Note 2: Changes in assumptions.

Changes in the discount rate were as follows:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.13%
2020	2.45%
2021	1.92%

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

Exhibit F-8

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 86,278	\$ 73,984	\$ 23,293	\$ 25,227	\$ 36,754
Interest	52,607	61,775	25,287	27,218	21,771
Differences Between Actual and Expected Experience	0	(1,108,716)	15,292	(25,287)	(25,892)
Changes in Assumptions or Other Inputs	(187,235)	(6,516)	18,419	180,797	(224,153)
Benefit Payments	(3,450)	(8,013)	(5,113)	(9,573)	(9,988)
Net Change in Total OPEB Liability	\$ (51,800)	\$ (987,486)	\$ 77,178	\$ 198,382	\$ (201,508)
Total OPEB Liability, Beginning	1,717,072	1,665,272	677,786	754,964	953,346
Total OPEB Liability, Ending	\$ 1,665,272	\$ 677,786	\$ 754,964	\$ 953,346	\$ 751,838
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. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

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

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 1,953,954	\$ 1,821,302	\$ 2,680,742	\$ 2,381,339	\$ 2,585,107
Interest	1,004,666	1,214,454	1,640,390	1,627,714	1,105,336
Changes in Benefit Terms	0	(1,642,336)	2,843,222	0	0
Differences Between Actual and Expected Experience	0	9,024,432	(630,489)	(3,152,734)	1,185,175
Changes in Assumptions or Other Inputs	(1,474,044)	1,729,134	(3,288,346)	4,529,428	(1,702,163)
Benefit Payments	(1,535,456)	(1,753,379)	(1,874,596)	(1,899,388)	(1,990,966)
Net Change in Total OPEB Liability	\$ (50,880)	\$ 10,393,607	\$ 1,370,923	\$ 3,486,359	\$ 1,182,489
Total OPEB Liability, Beginning	33,220,132	33,169,252	43,562,859	44,933,782	48,420,141
<b>Total OPEB Liability, Ending</b>	<b>\$ 33,169,252</b>	<b>\$ 43,562,859</b>	<b>\$ 44,933,782</b>	<b>\$ 48,420,141</b>	<b>\$ 49,602,630</b>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 9,859,129	\$ 9,137,223	\$ 9,684,622	\$ 11,120,557	\$ 11,799,227
Employer Proportionate Share of the Total OPEB Liability	23,310,123	34,425,636	35,249,160	37,299,584	37,803,403
Covered Employee Payroll	\$ 86,232,636	\$ 89,927,065	\$ 91,377,737	\$ 99,209,370	\$ 107,457,325
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.03%	38.28%	38.58%	37.60%	35.18%

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

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 329,389	\$ 270,476	\$ 119,177	\$ 168,996	\$ 173,266
Interest	278,853	320,568	157,434	199,666	126,572
Changes in Benefit Terms	0	(3,674,282)	0	(964,838)	0
Differences Between Actual and Expected Experience	0	(1,232,273)	37,453	(281,840)	39,324
Changes in Assumptions or Other Inputs	(907,091)	(38,353)	1,087,753	1,032,332	(783,255)
Benefit Payments	(179,100)	(195,477)	(106,580)	(117,822)	(121,447)
Net Change in Total OPEB Liability	\$ (477,949)	\$ (4,549,341)	\$ 1,295,237	\$ 36,494	\$ (565,540)
Total OPEB Liability, Beginning	9,309,937	8,831,988	4,282,647	5,577,884	5,614,378
Total OPEB Liability, Ending	\$ 8,831,988	\$ 4,282,647	\$ 5,577,884	\$ 5,614,378	\$ 5,048,838
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,856,108	\$ 3,478,383	\$ 3,577,905	\$ 4,449,597	\$ 4,012,619
Employer Proportionate Share of the Total OPEB Liability	4,975,880	804,264	1,999,979	1,164,781	1,036,219
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. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%

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

**SEVIER COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 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

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

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Urban Services – The Urban Services Fund is used to account for transactions involving fire protection.

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

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

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

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

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

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

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

# Capital Projects Funds

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

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

Exhibit G-1

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

	Special Revenue Funds					
	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	45,543	2,628,281	13,135	682,512	1,935,562	101,152
Accounts Receivable	0	0	0	0	0	0
Due from Other Governments	0	0	0	600,000	0	0
Property Taxes Receivable	0	0	0	0	2,980,087	0
Allowance for Uncollectible Property Taxes	0	0	0	0	(72,328)	0
Prepaid Items	542	0	0	9,532	0	0
Total Assets	<u>\$ 46,085</u>	<u>\$ 2,628,281</u>	<u>\$ 13,135</u>	<u>\$ 1,292,044</u>	<u>\$ 4,843,321</u>	<u>\$ 101,152</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 319	\$ 0	\$ 0	\$ 159,654	\$ 42,269	\$ 0
Accrued Payroll	750	0	0	12,171	0	0
Payroll Deductions Payable	2,138	0	0	31,911	0	0
Future Compensation Payable	0	0	0	15	0	0
Due to Other Funds	0	0	0	0	0	0
Total Liabilities	<u>\$ 3,207</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 203,751</u>	<u>\$ 42,269</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	2,881,472	\$ 0
Deferred Delinquent Property Taxes	0	0	0	0	19,756	0
Other Deferred/Unavailable Revenue	0	0	0	300,000	0	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 300,000</u>	<u>\$ 2,901,228</u>	<u>\$ 0</u>

(Continued)

Exhibit G-1

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

	Special Revenue Funds					
	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 542	\$ 0	\$ 0	\$ 9,532	\$ 0	\$ 0
Restricted:						
Restricted for General Government	0	55,075	0	0	0	0
Restricted for Administration of Justice	0	2,573,206	13,135	0	0	0
Restricted for Public Safety	0	0	0	0	0	101,152
Restricted for Public Health and Welfare	0	0	0	0	0	0
Restricted for Capital Outlay	0	0	0	0	1,695,876	0
Committed:						
Committed for Administration of Justice	0	0	0	0	0	0
Committed for Public Safety	42,336	0	0	0	0	0
Committed for Public Health and Welfare	0	0	0	778,761	0	0
Committed for Capital Outlay	0	0	0	0	203,948	0
Committed for Capital Projects	0	0	0	0	0	0
Total Fund Balances	\$ 42,878	\$ 2,628,281	\$ 13,135	\$ 788,293	\$ 1,899,824	\$ 101,152
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 46,085	\$ 2,628,281	\$ 13,135	\$ 1,292,044	\$ 4,843,321	\$ 101,152

(Continued)



Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Special</u>	<u>tional</u>		<u>General</u>	<u>Nonmajor</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>					
Cash	\$ 0	\$ 3,442	\$ 3,442	\$ 0	\$ 3,442
Equity in Pooled Cash and Investments	131,179	0	5,537,364	15,569,586	21,106,950
Accounts Receivable	0	15,273	15,273	0	15,273
Due from Other Governments	39,272	0	639,272	0	639,272
Property Taxes Receivable	0	0	2,980,087	0	2,980,087
Allowance for Uncollectible Property Taxes	0	0	(72,328)	0	(72,328)
Prepaid Items	1,205	0	11,279	0	11,279
Total Assets	\$ 171,656	\$ 18,715	\$ 9,114,389	\$ 15,569,586	\$ 24,683,975
<u>LIABILITIES</u>					
Accounts Payable	\$ 1,087	\$ 0	\$ 203,329	\$ 0	\$ 203,329
Accrued Payroll	1,344	0	14,265	0	14,265
Payroll Deductions Payable	4,442	0	38,491	0	38,491
Future Compensation Payable	0	0	15	0	15
Due to Other Funds	7,805	18,715	26,520	0	26,520
Total Liabilities	\$ 14,678	\$ 18,715	\$ 282,620	\$ 0	\$ 282,620
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 2,881,472	\$ 0	\$ 2,881,472
Deferred Delinquent Property Taxes	0	0	19,756	0	19,756
Other Deferred/Unavailable Revenue	0	0	300,000	0	300,000
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 3,201,228	\$ 0	\$ 3,201,228

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Special</u>	<u>tional</u>		<u>General</u>	<u>Nonmajor</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Projects</u>	<u>Funds</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Prepaid Items	\$ 1,205	\$ 0	\$ 11,279	\$ 0	\$ 11,279
Restricted:					
Restricted for General Government	0	0	55,075	0	55,075
Restricted for Administration of Justice	0	0	2,586,341	0	2,586,341
Restricted for Public Safety	0	0	101,152	0	101,152
Restricted for Public Health and Welfare	0	0	0	1,590,281	1,590,281
Restricted for Capital Outlay	0	0	1,695,876	13,956,593	15,652,469
Committed:					
Committed for Administration of Justice	155,773	0	155,773	0	155,773
Committed for Public Safety	0	0	42,336	0	42,336
Committed for Public Health and Welfare	0	0	778,761	0	778,761
Committed for Capital Outlay	0	0	203,948	0	203,948
Committed for Capital Projects	0	0	0	22,712	22,712
Total Fund Balances	\$ 156,978	\$ 0	\$ 5,630,541	\$ 15,569,586	\$ 21,200,127
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 171,656	\$ 18,715	\$ 9,114,389	\$ 15,569,586	\$ 24,683,975

Exhibit G-2

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

	Special Revenue Funds					
	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 865,184	\$ 8,493	\$ 3,584,131	\$ 2,370,239	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	0	60,981
Charges for Current Services	0	0	0	22,750	0	0
Other Local Revenues	0	0	0	112,228	0	0
State of Tennessee	2,400	0	0	72,669	62,843	0
Other Governments and Citizens Groups	8,540	0	0	0	0	0
Total Revenues	<u>\$ 10,940</u>	<u>\$ 865,184</u>	<u>\$ 8,493</u>	<u>\$ 3,791,778</u>	<u>\$ 2,433,082</u>	<u>\$ 60,981</u>
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 172,210	\$ 0	\$ 0	\$ 57,047	\$ 0
Finance	0	0	0	0	88,900	0
Administration of Justice	0	0	8,267	0	0	0
Public Safety	1,084,062	0	0	0	486,300	42,302
Public Health and Welfare	0	0	0	3,683,071	1,079,486	0
Social, Cultural, and Recreational Services	0	0	0	0	16,325	0
Other Operations	0	0	0	0	172,227	0
Debt Service:						
Other Debt Service	0	0	0	0	0	0
Capital Projects	0	12,901	0	0	84,755	0
Total Expenditures	<u>\$ 1,084,062</u>	<u>\$ 185,111</u>	<u>\$ 8,267</u>	<u>\$ 3,683,071</u>	<u>\$ 1,985,040</u>	<u>\$ 42,302</u>

(Continued)

Exhibit G-2

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

	Special Revenue Funds					
	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,073,122)	\$ 680,073	\$ 226	\$ 108,707	\$ 448,042	\$ 18,679
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Premiums on Debt Sold	0	0	0	0	0	0
Transfers In	1,116,000	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 1,116,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 42,878	\$ 680,073	\$ 226	\$ 108,707	\$ 448,042	\$ 18,679
Fund Balance, July 1, 2021	0	1,948,208	12,909	679,586	1,451,782	82,473
Fund Balance, June 30, 2022	\$ 42,878	\$ 2,628,281	\$ 13,135	\$ 788,293	\$ 1,899,824	\$ 101,152

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Special</u>	<u>tional</u>		<u>General</u>	<u>Nonmajor</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Local Taxes	\$ 0	\$ 0	\$ 6,828,047	\$ 0	\$ 6,828,047
Fines, Forfeitures, and Penalties	64,627	0	125,608	0	125,608
Charges for Current Services	0	21,974	44,724	0	44,724
Other Local Revenues	0	0	112,228	11,666	123,894
State of Tennessee	128,906	0	266,818	100,000	366,818
Other Governments and Citizens Groups	0	0	8,540	0	8,540
Total Revenues	<u>\$ 193,533</u>	<u>\$ 21,974</u>	<u>\$ 7,385,965</u>	<u>\$ 111,666</u>	<u>\$ 7,497,631</u>
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 72	\$ 229,329	\$ 0	\$ 229,329
Finance	0	456	89,356	0	89,356
Administration of Justice	227,940	21,446	257,653	0	257,653
Public Safety	0	0	1,612,664	0	1,612,664
Public Health and Welfare	0	0	4,762,557	0	4,762,557
Social, Cultural, and Recreational Services	0	0	16,325	0	16,325
Other Operations	0	0	172,227	0	172,227
Debt Service:					
Other Debt Service	0	0	0	5,350,107	5,350,107
Capital Projects	0	0	97,656	1,106,208	1,203,864
Total Expenditures	<u>\$ 227,940</u>	<u>\$ 21,974</u>	<u>\$ 7,237,767</u>	<u>\$ 6,456,315</u>	<u>\$ 13,694,082</u>

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	<u>Total</u>
	<u>Other</u>	<u>Constitu -</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Special</u>	<u>tional</u>		<u>General</u>	<u>Nonmajor</u>
	<u>Revenue</u>	<u>Officers -</u>		<u>Capital</u>	<u>Governmental</u>
		<u>Fees</u>		<u>Projects</u>	<u>Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (34,407)	\$ 0	\$ 148,198	\$ (6,344,649)	\$ (6,196,451)
<u>Other Financing Sources (Uses)</u>					
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 17,995,000	\$ 17,995,000
Premiums on Debt Sold	0	0	0	1,885,934	1,885,934
Transfers In	50,000	0	1,166,000	0	1,166,000
Total Other Financing Sources (Uses)	\$ 50,000	\$ 0	\$ 1,166,000	\$ 19,880,934	\$ 21,046,934
Net Change in Fund Balances	\$ 15,593	\$ 0	\$ 1,314,198	\$ 13,536,285	\$ 14,850,483
Fund Balance, July 1, 2021	141,385	0	4,316,343	2,033,301	6,349,644
Fund Balance, June 30, 2022	\$ 156,978	\$ 0	\$ 5,630,541	\$ 15,569,586	\$ 21,200,127

Exhibit G-3

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Urban Services 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	\$ 2,400	\$ 0	\$ 0	\$ 2,400
Other Governments and Citizens Groups	8,540	0	0	8,540
Total Revenues	<u>\$ 10,940</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,940</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Fire Prevention and Control	\$ 1,084,062	\$ 0	\$ 1,115,953	\$ 31,891
Total Expenditures	<u>\$ 1,084,062</u>	<u>\$ 0</u>	<u>\$ 1,115,953</u>	<u>\$ 31,891</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,073,122)</u>	<u>\$ 0</u>	<u>\$ (1,115,953)</u>	<u>\$ 42,831</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,116,000	\$ 0	\$ 1,115,953	\$ 47
Total Other Financing Sources	<u>\$ 1,116,000</u>	<u>\$ 0</u>	<u>\$ 1,115,953</u>	<u>\$ 47</u>
Net Change in Fund Balance	\$ 42,878	\$ 0	\$ 0	\$ 42,878
Fund Balance, July 1, 2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2022	<u>\$ 42,878</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 42,878</u>

Exhibit G-4

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Courthouse and Jail Maintenance Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 865,184	\$ 858,000	\$ 858,000	\$ 7,184
Total Revenues	\$ 865,184	\$ 858,000	\$ 858,000	\$ 7,184
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 172,210	\$ 858,000	\$ 828,000	\$ 655,790
<u>Capital Projects</u>				
Administration of Justice Projects	12,901	0	30,000	17,099
Total Expenditures	\$ 185,111	\$ 858,000	\$ 858,000	\$ 672,889
Excess (Deficiency) of Revenues Over Expenditures	\$ 680,073	\$ 0	\$ 0	\$ 680,073
Net Change in Fund Balance	\$ 680,073	\$ 0	\$ 0	\$ 680,073
Fund Balance, July 1, 2021	1,948,208	1,885,963	1,885,963	62,245
Fund Balance, June 30, 2022	\$ 2,628,281	\$ 1,885,963	\$ 1,885,963	\$ 742,318



Exhibit G-5

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Law Library Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,493	\$ 10,000	\$ 10,000	\$ (1,507)
Total Revenues	\$ 8,493	\$ 10,000	\$ 10,000	\$ (1,507)
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Other Administration of Justice	\$ 8,267	\$ 10,000	\$ 10,000	\$ 1,733
Total Expenditures	\$ 8,267	\$ 10,000	\$ 10,000	\$ 1,733
Excess (Deficiency) of Revenues Over Expenditures	\$ 226	\$ 0	\$ 0	\$ 226
Net Change in Fund Balance	\$ 226	\$ 0	\$ 0	\$ 226
Fund Balance, July 1, 2021	12,909	7,870	7,870	5,039
Fund Balance, June 30, 2022	\$ 13,135	\$ 7,870	\$ 7,870	\$ 5,265

Exhibit G-6

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 3,584,131	\$ 3,058,000	\$ 3,584,131	\$ 0
Charges for Current Services	22,750	22,750	22,750	0
Other Local Revenues	112,228	86,983	86,983	25,245
State of Tennessee	72,669	60,000	72,669	0
Total Revenues	<u>\$ 3,791,778</u>	<u>\$ 3,227,733</u>	<u>\$ 3,766,533</u>	<u>\$ 25,245</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 3,683,071	\$ 3,227,733	\$ 3,766,533	\$ 83,462
Total Expenditures	<u>\$ 3,683,071</u>	<u>\$ 3,227,733</u>	<u>\$ 3,766,533</u>	<u>\$ 83,462</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 108,707</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 108,707</u>
Net Change in Fund Balance	\$ 108,707	\$ 0	\$ 0	108,707
Fund Balance, July 1, 2021	<u>679,586</u>	<u>141,843</u>	<u>141,843</u>	<u>537,743</u>
Fund Balance, June 30, 2022	<u>\$ 788,293</u>	<u>\$ 141,843</u>	<u>\$ 141,843</u>	<u>\$ 646,450</u>

Exhibit G-7

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Special Purpose 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	\$ 2,370,239	\$ 0	\$ 2,370,239	\$ 2,142,724	\$ 2,142,724	\$ 227,515
State of Tennessee	62,843	0	62,843	0	62,843	0
Other Governments and Citizens Groups	0	0	0	0	39,234	(39,234)
<b>Total Revenues</b>	<b>\$ 2,433,082</b>	<b>\$ 0</b>	<b>\$ 2,433,082</b>	<b>\$ 2,142,724</b>	<b>\$ 2,244,801</b>	<b>\$ 188,281</b>
<u>Expenditures</u>						
<u>General Government</u>						
Planning	\$ 27,641	\$ 0	\$ 27,641	\$ 25,000	\$ 27,641	\$ 0
County Buildings	29,406	0	29,406	30,000	30,000	594
<u>Finance</u>						
Data Processing	88,900	0	88,900	90,000	90,000	1,100
<u>Public Safety</u>						
Sheriff's Department	456,300	0	456,300	350,000	456,300	0
Jail	30,000	0	30,000	48,222	48,222	18,222
<u>Public Health and Welfare</u>						
Ambulance/Emergency Medical Services	100,799	288,454	389,253	551,000	551,000	161,747
Sanitation Management	978,687	0	978,687	650,000	993,990	15,303
<u>Social, Cultural, and Recreational Services</u>						
Libraries	16,325	0	16,325	20,000	20,000	3,675
<u>Other Operations</u>						
Other Charges	46,695	0	46,695	35,000	47,500	805
Miscellaneous	125,532	0	125,532	100,000	125,550	18
<u>Capital Projects</u>						
Other General Government Projects	84,755	58,831	143,586	350,000	350,000	206,414
<b>Total Expenditures</b>	<b>\$ 1,985,040</b>	<b>\$ 347,285</b>	<b>\$ 2,332,325</b>	<b>\$ 2,249,222</b>	<b>\$ 2,740,203</b>	<b>\$ 407,878</b>

(Continued)

Exhibit G-7

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Special Purpose Fund (Cont.)

	Actual (GAAP Basis)	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	\$ 448,042	\$ (347,285)	\$ 100,757	\$ (106,498)	\$ (495,402)	\$ 596,159
Net Change in Fund Balance	\$ 448,042	\$ (347,285)	\$ 100,757	\$ (106,498)	\$ (495,402)	\$ 596,159
Fund Balance, July 1, 2021	1,451,782	0	1,451,782	922,181	922,181	529,601
Fund Balance, June 30, 2022	\$ 1,899,824	\$ (347,285)	\$ 1,552,539	\$ 815,683	\$ 426,779	\$ 1,125,760

Exhibit G-8

Sevier 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	\$ 60,981	\$ 55,000	\$ 55,000	\$ 5,981
Total Revenues	\$ 60,981	\$ 55,000	\$ 55,000	\$ 5,981
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 42,302	\$ 55,000	\$ 55,000	\$ 12,698
Total Expenditures	\$ 42,302	\$ 55,000	\$ 55,000	\$ 12,698
Excess (Deficiency) of Revenues Over Expenditures	\$ 18,679	\$ 0	\$ 0	\$ 18,679
Net Change in Fund Balance	\$ 18,679	\$ 0	\$ 0	\$ 18,679
Fund Balance, July 1, 2021	82,473	9,739	9,739	72,734
Fund Balance, June 30, 2022	\$ 101,152	\$ 9,739	\$ 9,739	\$ 91,413

Exhibit G-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 64,627	\$ 67,300	\$ 67,300	\$ (2,673)
State of Tennessee	128,906	130,000	130,000	(1,094)
Other Governments and Citizens Groups	0	50,000	0	0
Total Revenues	<u>\$ 193,533</u>	<u>\$ 247,300</u>	<u>\$ 197,300</u>	<u>\$ (3,767)</u>
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Drug Court	\$ 227,940	\$ 247,020	\$ 268,520	\$ 40,580
Total Expenditures	<u>\$ 227,940</u>	<u>\$ 247,020</u>	<u>\$ 268,520</u>	<u>\$ 40,580</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (34,407)</u>	<u>\$ 280</u>	<u>\$ (71,220)</u>	<u>\$ 36,813</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 50,000	\$ 0	\$ 50,000	\$ 0
Total Other Financing Sources	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>\$ 50,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 15,593	\$ 280	\$ (21,220)	\$ 36,813
Fund Balance, July 1, 2021	141,385	131,068	131,068	10,317
Fund Balance, June 30, 2022	<u>\$ 156,978</u>	<u>\$ 131,348</u>	<u>\$ 109,848</u>	<u>\$ 47,130</u>

# **Major Governmental Fund**

## **General Debt Service Fund**

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

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Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 5,964,434	\$ 5,429,299	\$ 5,429,299	\$ 535,135
Other Local Revenues	1,478,523	1,000,000	1,000,000	478,523
Other Governments and Citizens Groups	8,540,143	8,140,137	8,540,137	6
Total Revenues	<u>\$ 15,983,100</u>	<u>\$ 14,569,436</u>	<u>\$ 14,969,436</u>	<u>\$ 1,013,664</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 5,356,462	\$ 8,450,000	\$ 5,381,462	\$ 25,000
Education	5,970,268	996,730	5,970,268	0
<u>Interest on Debt</u>				
General Government	1,003,413	4,156,368	2,467,251	1,463,838
Education	2,558,271	703,154	2,558,271	0
<u>Other Debt Service</u>				
General Government	258,467	153,905	272,116	13,649
Education	11,703	11,703	11,703	0
Total Expenditures	<u>\$ 15,158,584</u>	<u>\$ 14,471,860</u>	<u>\$ 16,661,071</u>	<u>\$ 1,502,487</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 824,516</u>	<u>\$ 97,576</u>	<u>\$ (1,691,635)</u>	<u>\$ 2,516,151</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 8,260,000	\$ 0	\$ 8,260,000	\$ 0
Premiums on Debt Sold	803,209	0	803,209	0
Payments to Refunded Debt Escrow Agent	(8,945,000)	0	(8,945,000)	0
Total Other Financing Sources	<u>\$ 118,209</u>	<u>\$ 0</u>	<u>\$ 118,209</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 942,725	\$ 97,576	\$ (1,573,426)	\$ 2,516,151
Fund Balance, July 1, 2021	<u>38,193,326</u>	<u>36,784,559</u>	<u>36,784,559</u>	<u>1,408,767</u>
Fund Balance, June 30, 2022	<u>\$ 39,136,051</u>	<u>\$ 36,882,135</u>	<u>\$ 35,211,133</u>	<u>\$ 3,924,918</u>



# Proprietary Funds

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

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

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

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

Exhibit I-1

Sevier County, Tennessee  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2022

	<u>Internal Service Funds</u>			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>ASSETS</u>				
Current Assets:				
Cash	\$ 753,478	\$ 96,319	\$ 823,787	\$ 1,673,584
Due from Other Funds	0	0	669	669
Total Assets	<u>\$ 753,478</u>	<u>\$ 96,319</u>	<u>\$ 824,456</u>	<u>\$ 1,674,253</u>
<u>LIABILITIES</u>				
Current Liabilities:				
Other Current Liabilities	\$ 541,904	\$ 3,582	\$ 63,333	\$ 608,819
Total Liabilities	<u>\$ 541,904</u>	<u>\$ 3,582</u>	<u>\$ 63,333</u>	<u>\$ 608,819</u>
<u>NET POSITION</u>				
Unrestricted	<u>\$ 211,574</u>	<u>\$ 92,737</u>	<u>\$ 761,123</u>	<u>\$ 1,065,434</u>
Total Net Position	<u>\$ 211,574</u>	<u>\$ 92,737</u>	<u>\$ 761,123</u>	<u>\$ 1,065,434</u>

Exhibit I-2

Sevier County, Tennessee  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended June 30, 2022

	Internal Service Funds			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>Operating Revenues</u>				
Self-insurance Premiums	\$ 8,825,551	\$ 245,273	\$ 589,236	\$ 9,660,060
Patient Charges	300,008	0	0	300,008
Total Operating Revenues	<u>\$ 9,125,559</u>	<u>\$ 245,273</u>	<u>\$ 589,236</u>	<u>\$ 9,960,068</u>
<u>Operating Expenses</u>				
Handling Charges and Administrative Costs	\$ 853,619	\$ 3,836	\$ 0	\$ 857,455
Employee and Dependent Insurance	141,955	206,536	0	348,491
Disability and Life Insurance	169,477	0	0	169,477
Bank Charges	393	0	0	393
Other Supplies and Materials	16,053	0	0	16,053
Excess Risk Insurance	811,017	0	0	811,017
Medical Claims	5,121,888	46,572	518,340	5,686,800
Other Self-insured Claims	1,835,190	0	0	1,835,190
Total Operating Expenses	<u>\$ 8,949,592</u>	<u>\$ 256,944</u>	<u>\$ 518,340</u>	<u>\$ 9,724,876</u>
Operating Income (Loss)	<u>\$ 175,967</u>	<u>\$ (11,671)</u>	<u>\$ 70,896</u>	<u>\$ 235,192</u>
<u>Nonoperating Revenues (Expenses)</u>				
Investment Income	\$ 874	\$ 112	\$ 170	\$ 1,156
Total Nonoperating Revenues (Expenses)	<u>\$ 874</u>	<u>\$ 112</u>	<u>\$ 170</u>	<u>\$ 1,156</u>
Change in Net Position	\$ 176,841	\$ (11,559)	\$ 71,066	\$ 236,348
Net Position, July 1, 2021	34,733	104,296	690,057	829,086
Net Position, June 30, 2022	<u>\$ 211,574</u>	<u>\$ 92,737</u>	<u>\$ 761,123</u>	<u>\$ 1,065,434</u>

Exhibit I-3

Sevier County, Tennessee  
Combining Statement of Cash Flows  
Internal Service Funds  
 For the Year Ended June 30, 2022

	Internal Service Funds			
	Employee Insurance - Health	Employee Insurance - Dental and Vision	Workers' Compensation	Total
<u>Cash Flows from Operating Activities</u>				
Receipts for Self-Insurance Premiums	\$ 8,825,551	\$ 245,273	\$ 591,120	\$ 9,661,944
Receipts for Patient Charges	300,008	0	0	300,008
Receipts for Stop Loss Reimbursement	23,951	0	55,933	79,884
Receipts for Prescription Rebates	113,278	0	0	113,278
Payments to Insurers	(1,122,449)	(206,536)	0	(1,328,985)
Payments for Claims	(7,369,099)	(46,293)	(551,271)	(7,966,663)
Payments for Administrative Costs	(906,347)	(3,836)	0	(910,183)
Net Cash Provided By (Used In) Operating Activities	\$ (135,107)	\$ (11,392)	\$ 95,782	\$ (50,717)
<u>Cash Flows from Investing Activities</u>				
Interest on Investments	\$ 874	\$ 112	\$ 170	\$ 1,156
Net Cash Provided By (Used In) Investing Activities	\$ 874	\$ 112	\$ 170	\$ 1,156
Increase (Decrease) in Cash	\$ (134,233)	\$ (11,280)	\$ 95,952	\$ (49,561)
Cash, July 1, 2021	887,711	107,599	727,835	1,723,145
Cash, June 30, 2022	\$ 753,478	\$ 96,319	\$ 823,787	\$ 1,673,584
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ 175,967	\$ (11,671)	\$ 70,896	\$ 235,192
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from Other Funds	0	0	1,884	1,884
Increase (Decrease) in Accounts Payable	(36,282)	0	0	(36,282)
Increase (Decrease) in Other Current Liabilities	(274,792)	279	23,002	(251,511)
Net Cash Provided By (Used In) Operating Activities	\$ (135,107)	\$ (11,392)	\$ 95,782	\$ (50,717)

# Custodial Funds

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

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

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

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

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

Exhibit J-1

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

	Custodial Funds					Total
	Cities - Sales Tax	Constitu- tional Officers - Custodial	Judicial District Drug	District Attorney General		
<u>ASSETS</u>						
Cash	\$ 0	\$ 6,475,859	\$ 100	\$ 0	\$ 6,475,959	
Equity in Pooled Cash and Investments	0	0	57,920	48,830	106,750	
Due from Other Governments	12,303,356	0	0	0	12,303,356	
Total Assets	<u>\$ 12,303,356</u>	<u>\$ 6,475,859</u>	<u>\$ 58,020</u>	<u>\$ 48,830</u>	<u>\$ 18,886,065</u>	
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 3,026	\$ 0	\$ 3,026	
Accrued Payroll	0	0	663	0	663	
Payroll Deductions Payable	0	0	912	0	912	
Due to Other Taxing Units	12,303,356	0	0	0	12,303,356	
Total Liabilities	<u>\$ 12,303,356</u>	<u>\$ 0</u>	<u>\$ 4,601</u>	<u>\$ 0</u>	<u>\$ 12,307,957</u>	
<u>NET POSITION</u>						
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 6,475,859</u>	<u>\$ 53,419</u>	<u>\$ 48,830</u>	<u>\$ 6,578,108</u>	
Total Net Position	<u>\$ 0</u>	<u>\$ 6,475,859</u>	<u>\$ 53,419</u>	<u>\$ 48,830</u>	<u>\$ 6,578,108</u>	

Exhibit J-2

Sevier 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	Judicial District Drug	District Attorney General		
<u>Additions</u>						
Sales Tax Collections for Other Governments	\$ 73,827,779	\$ 0	\$ 0	\$ 0	\$ 73,827,779	
Fines/Fees and Other Collections	0	40,693,835	0	0	40,693,835	
Drug Task Force Collections	0	0	84,165	0	84,165	
District Attorney General Collections	0	0	0	24,367	24,367	
<b>Total Additions</b>	<b>\$ 73,827,779</b>	<b>\$ 40,693,835</b>	<b>\$ 84,165</b>	<b>\$ 24,367</b>	<b>\$ 114,630,146</b>	
<u>Deductions</u>						
Payment of Sales Tax Collections for Other Governments	\$ 73,827,779	\$ 0	\$ 0	\$ 0	\$ 73,827,779	
Payments to State	0	32,659,942	0	0	32,659,942	
Payments to Individuals and Others	0	7,227,533	0	0	7,227,533	
Payment of Drug Task Force Expenses	0	0	108,965	0	108,965	
Payment of District Attorney General Expenses	0	0	0	14,736	14,736	
<b>Total Deductions</b>	<b>\$ 73,827,779</b>	<b>\$ 39,887,475</b>	<b>\$ 108,965</b>	<b>\$ 14,736</b>	<b>\$ 113,838,955</b>	
Change in Net Position	\$ 0	\$ 806,360	\$ (24,800)	\$ 9,631	\$ 791,191	
Net Position July 1, 2021	0	5,669,499	78,219	39,199	5,786,917	
<b>Net Position June 30, 2022</b>	<b>\$ 0</b>	<b>\$ 6,475,859</b>	<b>\$ 53,419</b>	<b>\$ 48,830</b>	<b>\$ 6,578,108</b>	

# Sevier County School Department

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

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

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

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

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



Exhibit K-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 102,843,337	\$ 152,154	\$ 26,911,899	\$ 5,724,575	\$ (70,054,709)
Support Services	57,373,447	46,130	6,604,752	0	(50,722,565)
Operation of Non-instructional Services	14,118,764	252,233	13,806,927	0	(59,604)
<b>Total Governmental Activities</b>	<b>\$ 174,335,548</b>	<b>\$ 450,517</b>	<b>\$ 47,323,578</b>	<b>\$ 5,724,575</b>	<b>\$ (120,836,878)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 38,285,792
Local Option Sales Taxes					94,246,171
Other Local Taxes					5,333,911
Hotel/Motel Tax					8,729,941
Mixed Drink Tax					1,115,465
Grants and Contributions Not Restricted to Specific Programs					54,703,699
Unrestricted Investment Income					8,142
Miscellaneous					65,489
<b>Total General Revenues</b>					<b>\$ 202,488,610</b>
Change in Net Position					\$ 81,651,732
Net Position, July 1, 2021					230,241,120
Net Position, June 30, 2022					<b>\$ 311,892,852</b>

Exhibit K-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 2,691,955	\$ 2,691,955
Equity in Pooled Cash and Investments	97,384,586	1,105,600	2,506,265	100,996,451
Accounts Receivable	1,502,116	0	0	1,502,116
Due from Other Governments	18,866,360	984,714	126,919	19,977,993
Property Taxes Receivable	40,270,012	0	0	40,270,012
Allowance for Uncollectible Property Taxes	(1,068,827)	0	0	(1,068,827)
Restricted Assets	1,266,794	0	0	1,266,794
Total Assets	<u>\$ 158,221,041</u>	<u>\$ 2,090,314</u>	<u>\$ 5,325,139</u>	<u>\$ 165,636,494</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 62,304	\$ 0	\$ 1,311	\$ 63,615
Other Current Liabilities	6,464,506	0	0	6,464,506
Total Liabilities	<u>\$ 6,526,810</u>	<u>\$ 0</u>	<u>\$ 1,311</u>	<u>\$ 6,528,121</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 38,768,904	\$ 0	\$ 0	\$ 38,768,904
Deferred Delinquent Property Taxes	324,886	0	0	324,886
Other Deferred/Unavailable Revenue	7,747,358	0	0	7,747,358
Total Deferred Inflows of Resources	<u>\$ 46,841,148</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 46,841,148</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 10,062	\$ 90,314	\$ 5,323,828	\$ 5,424,204

(Continued)

Exhibit K-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>School</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Federal</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>FUND BALANCES (Cont.)</u>				
Restricted (Cont.):				
Restricted for Hybrid Retirement Stabilization Funds	\$ 1,266,794	\$ 0	\$ 0	\$ 1,266,794
Committed:				
Committed for Education	10,561	2,000,000	0	2,010,561
Assigned:				
Assigned for Education	56,220,783	0	0	56,220,783
Unassigned	47,344,883	0	0	47,344,883
Total Fund Balances	<u>\$ 104,853,083</u>	<u>\$ 2,090,314</u>	<u>\$ 5,323,828</u>	<u>\$ 112,267,225</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 158,221,041</u>	<u>\$ 2,090,314</u>	<u>\$ 5,325,139</u>	<u>\$ 165,636,494</u>

Exhibit K-3

Sevier County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
Discretely Presented Sevier County School Department  
June 30, 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 K-2)		\$	112,267,225
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	23,913,106	
Add: construction in progress		18,690,046	
Add: buildings and improvements net of accumulated depreciation		120,059,707	
Add: infrastructure net of accumulated depreciation		5,541,139	
Add: other capital assets net of accumulated depreciation		<u>9,656,478</u>	177,860,476
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: net OPEB liability			(38,839,622)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	34,285,378	
Less: deferred inflows of resources related to pensions		(79,343,631)	
Add: deferred outflows of resources related to OPEB		12,485,545	
Less: deferred inflows of resources related to OPEB		<u>(9,242,937)</u>	(41,815,645)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	16,892,084	
Add: net pension asset - teacher retirement plan		1,172,329	
Add: net pension asset - teacher legacy pension plan		<u>76,283,761</u>	94,348,174
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>8,072,244</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>311,892,852</u></u>

Exhibit K-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	School Federal Projects	Other Govern-mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 148,917,853	\$ 0	\$ 0	\$ 148,917,853
Licenses and Permits	103,202	0	0	103,202
Charges for Current Services	182,133	0	252,233	434,366
Other Local Revenues	2,163,515	0	4,371,406	6,534,921
State of Tennessee	50,046,989	0	67,774	50,114,763
Federal Government	4,218,532	29,132,349	9,154,807	42,505,688
Other Governments and Citizens Groups	5,731,595	0	0	5,731,595
Total Revenues	\$ 211,363,819	\$ 29,132,349	\$ 13,846,220	\$ 254,342,388
<u>Expenditures</u>				
Current:				
Instruction	\$ 82,996,778	\$ 20,919,901	\$ 0	\$ 103,916,679
Support Services	54,277,565	8,212,448	0	62,490,013
Operation of Non-Instructional Services	1,829,140	0	12,305,049	14,134,189
Capital Outlay	25,875,975	0	0	25,875,975
Debt Service:				
Other Debt Service	8,540,143	0	0	8,540,143
Total Expenditures	\$ 173,519,601	\$ 29,132,349	\$ 12,305,049	\$ 214,956,999
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 37,844,218	\$ 0	\$ 1,541,171	\$ 39,385,389
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 15,961	\$ 0	\$ 0	\$ 15,961
Transfers In	0	1,000,000	0	1,000,000

(Continued)

Exhibit K-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	School Federal Projects	Other Governmental Funds	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ (1,000,000)	\$ 0	\$ 0	\$ (1,000,000)
Total Other Financing Sources (Uses)	\$ (984,039)	\$ 1,000,000	\$ 0	\$ 15,961
Net Change in Fund Balances	\$ 36,860,179	\$ 1,000,000	\$ 1,541,171	\$ 39,401,350
Fund Balance, July 1, 2021	67,992,904	1,090,314	3,782,657	72,865,875
Fund Balance, June 30, 2022	\$ 104,853,083	\$ 2,090,314	\$ 5,323,828	\$ 112,267,225

Exhibit K-5

Sevier County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Sevier County School Department  
For the Year Ended June 30, 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 K-4)		\$ 39,401,350
(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	\$ 28,650,430	
Less: current-year depreciation expense	<u>(6,743,875)</u>	21,906,555
(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		1,250,000
(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	\$ 8,072,244	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(8,478,872)</u>	(406,628)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in OPEB liability	\$ (375,257)	
Change in net pension asset/liability	71,441,777	
Change in deferred outflows related to pensions	20,829,477	
Change in deferred inflows related to pensions	(71,320,898)	
Change in deferred outflows related to OPEB	(974,029)	
Change in deferred inflows related to OPEB	<u>(100,615)</u>	<u>19,500,455</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 81,651,732</u>

Exhibit K-6

Sevier County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Sevier County School Department  
June 30, 2022

	<u>Special Revenue Funds</u>		Total
	Central Cafeteria	Internal School	Nonmajor Governmental Funds
<u>ASSETS</u>			
Cash	\$ 6,117	\$ 2,685,838	\$ 2,691,955
Equity in Pooled Cash and Investments	2,506,265	0	2,506,265
Due from Other Governments	126,919	0	126,919
Total Assets	<u>\$ 2,639,301</u>	<u>\$ 2,685,838</u>	<u>\$ 5,325,139</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 1,311	\$ 0	\$ 1,311
Total Liabilities	<u>\$ 1,311</u>	<u>\$ 0</u>	<u>\$ 1,311</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 2,637,990	\$ 2,685,838	\$ 5,323,828
Total Fund Balances	<u>\$ 2,637,990</u>	<u>\$ 2,685,838</u>	<u>\$ 5,323,828</u>
Total Liabilities and Fund Balances	<u>\$ 2,639,301</u>	<u>\$ 2,685,838</u>	<u>\$ 5,325,139</u>



Exhibit K-7

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

	<u>Special Revenue Funds</u>		
	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
<u>Revenues</u>			
Charges for Current Services	\$ 252,233	\$ 0	\$ 252,233
Other Local Revenues	8,171	4,363,235	4,371,406
State of Tennessee	67,774	0	67,774
Federal Government	9,154,807	0	9,154,807
Total Revenues	<u>\$ 9,482,985</u>	<u>\$ 4,363,235</u>	<u>\$ 13,846,220</u>
<u>Expenditures</u>			
Current:			
Operation of Non-Instructional Services	\$ 8,284,664	\$ 4,020,385	\$ 12,305,049
Total Expenditures	<u>\$ 8,284,664</u>	<u>\$ 4,020,385</u>	<u>\$ 12,305,049</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,198,321</u>	<u>\$ 342,850</u>	<u>\$ 1,541,171</u>
Net Change in Fund Balances	\$ 1,198,321	\$ 342,850	\$ 1,541,171
Fund Balance, July 1, 2021	<u>1,439,669</u>	<u>2,342,988</u>	<u>3,782,657</u>
Fund Balance, June 30, 2022	<u>\$ 2,637,990</u>	<u>\$ 2,685,838</u>	<u>\$ 5,323,828</u>

Exhibit K-8

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier County School Department  
General Purpose School Fund  
For the Year Ended June 30, 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	\$ 148,917,853	\$ 0	\$ 0	\$ 148,917,853	\$ 109,230,379	\$ 120,491,670	\$ 28,426,183
Licenses and Permits	103,202	0	0	103,202	107,900	107,900	(4,698)
Charges for Current Services	182,133	0	0	182,133	198,413	228,513	(46,380)
Other Local Revenues	2,163,515	0	0	2,163,515	85,575	2,325,288	(161,773)
State of Tennessee	50,046,989	0	0	50,046,989	47,342,174	51,084,490	(1,037,501)
Federal Government	4,218,532	0	0	4,218,532	0	3,895,615	322,917
Other Governments and Citizens Groups	5,731,595	0	0	5,731,595	771,404	5,723,183	8,412
<b>Total Revenues</b>	<b>\$ 211,363,819</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 211,363,819</b>	<b>\$ 157,735,845</b>	<b>\$ 183,856,659</b>	<b>\$ 27,507,160</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 67,675,812	\$ (152,079)	\$ 107,644	\$ 67,631,377	\$ 74,354,260	\$ 70,184,246	\$ 2,552,869
Alternative Instruction Program	1,918,228	0	0	1,918,228	2,066,220	2,069,620	151,392
Special Education Program	10,248,103	(30,543)	787	10,218,347	10,938,669	10,728,932	510,585
Career and Technical Education Program	3,148,551	0	0	3,148,551	3,329,607	3,327,107	178,556
Student Body Education Program	6,084	0	0	6,084	5,000	18,508	12,424
<u>Support Services</u>							
Attendance	766,789	0	0	766,789	849,479	847,479	80,690
Health Services	2,479,079	(142,764)	135,146	2,471,461	2,217,186	3,101,985	630,524
Other Student Support	3,678,510	(130,938)	209,276	3,756,848	3,867,554	4,091,218	334,370
Regular Instruction Program	5,132,108	(3,939)	1,916	5,130,085	5,744,329	5,800,396	670,311
Alternative Instruction Program	37,242	0	0	37,242	37,162	38,162	920
Special Education Program	1,266,472	(1,333)	785	1,265,924	1,296,443	1,430,673	164,749
Career and Technical Education Program	103,092	0	0	103,092	203,816	203,816	100,724
Technology	1,724,211	(11,568)	5,165	1,717,808	1,914,085	1,913,085	195,277
Other Programs	642,853	0	0	642,853	0	642,853	0
Board of Education	7,818,933	0	0	7,818,933	8,004,848	8,467,123	648,190
Director of Schools	385,586	0	0	385,586	282,130	418,624	33,038
Office of the Principal	8,926,038	0	0	8,926,038	11,621,059	9,168,868	242,830

(Continued)

Exhibit K-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	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>Support Services (Cont.)</u>							
Fiscal Services	\$ 1,546,514	\$ (2,796)	\$ 15,309	\$ 1,559,027	\$ 1,760,465	\$ 1,760,665	\$ 201,638
Operation of Plant	9,660,751	(2,747)	6,520	9,664,524	10,505,017	10,381,806	717,282
Maintenance of Plant	3,710,705	(16,536)	4,699	3,698,868	3,765,954	3,992,526	293,658
Transportation	6,398,682	(77)	0	6,398,605	6,122,030	7,261,256	862,651
<u>Operation of Non-Instructional Services</u>							
Food Service	1,334,919	0	0	1,334,919	1,747,439	1,894,141	559,222
Community Services	291,858	0	0	291,858	64,496	343,546	51,688
Early Childhood Education	202,363	0	0	202,363	184,635	206,635	4,272
<u>Capital Outlay</u>							
Regular Capital Outlay	25,875,975	(4,765,737)	38,554,985	59,665,223	13,516,569	69,296,814	9,631,591
<u>Principal on Debt</u>							
Education	0	0	0	0	4,898,141	0	0
<u>Interest on Debt</u>							
Education	0	0	0	0	2,601,859	0	0
<u>Other Debt Service</u>							
Education	8,540,143	0	0	8,540,143	0	8,540,145	2
Total Expenditures	\$ 173,519,601	\$ (5,261,057)	\$ 39,042,232	\$ 207,300,776	\$ 171,898,452	\$ 226,130,229	\$ 18,829,453
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 37,844,218	\$ 5,261,057	\$ (39,042,232)	\$ 4,063,043	\$ (14,162,607)	\$ (42,273,570)	\$ 46,336,613
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 15,961	\$ 0	\$ 0	\$ 15,961	\$ 0	\$ 0	\$ 15,961
Transfers Out	(1,000,000)	0	0	(1,000,000)	0	(1,000,000)	0
Total Other Financing Sources	\$ (984,039)	\$ 0	\$ 0	\$ (984,039)	\$ 0	\$ (1,000,000)	\$ 15,961
Net Change in Fund Balance							
Fund Balance, July 1, 2021	\$ 36,860,179	\$ 5,261,057	\$ (39,042,232)	\$ 3,079,004	\$ (14,162,607)	\$ (43,273,570)	\$ 46,352,574
	67,992,904	(5,261,057)	0	62,731,847	62,731,847	62,731,847	0
Fund Balance, June 30, 2022							
	\$ 104,853,083	\$ 0	\$ (39,042,232)	\$ 65,810,851	\$ 48,569,240	\$ 19,458,277	\$ 46,352,574

Exhibit K-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 29,132,349	\$ 17,880,522	\$ 49,202,266	\$ (20,069,917)
Total Revenues	\$ 29,132,349	\$ 17,880,522	\$ 49,202,266	\$ (20,069,917)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 17,027,550	\$ 11,247,555	\$ 30,050,641	\$ 13,023,091
Special Education Program	3,717,104	3,247,080	3,960,024	242,920
Career and Technical Education Program	175,247	163,828	175,247	0
<u>Support Services</u>				
Health Services	570,532	305,813	1,277,608	707,076
Other Student Support	556,910	287,687	1,611,577	1,054,667
Regular Instruction Program	1,596,348	1,300,618	2,732,364	1,136,016
Special Education Program	12,284	15,105	30,884	18,600
Career and Technical Education Program	1,581	3,500	1,581	0
Technology	918,343	931,415	1,306,935	388,592
Office of the Principal	2,863,033	0	5,611,310	2,748,277
Operation of Plant	401,987	370,639	403,896	1,909
Transportation	1,291,430	7,283	2,040,194	748,764
<u>Capital Outlay</u>				
Regular Capital Outlay	0	0	90,314	90,314
Total Expenditures	\$ 29,132,349	\$ 17,880,523	\$ 49,292,575	\$ 20,160,226
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (1)	\$ (90,309)	\$ 90,309
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
Total Other Financing Sources	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
Net Change in Fund Balance	\$ 1,000,000	\$ (1)	\$ 909,691	\$ 90,309
Fund Balance, July 1, 2021	1,090,314	1,090,314	1,090,314	0
Fund Balance, June 30, 2022	\$ 2,090,314	\$ 1,090,313	\$ 2,000,005	\$ 90,309

Exhibit K-10

Sevier County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Sevier County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 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>							
Charges for Current Services	\$ 252,233	\$ 0	\$ 0	\$ 252,233	\$ 82,400	\$ 204,206	\$ 48,027
Other Local Revenues	8,171	0	0	8,171	10,000	7,089	1,082
State of Tennessee	67,774	0	0	67,774	76,523	67,775	(1)
Federal Government	9,154,807	0	0	9,154,807	8,118,000	8,654,196	500,611
Total Revenues	<u>\$ 9,482,985</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,482,985</u>	<u>\$ 8,286,923</u>	<u>\$ 8,933,266</u>	<u>\$ 549,719</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 8,284,664	\$ (385)	\$ 25,568	\$ 8,309,847	\$ 8,286,923	\$ 8,933,266	\$ 623,419
Total Expenditures	<u>\$ 8,284,664</u>	<u>\$ (385)</u>	<u>\$ 25,568</u>	<u>\$ 8,309,847</u>	<u>\$ 8,286,923</u>	<u>\$ 8,933,266</u>	<u>\$ 623,419</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,198,321</u>	<u>\$ 385</u>	<u>\$ (25,568)</u>	<u>\$ 1,173,138</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,173,138</u>
Net Change in Fund Balance	\$ 1,198,321	\$ 385	\$ (25,568)	\$ 1,173,138	\$ 0	\$ 0	\$ 1,173,138
Fund Balance, July 1, 2021	1,439,669	(385)	0	1,439,284	1,439,284	1,439,284	0
Fund Balance, June 30, 2022	<u>\$ 2,637,990</u>	<u>\$ 0</u>	<u>\$ (25,568)</u>	<u>\$ 2,612,422</u>	<u>\$ 1,439,284</u>	<u>\$ 1,439,284</u>	<u>\$ 1,173,138</u>

# MISCELLANEOUS SCHEDULES

Exhibit L-1

Sevier County, Tennessee  
Schedule of Changes in Long-term Bonds and Other Loans  
For the Year Ended June 30, 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	Debt Refunded	Outstanding 6-30-22
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Qualified School Construction Bonds, Series 2010	\$ 14,504,000	4.84 %	10-7-10	8-1-27	\$ 5,529,149	\$ 0	\$ 905,027	\$ 0	4,624,122
General Obligation Bonds, Series 2012	3,540,000	.4 to 2.4	11-5-12	4-1-32	2,500,000	0	0	2,500,000	0
General Obligation Refunding Bonds, Series 2012	6,410,000	.4 to 2	11-5-12	4-1-23	525,000	0	0	525,000	0
General Obligation Refunding Bonds, Series 2015	9,670,000	2 to 4	9-15-15	6-1-25	5,920,000	0	0	5,920,000	0
General Obligation Bonds, Series 2016	9,750,000	2 to 2.5	8-19-16	6-1-37	8,830,000	0	470,000	0	8,360,000
General Obligation Bonds, Series 2017	4,480,000	2.25 to 4	5-25-17	6-30-37	4,085,000	0	205,000	0	3,880,000
General Obligation Refunding Bonds, Series 2018A	4,135,000	5.0	6-29-18	6-30-24	1,970,000	0	690,000	0	1,280,000
General Obligation Bonds, Series 2018B	9,685,000	3 to 4	6-29-18	6-30-38	9,685,000	0	430,000	0	9,255,000
General Obligation Bonds, Series 2019	9,925,000	3 to 5	2-28-19	6-1-39	9,925,000	0	390,000	0	9,535,000
General Obligation Bonds, Series 2020A	10,000,000	3 to 5	6-2-20	6-1-40	10,000,000	0	0	0	10,000,000
General Obligation Refunding Bonds, Series 2020B	6,290,000	3 to 5	6-2-20	6-1-32	5,945,000	0	355,000	0	5,590,000
General Obligation Refunding Bonds, Series 2021A	8,260,000	3 to 5	12-10-21	3-1-32	0	8,260,000	1,940,000	0	6,320,000
General Obligation Bonds, Series 2021B	8,535,000	3 to 5	12-17-21	6-1-41	0	8,535,000	0	0	8,535,000
General Obligation Bonds, Series 2022	9,460,000	3.5 to 5	6-10-22	6-1-42	0	9,460,000	0	0	9,460,000
Total Bonds Payable					<u>\$ 64,914,149</u>	<u>\$ 26,255,000</u>	<u>\$ 5,385,027</u>	<u>\$ 8,945,000</u>	<u>\$ 76,839,122</u>

OTHER LOANS PAYABLE

<u>Payable through General Debt Service Fund</u>									
Public Building Authority, Series VII-A-4 (Refunding)	6,900,000	(1) Variable	08-28-08	6-1-25	\$ 2,470,000	\$ 0	\$ 2,470,000	\$ 0	0
Public Building Authority, Series VII-B-1 (Refunding Portion)	42,495,000	(2) Variable	11-20-08	6-1-32	21,965,000	0	3,380,000	0	18,585,000
Public Building Authority, Series VII-B-1	21,450,000	Variable	11-20-08	6-1-32	21,350,000	0	0	0	21,350,000
Energy Efficient Schools Initiative Loan, Series 2011	1,000,000	0	6-1-12	5-1-22	91,703	0	91,703	0	0
Total Other Loans Payable					<u>\$ 45,876,703</u>	<u>\$ 0</u>	<u>\$ 5,941,703</u>	<u>\$ 0</u>	<u>\$ 39,935,000</u>

(1) The swap agreement associated with this loan has been retained and is now associated with Series VII-B-1 along with the other two swap agreements.

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

Exhibit L-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 6,235,027	\$ 3,269,168	\$ 9,504,195
2024	5,940,027	3,035,466	8,975,493
2025	5,920,027	2,807,467	8,727,494
2026	4,530,027	2,582,754	7,112,781
2027	4,734,014	2,433,129	7,167,143
2028	3,870,000	1,590,477	5,460,477
2029	4,010,000	1,434,450	5,444,450
2030	4,140,000	1,301,200	5,441,200
2031	4,275,000	1,163,163	5,438,163
2032	4,375,000	1,032,850	5,407,850
2033	3,625,000	901,987	4,526,987
2034	3,730,000	793,288	4,523,288
2035	3,840,000	680,275	4,520,275
2036	3,955,000	562,662	4,517,662
2037	4,080,000	440,391	4,520,391
2038	3,210,000	312,117	3,522,117
2039	2,565,000	208,283	2,773,283
2040	1,915,000	126,937	2,041,937
2041	1,230,000	66,412	1,296,412
2042	660,000	24,750	684,750
Total	\$ 76,839,122	\$ 24,767,226	\$ 101,606,348

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2023	\$ 3,645,000	\$ 383,376	\$ 298,216	\$ 4,326,592
2024	4,525,000	348,384	270,997	5,144,381
2025	4,360,000	304,944	237,207	4,902,151
2026	3,315,000	263,088	204,648	3,782,736
2027	3,515,000	231,264	179,893	3,926,157
2028	3,705,000	197,520	153,645	4,056,165
2029	3,905,000	161,952	125,977	4,192,929
2030	4,105,000	124,464	96,817	4,326,281
2031	4,305,000	85,056	66,162	4,456,218
2032	4,555,000	43,728	34,015	4,632,743
Total	\$ 39,935,000	\$ 2,143,776	\$ 1,667,577	\$ 43,746,353



Exhibit L-3

Sevier County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Sevier 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	Urban Services	To establish new fund	\$ 1,116,000
"	Other Special Revenue	Operations of drug court	50,000
"	Highway/Public Works	Grant funding	<u>112,976</u>
Total Transfers Primary Government			<u>\$ 1,278,976</u>
<u>DISCRETELY PRESENTED SEVIER COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	School Federal Projects	Cash flow	<u>\$ 1,000,000</u>
Total Transfers Discretely Presented Sevier County School Department			<u>\$ 1,000,000</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 161,022 (1,2)	\$ 400,000	Local Government Insurance Pool
Road Superintendent	Section 8-24-102, <i>TCA</i>	127,388 (2)	400,000	"
Director of Schools:				
Jack Parton (7-1-21 through 10-19-21)	State Board of Education and Sevier County Board of Education	96,319 (4,10)	100,000	Cincinnati Insurance Company
Stephanie Huskey (10-20-21 through 6-30-22)	State Board of Education and Sevier County Board of Education	110,000 (3,8,9)	100,000	"
Trustee:				
Gregory Patterson (7-1-21 through 12-30-21)	Section 8-24-102, <i>TCA</i>	57,833 (2,5)	5,998,241	"
Faye Loveday (12-31-21 through 6-30-2022)	Section 8-24-102, <i>TCA</i>	54,117	5,998,241	"
Assessor of Property	Section 8-24-102, <i>TCA</i>	111,950 (2,5)	400,000	Local Government Insurance Pool
County Clerk	Section 8-24-102, <i>TCA</i>	111,950 (2,5)	400,000	"
Circuit Court Clerk	Section 8-24-102, <i>TCA</i>	111,950 (2,5)	400,000	"
General Sessions and Juvenile Courts Clerk:				
Connie Holt (7-1-21 through 10-22-21)	Section 8-24-102, <i>TCA</i>	35,203 (2)	400,000	"
Penny Johnson (10-25-21 through 6-30-22)	Section 8-24-102, <i>TCA</i>	76,747 (5)	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	110,950 (5,6)	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	111,950 (2,5)	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	125,197 (7)	400,000	"
Employee Blanket Bonds - All County and School Employees:				
Public Employee Dishonesty			400,000	Local Government Insurance Pool

- (1) Includes longevity pay of \$2,500.
- (2) Includes salary supplement for County Officials Certificate Training Program (COCTP) certification of \$1,000.
- (3) Includes a chief executive officer training supplement of \$1,000.
- (4) Includes longevity pay of \$3,000.
- (5) Includes supplemental pay of \$1,500.
- (6) Does not include special commissioner fees of \$21,389.
- (7) Includes a law enforcement training supplement of \$800 and a salary supplement of \$2,500.
- (8) Includes longevity pay of \$1,750.
- (9) Includes Career Ladder pay of \$1,000.
- (10) Includes sick leave bonus payout of \$25,000 and vacation payout of \$11,600.

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 22,232,028	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,275,966
Trustee's Collections - Prior Year	418,588	0	0	0	0	31,007
Circuit Clerk/Clerk and Master Collections - Prior Years	243,028	0	0	0	0	18,712
Interest and Penalty	79,956	0	0	0	0	6,342
Payments in-Lieu-of Taxes - T.V.A.	2,602	0	0	0	0	145
Payments in-Lieu-of Taxes - Local Utilities	332,028	0	0	0	0	18,446
Payments in-Lieu-of Taxes - Other	122,723	0	0	0	0	6,818
<u>County Local Option Taxes</u>						
Local Option Sales Tax	9,845,702	0	0	0	3,584,131	0
Hotel/Motel Tax	8,291,087	0	0	0	0	0
Litigation Tax - General	291,183	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	8,493	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	857,691	0	0	0
Business Tax	4,888,773	0	0	0	0	0
Mixed Drink Tax	12,382	0	0	0	0	0
Other County Local Option Taxes	0	0	7,493	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	230,457	0	0	0	0	12,803
Wholesale Beer Tax	622,133	0	0	0	0	0
Total Local Taxes	\$ 47,612,670	\$ 0	\$ 865,184	\$ 8,493	\$ 3,584,131	\$ 2,370,239
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 549,324	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 2,138	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	140,650	0	0	0	0	0
Other Permits	744,779	0	0	0	0	0
<b>Total Licenses and Permits</b>	<b>\$ 1,436,891</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 11,503	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines for Littering	28	0	0	0	0	0
Officers Costs	31,305	0	0	0	0	0
Drug Control Fines	20,793	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	30,182	0	0	0	0	0
DUI Treatment Fines	11,848	0	0	0	0	0
Data Entry Fee - Circuit Court	10,783	0	0	0	0	0
Courtroom Security Fee	160	0	0	0	0	0
Victims Assistance Assessments	22,601	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	36,517	0	0	0	0	0
Fines for Littering	285	0	0	0	0	0
Officers Costs	30,164	0	0	0	0	0
Game and Fish Fines	160	0	0	0	0	0
Drug Control Fines	14,215	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	81,326	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 19,156	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - General Sessions Court	28,781	0	0	0	0	0
Courtroom Security Fee	13,951	0	0	0	0	0
Victims Assistance Assessments	50,975	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	3,884	0	0	0	0	0
Officers Costs	944	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,934	0	0	0	0	0
Data Entry Fee - Chancery Court	13,254	0	0	0	0	0
Courtroom Security Fee	2	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	4,242	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Fines	185	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 440,178</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Surcharge - General	\$ 1,660	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Patient Charges	3,912,710	0	0	0	0	0
Past Due Collections - Ambulance	140,914	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Work Release Charges for Board	\$ 15,402	\$ 0	\$ 0	\$ 0	\$ 0	0
Health Department Collections	493,125	0	0	0	0	0
Other General Service Charges	34,828	0	0	0	22,750	0
<u>Fees</u>						
Copy Fees	16,998	0	0	0	0	0
Library Fees	19,501	0	0	0	0	0
Greenbelt Late Application Fee	200	0	0	0	0	0
Telephone Commissions	271,387	0	0	0	0	0
Vending Machine Collections	30,858	0	0	0	0	0
Tourism Fees	57,674	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	112,784	0	0	0	0	0
Probation Fees	558,636	0	0	0	0	0
Data Processing Fee - Sheriff	3,037	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,700	0	0	0	0	0
Vehicle Registration Reinstatement Fees	9,555	0	0	0	0	0
<u>Education Charges</u>						
TBI Criminal Background Fee	4,770	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 5,690,739</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 22,750</b>	<b>\$ 0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	1	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Sale of Materials and Supplies	\$ 1,826	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Maps	29,795	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	112,228	0
E-Rate Funding	7,053	0	0	0	0	0
Miscellaneous Refunds	64,015	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	15,061	0	0	0	0	0
Damages Recovered from Individuals	3,164	0	0	0	0	0
Contributions and Gifts	8,690	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	65,557	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 195,162</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 112,228</b>	<b>\$ 0</b>
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 531,493	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	1,296,748	0	0	0	0	0
Circuit Court Clerk	577,370	0	0	0	0	0
General Sessions Court Clerk	488,354	0	0	0	0	0
Clerk and Master	237,694	0	0	0	0	0
Juvenile Court Clerk	26,257	0	0	0	0	0
Register	1,832,762	0	0	0	0	0
Sheriff	71,024	0	0	0	0	0
Trustee	4,674,768	0	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 9,736,470</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	16,817	0	0	0	0	0
Other General Government Grants	699,601	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	75,200	0	0	0	0	0
Other Public Safety Grants	0	2,400	0	0	0	62,843
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	336,235	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	67,149	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	11,604	0	0	0	0	0
Beer Tax	19,194	0	0	0	0	0
Vehicle Certificate of Title Fees	82,107	0	0	0	0	0
Alcoholic Beverage Tax	299,554	0	0	0	0	0
State Revenue Sharing - T.V.A.	605,233	0	0	0	0	0
State Revenue Sharing - Telecommunications	142,293	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	66,871	0	0	0	0	0
Contracted Prisoner Boarding	1,148,433	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	11,373	0	0	0	0	0
Other State Grants	76,566	0	0	0	0	0
Other State Revenues	28,593	0	0	0	72,669	0
<b>Total State of Tennessee</b>	<b>\$ 3,695,823</b>	<b>\$ 2,400</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 72,669</b>	<b>\$ 62,843</b>

(Continued)



Exhibit L-5

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

	Special Revenue Funds					
	General	Urban Services	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 40,753	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	11,701	0	0	0	0	0
Medicaid	156,269	0	0	0	0	0
COVID-19 Grant #4	26,922	0	0	0	0	0
COVID-19 Grant C	4,760	0	0	0	0	0
COVID-19 Grant D	72,475	0	0	0	0	0
American Rescue Plan Act Grant #1	10,000	0	0	0	0	0
American Rescue Plan Act Grant #2	36,700	0	0	0	0	0
Other Federal through State	746,770	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	663,074	0	0	0	0	0
American Rescue Plan Act Grant #6	0	0	0	0	0	0
Other Direct Federal Revenue	241,805	0	0	0	0	0
Total Federal Government	\$ 2,011,229	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 32,293	\$ 0	\$ 0	\$ 0	\$ 0	0
Paving and Maintenance	0	0	0	0	0	0
Contributions	905,189	8,540	0	0	0	0
Contracted Services	2,245	0	0	0	0	0
<u>Other</u>						
Other	947	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 940,674	\$ 8,540	\$ 0	\$ 0	\$ 0	0
Total	\$ 71,759,836	\$ 10,940	\$ 865,184	\$ 8,493	\$ 3,791,778	\$ 2,433,082

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 0	7,325,892	\$ 5,555,774
Trustee's Collections - Prior Year	0	0	0	0	143,405	116,275
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	0	83,132	66,801
Interest and Penalty	0	0	0	0	27,095	21,786
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	891	771
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	113,750	98,380
Payments in-Lieu-of Taxes - Other	0	0	0	0	42,044	36,363
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0
Other County Local Option Taxes	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	78,953	68,284
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	7,815,162	\$ 5,964,434
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Building Permits	0	0	0	0	0	0
Other Permits	0	0	0	0	0	0
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	19,030	0	0	0	0	0
Drug Court Fees	0	0	8,823	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	9,075	0	0	0
Jail Fees	0	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional - Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	0	0	0	0	0	0
Drug Court Fees	0	0	46,729	0	0	0
<u>Judicial District Drug Program</u>						
Fines	0	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	41,951	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 60,981</b>	<b>\$ 0</b>	<b>\$ 64,627</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Surcharge - General	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Patient Charges	0	0	0	0	0	0
Past Due Collections - Ambulance	0	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Work Release Charges for Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Health Department Collections	0	0	0	0	0	0
Other General Service Charges	0	0	0	0	0	0
<u>Fees</u>						
Copy Fees	0	0	0	0	0	0
Library Fees	0	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	0
Tourism Fees	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	585	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	21,389	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Probation Fees	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0	0
<u>Education Charges</u>						
TBI Criminal Background Fee	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 21,974	\$ 0	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 59,077	\$ 0	\$ 0	\$ 0	\$ 1,477,925
Lease/Rentals	0	0	0	0	0	0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Sale of Materials and Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,409	\$ 0
Sale of Maps	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
E-Rate Funding	0	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	15,351	598
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	83,274	0
Damages Recovered from Individuals	0	0	0	0	2,190	0
Contributions and Gifts	0	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 0</b>	<b>\$ 59,077</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 106,224</b>	<b>\$ 1,478,523</b>
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	0	0	0	0	0	0
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	0	0	0	0	0	0
Other General Government Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0
Other Public Safety Grants	0	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	0	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	128,228	0
Litter Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	0
Beer Tax	0	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	3,458,479	0
Petroleum Special Tax	0	0	0	0	65,131	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	128,906	0	0	0
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 0	\$ 128,906	\$ 0	\$ 3,651,838	\$ 0

(Continued)

Exhibit L-5

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

	Special Revenue Funds					Debt Service Fund
	Drug Control	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0
COVID-19 Grant #4	0	0	0	0	0	0
COVID-19 Grant C	0	0	0	0	0	0
COVID-19 Grant D	0	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0	0
American Rescue Plan Act Grant #2	0	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	0	0	0	0	0
American Rescue Plan Act Grant #6	0	17,359	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 0</b>	<b>\$ 17,359</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Paving and Maintenance	0	0	0	0	1,151,232	0
Contributions	0	0	0	0	0	8,540,143
Contracted Services	0	0	0	0	0	0
<u>Other</u>						
Other	0	0	0	0	0	0
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,151,232</b>	<b>\$ 8,540,143</b>
<b>Total</b>	<b>\$ 60,981</b>	<b>\$ 76,436</b>	<b>\$ 193,533</b>	<b>\$ 21,974</b>	<b>\$ 12,724,456</b>	<b>\$ 15,983,100</b>

(Continued)



Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 37,389,660
Trustee's Collections - Prior Year	0	709,275
Circuit Clerk/Clerk and Master Collections - Prior Years	0	411,673
Interest and Penalty	0	135,179
Payments in-Lieu-of Taxes - T.V.A.	0	4,409
Payments in-Lieu-of Taxes - Local Utilities	0	562,604
Payments in-Lieu-of Taxes - Other	0	207,948
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	13,429,833
Hotel/Motel Tax	0	8,291,087
Litigation Tax - General	0	291,183
Litigation Tax - Special Purpose	0	8,493
Litigation Tax - Jail, Workhouse, or Courthouse	0	857,691
Business Tax	0	4,888,773
Mixed Drink Tax	0	12,382
Other County Local Option Taxes	0	7,493
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	390,497
Wholesale Beer Tax	0	622,133
Total Local Taxes	<u>\$ 0</u>	<u>\$ 68,220,313</u>
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Cable TV Franchise	\$ 0	\$ 549,324

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>		
<u>Permits</u>		
Beer Permits	\$ 0	\$ 2,138
Building Permits	0	140,650
Other Permits	0	744,779
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 1,436,891</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 11,503
Fines for Littering	0	28
Officers Costs	0	31,305
Drug Control Fines	0	39,823
Drug Court Fees	0	8,823
Jail Fees	0	30,182
DUI Treatment Fines	0	11,848
Data Entry Fee - Circuit Court	0	10,783
Courtroom Security Fee	0	160
Victims Assistance Assessments	0	22,601
<u>General Sessions Court</u>		
Fines	0	36,517
Fines for Littering	0	285
Officers Costs	0	30,164
Game and Fish Fines	0	160
Drug Control Fines	0	14,215
Drug Court Fees	0	9,075
Jail Fees	0	81,326

(Continued)

Exhibit L-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>General Sessions Court (Cont.)</u>		
DUI Treatment Fines	\$ 0	\$ 19,156
Data Entry Fee - General Sessions Court	0	28,781
Courtroom Security Fee	0	13,951
Victims Assistance Assessments	0	50,975
<u>Juvenile Court</u>		
Fines	0	3,884
Officers Costs	0	944
<u>Chancery Court</u>		
Officers Costs	0	2,934
Data Entry Fee - Chancery Court	0	13,254
Courtroom Security Fee	0	2
<u>Other Courts - In-county</u>		
Fines	0	4,242
Drug Court Fees	0	46,729
<u>Judicial District Drug Program</u>		
Fines	0	185
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	41,951
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 0</b>	<b>\$ 565,786</b>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Surcharge - General	\$ 0	\$ 1,660
Patient Charges	0	3,912,710
Past Due Collections - Ambulance	0	140,914

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>		
	General Capital Projects		Total
<u>Charges for Current Services (Cont.)</u>			
<u>General Service Charges (Cont.)</u>			
Work Release Charges for Board	\$ 0	\$	15,402
Health Department Collections	0		493,125
Other General Service Charges	0		57,578
<u>Fees</u>			
Copy Fees	0		16,998
Library Fees	0		19,501
Greenbelt Late Application Fee	0		200
Telephone Commissions	0		271,387
Vending Machine Collections	0		30,858
Tourism Fees	0		57,674
Constitutional Officers' Fees and Commissions	0		585
Special Commissioner Fees/Special Master Fees	0		21,389
Data Processing Fee - Register	0		112,784
Probation Fees	0		558,636
Data Processing Fee - Sheriff	0		3,037
Sexual Offender Registration Fee - Sheriff	0		6,700
Vehicle Registration Reinstatement Fees	0		9,555
<u>Education Charges</u>			
TBI Criminal Background Fee	0		4,770
<b>Total Charges for Current Services</b>	<b>\$ 0</b>	<b>\$</b>	<b>5,735,463</b>
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 0	\$	1,537,002
Lease/Rentals	0		1

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>		
<u>Recurring Items (Cont.)</u>		
Sale of Materials and Supplies	\$ 0	\$ 7,235
Sale of Maps	0	29,795
Sale of Recycled Materials	0	112,228
E-Rate Funding	11,666	18,719
Miscellaneous Refunds	0	79,964
<u>Nonrecurring Items</u>		
Sale of Equipment	0	98,335
Damages Recovered from Individuals	0	5,354
Contributions and Gifts	0	8,690
<u>Other Local Revenues</u>		
Other Local Revenues	0	65,557
Total Other Local Revenues	<u>\$ 11,666</u>	<u>\$ 1,962,880</u>
<u>Fees Received From County Officials</u>		
<u>Excess Fees</u>		
County Clerk	\$ 0	\$ 531,493
<u>Fees In-Lieu-of Salary</u>		
County Clerk	0	1,296,748
Circuit Court Clerk	0	577,370
General Sessions Court Clerk	0	488,354
Clerk and Master	0	237,694
Juvenile Court Clerk	0	26,257
Register	0	1,832,762
Sheriff	0	71,024
Trustee	0	4,674,768
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 9,736,470</u>

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 9,000
Aging Programs	0	16,817
Other General Government Grants	0	699,601
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	75,200
Other Public Safety Grants	0	65,243
<u>Health and Welfare Grants</u>		
Other Health and Welfare Grants	0	336,235
<u>Public Works Grants</u>		
State Aid Program	0	128,228
Litter Program	0	67,149
<u>Other State Revenues</u>		
Income Tax	0	11,604
Beer Tax	0	19,194
Vehicle Certificate of Title Fees	0	82,107
Alcoholic Beverage Tax	0	299,554
State Revenue Sharing - T.V.A.	0	605,233
State Revenue Sharing - Telecommunications	0	142,293
State Shared Sports Gaming Privilege Tax	0	66,871
Contracted Prisoner Boarding	0	1,148,433
Gasoline and Motor Fuel Tax	0	3,458,479
Petroleum Special Tax	0	65,131
Registrar's Salary Supplement	0	11,373
Other State Grants	100,000	305,472
Other State Revenues	0	101,262
Total State of Tennessee	<u>\$ 100,000</u>	<u>\$ 7,714,479</u>

(Continued)

Exhibit L-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Federal Government</u>		
<u>Federal Through State</u>		
Disaster Relief	\$ 0	\$ 40,753
Homeland Security Grants	0	11,701
Medicaid	0	156,269
COVID-19 Grant #4	0	26,922
COVID-19 Grant C	0	4,760
COVID-19 Grant D	0	72,475
American Rescue Plan Act Grant #1	0	10,000
American Rescue Plan Act Grant #2	0	36,700
Other Federal through State	0	746,770
<u>Direct Federal Revenue</u>		
Tax Credit Bond Rebate	0	663,074
American Rescue Plan Act Grant #6	0	17,359
Other Direct Federal Revenue	0	241,805
Total Federal Government	<u>\$ 0</u>	<u>\$ 2,028,588</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Prisoner Board	\$ 0	\$ 32,293
Paving and Maintenance	0	1,151,232
Contributions	0	9,453,872
Contracted Services	0	2,245
<u>Other</u>		
Other	0	947
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 10,640,589</u>
Total	<u>\$ 111,666</u>	<u>\$ 108,041,459</u>

Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 37,470,781	\$ 0	\$ 0	\$ 0	\$ 37,470,781
Trustee's Collections - Prior Year	648,751	0	0	0	648,751
Circuit Clerk/Clerk and Master Collections - Prior Years	424,633	0	0	0	424,633
Interest and Penalty	138,333	0	0	0	138,333
Payments in-Lieu-of Taxes - T.V.A.	4,554	0	0	0	4,554
Payments in-Lieu-of Taxes - Local Utilities	581,051	0	0	0	581,051
Payments in-Lieu-of Taxes - Other	214,340	0	0	0	214,340
<u>County Local Option Taxes</u>					
Local Option Sales Tax	94,256,093	0	0	0	94,256,093
Hotel/Motel Tax	8,729,941	0	0	0	8,729,941
Mixed Drink Tax	1,115,465	0	0	0	1,115,465
Other County Local Option Taxes	4,930,610	0	0	0	4,930,610
<u>Statutory Local Taxes</u>					
Bank Excise Tax	403,301	0	0	0	403,301
Total Local Taxes	<u>\$ 148,917,853</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 148,917,853</u>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 103,202	\$ 0	\$ 0	\$ 0	\$ 103,202
Total Licenses and Permits	<u>\$ 103,202</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 103,202</u>
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Children	\$ 0	\$ 0	\$ 122,124	\$ 0	\$ 122,124

(Continued)



Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Lunch Payments - Adults	\$ 0	\$ 0	\$ 83,928	\$ 0	\$ 83,928
Income from Breakfast	0	0	147	0	147
A la Carte Sales	0	0	46,034	0	46,034
Receipts from Individual Schools	182,013	0	0	0	182,013
Other Charges for Services	120	0	0	0	120
Total Charges for Current Services	<u>\$ 182,133</u>	<u>\$ 0</u>	<u>\$ 252,233</u>	<u>\$ 0</u>	<u>\$ 434,366</u>
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ (58,500)	\$ 0	\$ 8,142	\$ 0	\$ (50,358)
Lease/Rentals	15,225	0	0	0	15,225
Sale of Materials and Supplies	926	0	0	0	926
Miscellaneous Refunds	12,643	0	29	0	12,672
<u>Nonrecurring Items</u>					
Sale of Equipment	37,595	0	0	0	37,595
Damages Recovered from Individuals	15,222	0	0	0	15,222
Contributions and Gifts	2,129,204	0	0	0	2,129,204
<u>Other Local Revenues</u>					
Other Local Revenues	11,200	0	0	4,363,235	4,374,435
Total Other Local Revenues	<u>\$ 2,163,515</u>	<u>\$ 0</u>	<u>\$ 8,171</u>	<u>\$ 4,363,235</u>	<u>\$ 6,534,921</u>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 642,853	\$ 0	\$ 0	\$ 0	\$ 642,853

(Continued)

Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 46,131,039	\$ 0	\$ 0	\$ 0	\$ 46,131,039
School Food Service	0	0	67,774	0	67,774
Driver Education	49,614	0	0	0	49,614
Other State Education Funds	2,308,346	0	0	0	2,308,346
Career Ladder Program	259,468	0	0	0	259,468
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	655,669	0	0	0	655,669
Total State of Tennessee	\$ 50,046,989	\$ 0	\$ 67,774	\$ 0	\$ 50,114,763
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 6,102,111	\$ 0	\$ 6,102,111
USDA - Commodities	0	0	479,828	0	479,828
Breakfast	0	0	2,195,223	0	2,195,223
USDA - Other	0	0	325,645	0	325,645
USDA Food Service Equipment Grant	0	0	52,000	0	52,000
Vocational Education - Basic Grants to States	0	227,328	0	0	227,328
Title I Grants to Local Education Agencies	0	3,627,620	0	0	3,627,620
Special Education - Grants to States	49,723	3,618,942	0	0	3,668,665
Special Education Preschool Grants	0	110,446	0	0	110,446
English Language Acquisition Grants	0	209,745	0	0	209,745
21st Century Community Learning Centers	69,947	0	0	0	69,947
Eisenhower Professional Development State Grants	0	516,468	0	0	516,468
COVID-19 Grant #1	0	188,633	0	0	188,633

(Continued)

Exhibit L-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
COVID-19 Grant B	\$ 0	\$ 8,014,378	\$ 0	\$ 0	\$ 8,014,378
COVID-19 Grant D	0	211,870	0	0	211,870
American Rescue Plan Act Grant #1	0	12,133,160	0	0	12,133,160
American Rescue Plan Act Grant #4	0	1,951	0	0	1,951
Other Federal through State	4,098,862	271,808	0	0	4,370,670
Total Federal Government	<u>\$ 4,218,532</u>	<u>\$ 29,132,349</u>	<u>\$ 9,154,807</u>	<u>\$ 0</u>	<u>\$ 42,505,688</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 5,731,595	\$ 0	\$ 0	\$ 0	\$ 5,731,595
Total Other Governments and Citizens Groups	<u>\$ 5,731,595</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,731,595</u>
Total	<u>\$ 211,363,819</u>	<u>\$ 29,132,349</u>	<u>\$ 9,482,985</u>	<u>\$ 4,363,235</u>	<u>\$ 254,342,388</u>

Exhibit L-7

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

General Fund

General Government

County Commission

Educational Incentive - Other County Employees	\$	1,000	
Board and Committee Members Fees		151,580	
Social Security		6,343	
Pensions		3,209	
Employee and Dependent Insurance		301,583	
Unemployment Compensation		61	
Employer Medicare		1,483	
Advertising		2,066	
Audit Services		51,111	
Dues and Memberships		9,807	
Legal Services		2,496	
Travel		21,676	
Other Contracted Services		8,517	
Office Supplies		10,715	
Other Supplies and Materials		98	
Total County Commission			\$ 571,745

Beer Board

Board and Committee Members Fees	\$	1,700	
Social Security		59	
Pensions		20	
Employee and Dependent Insurance		1,306	
Employer Medicare		14	
Advertising		156	
Legal Services		1,050	
Total Beer Board			4,305

Other Boards and Committees

County Official/Administrative Officer	\$	64,520	
Assistant(s)		115,550	
Dispatchers/Radio Operators		468,253	
Educational Incentive - Other County Employees		15,000	
Longevity Pay		8,250	
Other Salaries and Wages		82,886	
Social Security		43,683	
Pensions		19,358	
Employee and Dependent Insurance		147,212	
Unemployment Compensation		22	
Employer Medicare		10,216	
Advertising		1,259	
Communication		1,819	
Data Processing Services		230	
Dues and Memberships		471	
Maintenance and Repair Services - Office Equipment		375	
Maintenance and Repair Services - Vehicles		170	
Travel		2,462	
Gasoline		3,953	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Other Boards and Committees (Cont.)

Office Supplies	\$	5,596	
Uniforms		2,061	
Other Supplies and Materials		12,978	
In Service/Staff Development		4,075	
Total Other Boards and Committees			\$ 1,010,399

County Mayor/Executive

County Official/Administrative Officer	\$	157,522	
Assistant(s)		96,319	
Accountants/Bookkeepers		258,983	
Secretary(ies)		31,556	
Clerical Personnel		54,091	
Educational Incentive - Other County Employees		5,000	
Longevity Pay		9,000	
Other Salaries and Wages		154,088	
Social Security		44,136	
Pensions		21,893	
Employee and Dependent Insurance		121,860	
Employer Medicare		10,496	
Advertising		1,630	
Communication		3,839	
Dues and Memberships		3,855	
Maintenance and Repair Services - Office Equipment		1,411	
Maintenance and Repair Services - Vehicles		799	
Postal Charges		5,056	
Travel		7,162	
Gasoline		3,797	
Library Books/Media		472	
Office Supplies		15,821	
Total County Mayor/Executive			1,008,786

Election Commission

County Official/Administrative Officer	\$	91,751	
Deputy(ies)		150,705	
Clerical Personnel		20,150	
Longevity Pay		5,750	
Election Commission		24,925	
Election Workers		44,435	
Social Security		18,531	
Pensions		7,916	
Employee and Dependent Insurance		45,740	
Employer Medicare		4,334	
Advertising		13,965	
Communication		6,075	
Dues and Memberships		52	
Legal Services		200	
Maintenance and Repair Services - Buildings		3,394	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Postal Charges	\$	14,524	
Travel		2,079	
Other Contracted Services		70,200	
Electricity		6,835	
Natural Gas		2,203	
Office Supplies		20,243	
Water and Sewer		917	
Liability Insurance		10,162	
Total Election Commission			\$ 565,086

Register of Deeds

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		56,651	
Accountants/Bookkeepers		38,672	
Clerical Personnel		241,442	
Educational Incentive - Other County Employees		3,000	
Longevity Pay		12,000	
Social Security		26,421	
Pensions		12,970	
Employee and Dependent Insurance		101,835	
Employer Medicare		6,179	
Communication		480	
Dues and Memberships		1,166	
Maintenance and Repair Services - Office Equipment		3,978	
Postal Charges		1,105	
Travel		4,850	
Other Contracted Services		16,514	
Office Supplies		11,143	
Other Supplies and Materials		2,890	
Total Register of Deeds			650,746

Planning

County Official/Administrative Officer	\$	74,911	
Assistant(s)		37,859	
Supervisor/Director		45,737	
Longevity Pay		3,250	
Other Salaries and Wages		39,026	
Board and Committee Members Fees		13,650	
Social Security		11,233	
Pensions		6,125	
Employee and Dependent Insurance		61,210	
Employer Medicare		2,627	
Advertising		1,045	
Communication		3,544	
Dues and Memberships		175	
Legal Services		20,290	
Postal Charges		406	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

Travel	\$	336	
Electricity		3,786	
Gasoline		628	
Office Supplies		9,407	
Water and Sewer		373	
Refunds		100	
Total Planning			\$ 335,718

Building

County Official/Administrative Officer	\$	68,027	
Assistant(s)		105,184	
Secretary(ies)		38,797	
Longevity Pay		2,000	
Social Security		12,410	
Pensions		6,478	
Employee and Dependent Insurance		45,002	
Employer Medicare		2,902	
Communication		1,679	
Dues and Memberships		2,484	
Maintenance and Repair Services - Vehicles		90	
Postal Charges		360	
Travel		4,360	
Other Contracted Services		4,775	
Electricity		2,398	
Gasoline		9,339	
Office Supplies		6,245	
Water and Sewer		236	
Other Supplies and Materials		4,034	
Refunds		2,515	
Total Building			319,315

Geographical Information Systems

Supervisor/Director	\$	62,571	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		1,250	
Other Salaries and Wages		66,479	
Social Security		7,427	
Pensions		3,973	
Employee and Dependent Insurance		26,980	
Employer Medicare		1,737	
Communication		875	
Dues and Memberships		1,290	
Maintenance and Repair Services - Office Equipment		5,675	
Postal Charges		174	
Travel		3,146	
Other Contracted Services		51,076	
Electricity		2,398	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems (Cont.)

Office Supplies	\$	7,317	
Water and Sewer		236	
Total Geographical Information Systems			\$ 243,604

County Buildings

County Official/Administrative Officer	\$	65,218	
Supervisor/Director		99,494	
Custodial Personnel		291,483	
Longevity Pay		8,750	
Social Security		27,017	
Pensions		14,044	
Employee and Dependent Insurance		91,786	
Employer Medicare		6,319	
Advertising		353	
Communication		84,698	
Dues and Memberships		414	
Janitorial Services		55,084	
Legal Services		200	
Maintenance and Repair Services - Buildings		396,462	
Maintenance and Repair Services - Office Equipment		5,949	
Maintenance and Repair Services - Vehicles		3,201	
Pest Control		5,619	
Travel		2,104	
Other Contracted Services		780	
Custodial Supplies		23,259	
Electricity		181,035	
Gasoline		8,775	
Natural Gas		65,703	
Office Supplies		1,017	
Uniforms		4,670	
Water and Sewer		11,078	
Other Supplies and Materials		12,138	
Total County Buildings			1,466,650

Other Facilities

Advertising	\$	2,032	
Communication		4,710	
Maintenance and Repair Services - Buildings		16,704	
Pest Control		516	
Other Contracted Services		10,980	
Electricity		250,910	
Natural Gas		83,786	
Water and Sewer		3,272	
Total Other Facilities			372,910

Other General Administration

Mechanic(s)	\$	263,034	
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(Continued)



Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Longevity Pay	\$	5,750	
Social Security		14,973	
Pensions		7,585	
Employee and Dependent Insurance		74,085	
Employer Medicare		3,502	
Communication		3,204	
Maintenance and Repair Services - Equipment		9,611	
Maintenance and Repair Services - Vehicles		123,672	
Electricity		5,723	
Gasoline		2,726	
Lubricants		15,202	
Natural Gas		3,940	
Tires and Tubes		58,708	
Water and Sewer		488	
Other Supplies and Materials		4,986	
Total Other General Administration			\$ 597,189

Preservation of Records

County Official/Administrative Officer	\$	60,675	
Assistant(s)		73,698	
Longevity Pay		2,500	
Social Security		7,314	
Pensions		4,139	
Employee and Dependent Insurance		41,580	
Employer Medicare		1,710	
Communication		1,352	
Maintenance and Repair Services - Office Equipment		1,812	
Postal Charges		274	
Travel		669	
Other Contracted Services		26,639	
Electricity		5,474	
Office Supplies		2,047	
Uniforms		280	
Other Supplies and Materials		4,937	
Total Preservation of Records			235,100

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		167,395	
Clerical Personnel		206,059	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		16,250	
Other Salaries and Wages		305,059	
Board and Committee Members Fees		5,010	
Social Security		47,886	
Pensions		24,138	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Employee and Dependent Insurance	\$	144,978	
Employer Medicare		11,199	
Advertising		221	
Audit Services		73,124	
Communication		4,653	
Dues and Memberships		2,725	
Legal Services		44,126	
Maintenance and Repair Services - Office Equipment		13,115	
Maintenance and Repair Services - Vehicles		640	
Postal Charges		18,164	
Travel		74	
Other Contracted Services		141,547	
Electricity		2,272	
Gasoline		15,055	
Office Supplies		6,283	
Water and Sewer		224	
Total Property Assessor's Office			\$ 1,360,647

County Trustee's Office

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		48,650	
Accountants/Bookkeepers		57,801	
Clerical Personnel		288,317	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		8,750	
Social Security		29,464	
Pensions		14,526	
Employee and Dependent Insurance		100,165	
Employer Medicare		6,891	
Advertising		184	
Audit Services		8,000	
Communication		2,121	
Dues and Memberships		941	
Legal Services		200	
Maintenance and Repair Services - Office Equipment		1,514	
Postal Charges		54,542	
Travel		2,897	
Other Contracted Services		22,049	
Office Supplies		24,752	
Total County Trustee's Office			782,214

County Clerk's Office

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		53,292	
Accountants/Bookkeepers		47,088	
Clerical Personnel		571,234	
Educational Incentive - Other County Employees		4,000	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Longevity Pay	\$	18,750	
Social Security		43,609	
Pensions		23,048	
Employee and Dependent Insurance		226,868	
Employer Medicare		10,199	
Advertising		25	
Communication		5,206	
Dues and Memberships		1,131	
Legal Services		88	
Maintenance and Repair Services - Office Equipment		1,351	
Postal Charges		58,327	
Travel		1,393	
Other Contracted Services		9,888	
Data Processing Supplies		26,828	
Office Supplies		34,105	
Total County Clerk's Office			\$ 1,245,880

Data Processing

County Official/Administrative Officer	\$	77,463	
Assistant(s)		123,644	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		2,250	
Social Security		11,865	
Pensions		6,188	
Employee and Dependent Insurance		33,705	
Employer Medicare		2,775	
Advertising		159	
Communication		4,170	
Maintenance and Repair Services - Vehicles		100	
Postal Charges		41	
Travel		517	
Data Processing Supplies		37,682	
Gasoline		727	
Other Supplies and Materials		590	
In Service/Staff Development		300	
Data Processing Equipment		97,318	
Total Data Processing			400,494

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		94,117	
Accountants/Bookkeepers		48,757	
Clerical Personnel		543,368	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		13,250	
Other Salaries and Wages		2,812	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Jury and Witness Expense	\$	20,723	
Social Security		46,741	
Pensions		24,473	
Employee and Dependent Insurance		164,050	
Employer Medicare		10,931	
Communication		480	
Contracts with Other Public Agencies		734	
Dues and Memberships		1,266	
Legal Services		825	
Maintenance and Repair Services - Office Equipment		5,273	
Postal Charges		8,100	
Travel		941	
Other Contracted Services		30,043	
Office Supplies		24,005	
Total Circuit Court			\$ 1,151,339

General Sessions Court

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		33,790	
Accountants/Bookkeepers		42,693	
Clerical Personnel		341,956	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		10,250	
Other Salaries and Wages		79,324	
Social Security		35,889	
Pensions		18,648	
Employee and Dependent Insurance		111,996	
Employer Medicare		8,393	
Communication		2,128	
Contracts with Other Public Agencies		2,341	
Dues and Memberships		1,011	
Maintenance and Repair Services - Office Equipment		793	
Postal Charges		3,645	
Travel		632	
Other Contracted Services		28,893	
Office Supplies		19,131	
Other Equipment		22,849	
Total General Sessions Court			874,812

General Sessions Judge

Judge(s)	\$	360,379	
Secretary(ies)		40,839	
Longevity Pay		3,000	
Other Salaries and Wages		31,729	
Social Security		21,874	
Pensions		12,137	
Employee and Dependent Insurance		41,280	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge (Cont.)

Employer Medicare	\$	6,132	
Communication		2,385	
Dues and Memberships		6,287	
Travel		4,873	
Other Contracted Services		2,280	
Library Books/Media		5,381	
Office Supplies		2,595	
Total General Sessions Judge			\$ 541,171

Chancery Court

County Official/Administrative Officer	\$	109,450	
Deputy(ies)		40,235	
Clerical Personnel		193,583	
Longevity Pay		8,000	
Jury and Witness Expense		444	
Social Security		20,581	
Pensions		10,596	
Employee and Dependent Insurance		66,600	
Employer Medicare		4,813	
Dues and Memberships		756	
Legal Services		2,266	
Maintenance and Repair Services - Office Equipment		14,706	
Postal Charges		5,800	
Library Books/Media		10,869	
Office Supplies		20,202	
Total Chancery Court			508,901

Juvenile Court

Deputy(ies)	\$	47,736	
Clerical Personnel		83,219	
Longevity Pay		2,750	
Social Security		7,775	
Pensions		4,045	
Employee and Dependent Insurance		23,940	
Employer Medicare		1,818	
Contracts with Other Public Agencies		166	
Postal Charges		2,811	
Travel		300	
Other Contracted Services		2,291	
Office Supplies		5,136	
Other Equipment		6,696	
Total Juvenile Court			188,683

District Attorney General

Assistant(s)	\$	74,135	
Supervisor/Director		5,425	
Longevity Pay		500	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

Social Security	\$	4,577	
Pensions		2,420	
Employee and Dependent Insurance		17,325	
Employer Medicare		1,070	
Dues and Memberships		409	
Travel		1,481	
Total District Attorney General	\$		107,342

Judicial Commissioners

County Official/Administrative Officer	\$	213,338	
Supervisor/Director		56,674	
Longevity Pay		2,250	
Other Salaries and Wages		390	
Social Security		16,160	
Pensions		5,810	
Employee and Dependent Insurance		36,005	
Employer Medicare		3,779	
Communication		1,187	
Dues and Memberships		900	
Library Books/Media		10,638	
Office Supplies		8,424	
In Service/Staff Development		77	
Total Judicial Commissioners			355,632

Probation Services

County Official/Administrative Officer	\$	61,654	
Assistant(s)		44,548	
Longevity Pay		2,250	
Other Salaries and Wages		297,599	
Social Security		22,187	
Pensions		11,751	
Employee and Dependent Insurance		120,150	
Employer Medicare		5,189	
Advertising		100	
Communication		1,295	
Contracts with Private Agencies		108,494	
Dues and Memberships		190	
Maintenance and Repair Services - Buildings		7,232	
Maintenance and Repair Services - Office Equipment		187	
Postal Charges		491	
Rentals		46,363	
Travel		1,144	
Other Contracted Services		95,587	
Electricity		4,968	
Natural Gas		2,727	
Office Supplies		16,312	
Utilities		5,533	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Water and Sewer	\$	2,393	
Other Supplies and Materials		63,930	
Refunds		2,250	
Total Probation Services			\$ 924,524

Victim Assistance Programs

Clerical Personnel	\$	112,660	
Longevity Pay		1,000	
Social Security		6,510	
Pensions		3,433	
Employee and Dependent Insurance		26,415	
Employer Medicare		1,523	
Communication		888	
Postal Charges		452	
Travel		989	
Office Supplies		2,225	
Total Victim Assistance Programs			156,095

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	121,897	
Assistant(s)		90,528	
Supervisor/Director		170,979	
Deputy(ies)		3,357,568	
Investigator(s)		914,822	
Accountants/Bookkeepers		36,859	
Dispatchers/Radio Operators		423,691	
Guards		366,513	
Secretary(ies)		185,186	
Educational Incentive - Other County Employees		9,000	
Longevity Pay		75,250	
Other Salaries and Wages		141,128	
In-service Training		72,933	
Social Security		348,903	
Pensions		166,231	
Employee and Dependent Insurance		1,006,362	
Employer Medicare		81,598	
Other Fringe Benefits		5,500	
Advertising		277	
Communication		51,055	
Contracts with Other Public Agencies		7,050	
Contributions		7,045	
Data Processing Services		39,152	
Dues and Memberships		3,550	
Legal Services		11,612	
Licenses		525	
Maintenance and Repair Services - Equipment		34,445	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Maintenance and Repair Services - Office Equipment	\$	94	
Travel		13,216	
Other Contracted Services		130,799	
Animal Food and Supplies		15,058	
Electricity		25,241	
Gasoline		433,831	
Law Enforcement Supplies		62,295	
Natural Gas		5,416	
Water and Sewer		8,656	
Other Supplies and Materials		84,113	
Liability Insurance		1,000	
In Service/Staff Development		24,494	
Other Charges		33,274	
Motor Vehicles		70,708	
Other Equipment		9,000	
Total Sheriff's Department			\$ 8,646,854

Drug Enforcement

Longevity Pay	\$	2,250	
Other Salaries and Wages		267,873	
Social Security		15,552	
Pensions		8,169	
Employee and Dependent Insurance		52,107	
Employer Medicare		3,637	
Other Fringe Benefits		2,000	
Rentals		19,300	
Other Contracted Services		300	
Electricity		973	
Natural Gas		258	
Other Supplies and Materials		41,513	
Total Drug Enforcement			413,932

Jail

Assistant(s)	\$	92,196	
Supervisor/Director		43,621	
Guards		3,220,867	
Cafeteria Personnel		170,741	
Educational Incentive - Other County Employees		10,000	
Longevity Pay		34,000	
Other Salaries and Wages		20,788	
In-service Training		20,800	
Social Security		211,683	
Pensions		99,108	
Employee and Dependent Insurance		655,227	
Unemployment Compensation		370	
Employer Medicare		49,506	
Other Fringe Benefits		2,000	

(Continued)



Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Advertising	\$	140	
Communication		426	
Contracts with Other Public Agencies		22,175	
Contracts with Private Agencies		1,340	
Data Processing Services		3,557	
Legal Services		5,872	
Maintenance and Repair Services - Buildings		50,876	
Maintenance and Repair Services - Equipment		38,354	
Maintenance and Repair Services - Office Equipment		21,897	
Medical and Dental Services		2,036,465	
Postal Charges		2,080	
Rentals		2,969	
Transportation - Other than Students		8,788	
Electricity		155,014	
Food Supplies		483,256	
Law Enforcement Supplies		21,187	
Natural Gas		85,119	
Office Supplies		25,882	
Water and Sewer		128,445	
Other Supplies and Materials		233,721	
In Service/Staff Development		1,830	
Other Construction		2,964	
Total Jail			\$ 7,963,264

Juvenile Services

Supervisor/Director	\$	66,376	
Youth Service Officer(s)		164,611	
Secretary(ies)		39,338	
Longevity Pay		4,500	
Social Security		15,872	
Pensions		8,202	
Employee and Dependent Insurance		52,050	
Employer Medicare		3,712	
Communication		1,703	
Contributions		7,610	
Dues and Memberships		500	
Maintenance and Repair Services - Buildings		4,240	
Maintenance and Repair Services - Office Equipment		149	
Postal Charges		843	
Travel		3,703	
Other Contracted Services		5,147	
Office Supplies		7,547	
Total Juvenile Services			386,103

Fire Prevention and Control

Supervisor/Director	\$	21,934	
Educational Incentive - Other County Employees		2,000	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Longevity Pay	\$	250	
Social Security		1,399	
Pensions		726	
Employee and Dependent Insurance		4,905	
Employer Medicare		327	
Communication		187	
Dues and Memberships		200	
Maintenance and Repair Services - Vehicles		264	
Travel		1,689	
Gasoline		835	
Uniforms		286	
Other Supplies and Materials		4,057	
Other Equipment		6,317	
Total Fire Prevention and Control	\$		45,376

Civil Defense

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

Rescue Squad

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

Other Emergency Management

County Official/Administrative Officer	\$	67,560	
Assistant(s)		54,007	
Longevity Pay		500	
Other Salaries and Wages		17,397	
Social Security		8,179	
Pensions		3,691	
Employee and Dependent Insurance		21,840	
Employer Medicare		1,913	
Advertising		126	
Communication		5,728	
Dues and Memberships		460	
Maintenance and Repair Services - Equipment		2,476	
Maintenance and Repair Services - Vehicles		1,284	
Postal Charges		63	
Travel		4,464	
Electricity		643	
Gasoline		5,193	
Office Supplies		8,250	
Other Supplies and Materials		3,664	
In Service/Staff Development		1,426	
Other Capital Outlay		16,298	
Total Other Emergency Management			225,162

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner

Medical Personnel	\$	135,247	
Longevity Pay		250	
Other Salaries and Wages		11,853	
Social Security		8,838	
Pensions		2,016	
Employee and Dependent Insurance		14,995	
Employer Medicare		2,067	
Communication		2,897	
Postal Charges		1	
Travel		592	
Other Contracted Services		322,887	
Gasoline		5,142	
Office Supplies		1,413	
Uniforms		1,975	
Other Supplies and Materials		10,658	
In Service/Staff Development		655	
Other Equipment		19,742	
Total County Coroner/Medical Examiner			\$ 541,228

Other Public Safety

County Official/Administrative Officer	\$	68,312
Assistant(s)		59,218
Sergeant(s)		191,895
Medical Personnel		14,351
Guards		263,789
Secretary(ies)		38,516
Educational Incentive - Other County Employees		1,000
Longevity Pay		6,250
In-service Training		5,208
Social Security		38,460
Pensions		18,201
Employee and Dependent Insurance		102,551
Employer Medicare		8,995
Other Fringe Benefits		3,443
Advertising		423
Communication		6,865
Contracts with Private Agencies		11,000
Data Processing Services		4,550
Dues and Memberships		220
Maintenance and Repair Services - Buildings		4,857
Maintenance and Repair Services - Equipment		1,806
Maintenance and Repair Services - Office Equipment		2,003
Maintenance and Repair Services - Vehicles		100
Medical and Dental Services		16,210
Postal Charges		70
Rentals		331
Travel		1,635

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety (Cont.)

Other Contracted Services	\$	2,133	
Electricity		11,681	
Gasoline		1,235	
Natural Gas		3,752	
Office Supplies		4,459	
Water and Sewer		2,707	
Other Supplies and Materials		4,016	
In Service/Staff Development		4,830	
Total Other Public Safety			\$ 905,072

Public Health and Welfare

Local Health Center

Advertising	\$	798	
Communication		12,314	
Contracts with Government Agencies		26,154	
Maintenance and Repair Services - Buildings		20,906	
Medical and Dental Services		462	
Pest Control		672	
Postal Charges		398	
Office Supplies		1,109	
Other Supplies and Materials		6,485	
Office Equipment		1,489	
Total Local Health Center			70,787

Rabies and Animal Control

Contributions	\$	216,791	
Total Rabies and Animal Control			216,791

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	83,062	
Assistant(s)		66,966	
Medical Personnel		2,752,626	
Clerical Personnel		168,510	
Educational Incentive - Other County Employees		11,000	
Longevity Pay		33,250	
Other Salaries and Wages		705,587	
Social Security		233,418	
Pensions		94,050	
Employee and Dependent Insurance		576,775	
Employer Medicare		54,590	
Advertising		228	
Communication		29,679	
Contracts with Private Agencies		249,948	
Contributions		100,000	
Legal Services		120	
Licenses		4,802	
Maintenance and Repair Services - Buildings		4,480	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Maintenance and Repair Services - Equipment	\$	9,222	
Maintenance and Repair Services - Office Equipment		422	
Maintenance and Repair Services - Vehicles		3,258	
Pest Control		1,780	
Postal Charges		36	
Travel		513	
Tuition		4,104	
Other Contracted Services		98,744	
Custodial Supplies		6,198	
Drugs and Medical Supplies		166,429	
Gasoline		183,039	
Office Supplies		9,818	
Uniforms		25,939	
Utilities		41,143	
Other Supplies and Materials		67,514	
Refunds		29,763	
Other Equipment		3,843	
Total Ambulance/Emergency Medical Services			\$ 5,820,856

Maternal and Child Health Services

Medical Personnel	\$	72,079	
Clerical Personnel		440,268	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		5,500	
Social Security		29,850	
Pensions		12,472	
Employee and Dependent Insurance		120,295	
Employer Medicare		6,981	
Transportation - Other than Students		5,483	
Travel		698	
Other Charges		972	
Total Maternal and Child Health Services			695,598

Alcohol and Drug Programs

Supervisor/Director	\$	56,320	
Social Workers		44,644	
Longevity Pay		250	
Other Salaries and Wages		34,026	
Social Security		7,863	
Pensions		2,754	
Employee and Dependent Insurance		22,715	
Employer Medicare		1,839	
Advertising		26,044	
Communication		1,466	
Printing, Stationery, and Forms		26,292	
Travel		19,403	
Other Contracted Services		10,273	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs (Cont.)

Office Supplies	\$	12,133	
Other Supplies and Materials		175	
Total Alcohol and Drug Programs			\$ 266,197

Other Local Health Services

Contributions	\$	156,458	
Other Charges		36,171	
Total Other Local Health Services			192,629

Appropriation to State

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

Other Local Welfare Services

Pauper Burials	\$	3,150	
Total Other Local Welfare Services			3,150

Other Public Health and Welfare

Supervisor/Director	\$	57,571	
Secretary(ies)		51,854	
Longevity Pay		3,750	
Other Salaries and Wages		125,111	
Social Security		13,981	
Pensions		6,386	
Employee and Dependent Insurance		40,930	
Employer Medicare		3,270	
Advertising		326	
Communication		2,415	
Dues and Memberships		120	
Maintenance and Repair Services - Buildings		5,990	
Maintenance and Repair Services - Office Equipment		2,611	
Maintenance and Repair Services - Vehicles		320	
Postal Charges		1,181	
Other Contracted Services		1,609	
Electricity		3,786	
Gasoline		4,564	
Office Supplies		9,120	
Water and Sewer		373	
Refunds		19,700	
Total Other Public Health and Welfare			354,968

Social, Cultural, and Recreational Services

Senior Citizens Assistance

County Official/Administrative Officer	\$	51,612	
Assistant(s)		12,749	
Supervisor/Director		40,068	
Dispatchers/Radio Operators		24,372	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Secretary(ies)	\$	79,731	
Cafeteria Personnel		25,618	
Maintenance Personnel		30,463	
Longevity Pay		2,750	
Social Security		15,313	
Pensions		6,744	
Employee and Dependent Insurance		58,265	
Employer Medicare		3,581	
Advertising		2,155	
Communication		1,131	
Maintenance and Repair Services - Buildings		11,470	
Travel		189	
Other Contracted Services		13,352	
Electricity		37,770	
Natural Gas		14,678	
Office Supplies		1,842	
Water and Sewer		5,300	
Other Supplies and Materials		42,426	
Total Senior Citizens Assistance			\$ 481,579

Libraries

County Official/Administrative Officer	\$	72,531
Assistant(s)		390,643
Supervisor/Director		246,172
Accountants/Bookkeepers		43,293
Custodial Personnel		27,572
Longevity Pay		9,750
Other Salaries and Wages		136,222
Social Security		54,317
Pensions		23,986
Employee and Dependent Insurance		158,035
Employer Medicare		12,703
Advertising		148
Communication		12,382
Dues and Memberships		2,896
Janitorial Services		8,263
Maintenance and Repair Services - Buildings		18,194
Maintenance and Repair Services - Equipment		6,504
Postal Charges		830
Printing, Stationery, and Forms		140
Rentals		1,068
Travel		23,209
Tuition		2,419
Maintenance and Repair Services - Records		908
Other Contracted Services		37,343
Data Processing Supplies		1,099
Duplicating Supplies		1,974

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Electricity	\$	75,981	
Equipment and Machinery Parts		6,938	
Instructional Supplies and Materials		30,585	
Library Books/Media		55,178	
Office Supplies		58,600	
Periodicals		2,856	
Utilities		4,205	
Water and Sewer		9,996	
Other Supplies and Materials		656	
Total Libraries			\$ 1,537,596

Parks and Fair Boards

Maintenance Personnel	\$	14,322	
Social Security		888	
Employer Medicare		208	
Contributions		106,500	
Total Parks and Fair Boards			121,918

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	87,929	
Longevity Pay		2,500	
Other Salaries and Wages		110,121	
Social Security		32,434	
Pensions		2,734	
Employee and Dependent Insurance		23,091	
Employer Medicare		1,241	
Communication		6,023	
Contributions		4,500	
Pest Control		720	
Postal Charges		1,500	
Travel		6,669	
Electricity		3,860	
Water and Sewer		1,257	
Other Supplies and Materials		4,054	
Total Agricultural Extension Service			288,633

Forest Service

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

Soil Conservation

Clerical Personnel	\$	33,525	
Longevity Pay		250	
Social Security		2,024	
Pensions		1,022	
Employee and Dependent Insurance		6,180	
Employer Medicare		473	
Total Soil Conservation			43,474

(Continued)



Exhibit L-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Storm Water Management

County Official/Administrative Officer	\$	65,301	
Secretary(ies)		2,981	
Longevity Pay		2,000	
Other Salaries and Wages		48,215	
Social Security		6,963	
Pensions		3,494	
Employee and Dependent Insurance		18,900	
Employer Medicare		1,629	
Advertising		45	
Communication		959	
Contracts with Government Agencies		667	
Travel		6,144	
Electricity		3,029	
Office Supplies		5,058	
Water and Sewer		298	
Total Storm Water Management			\$ 165,683

Other Operations

Tourism

County Official/Administrative Officer	\$	53,528	
Educational Incentive - Other County Employees		1,000	
Longevity Pay		750	
Social Security		3,293	
Pensions		1,672	
Employee and Dependent Insurance		7,680	
Employer Medicare		770	
Advertising		197,166	
Contracts with Private Agencies		1,000,470	
Contributions		307,600	
Dues and Memberships		5,303	
Postal Charges		228	
Travel		6,387	
Other Contracted Services		47,630	
Office Supplies		366	
Other Supplies and Materials		1,510	
Total Tourism			1,635,353

Veterans' Services

Supervisor/Director	\$	51,985	
Secretary(ies)		32,046	
Longevity Pay		750	
Social Security		4,773	
Pensions		2,564	
Employee and Dependent Insurance		19,260	
Employer Medicare		1,116	
Communication		2,163	
Contributions		10,000	

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Dues and Memberships	\$	100	
Postal Charges		138	
Travel		3,372	
Other Contracted Services		1,486	
Gasoline		1,098	
Office Supplies		3,272	
Other Supplies and Materials		1,881	
Total Veterans' Services			\$ 136,004

Contributions to Other Agencies

Contracts with Other Public Agencies	\$	40,000	
Contributions		244,041	
Total Contributions to Other Agencies			284,041

Employee Benefits

Pensions	\$	3,875	
Employee and Dependent Insurance		298,815	
Communication		4,247	
Other Contracted Services		1,882	
Office Supplies		22,528	
Workers' Compensation Insurance		390,074	
Total Employee Benefits			721,421

COVID-19 Grant #2

Other Supplies and Materials	\$	19,347	
Total COVID-19 Grant #2			19,347

COVID-19 Grant #4

Other Salaries and Wages	\$	1,850	
Social Security		115	
Employer Medicare		27	
Total COVID-19 Grant #4			1,992

COVID-19 Grant C

Contributions	\$	4,415	
Total COVID-19 Grant C			4,415

COVID-19 Grant D

Other Supplies and Materials	\$	72,317	
Total COVID-19 Grant D			72,317

American Rescue Plan Act Grant #1

Advertising	\$	2,475	
Other Contracted Services		4,100	
Equipment and Machinery Parts		1,999	
Instructional Supplies and Materials		1,909	
Total American Rescue Plan Act Grant #1			10,483

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant #2

Equipment and Machinery Parts	\$	31,273	
Library Books/Media		14,629	
Total American Rescue Plan Act Grant #2			\$ 45,902

Miscellaneous

Advertising	\$	888	
Contributions		53,000	
Legal Services		8,958	
Maintenance and Repair Services - Office Equipment		5,174	
Other Contracted Services		27,718	
Other Supplies and Materials		32,733	
Building and Contents Insurance		135,534	
Excess Risk Insurance		15,606	
Liability Insurance		395,864	
Premiums on Corporate Surety Bonds		365	
Refunds		1,354	
Trustee's Commission		1,198,404	
Vehicle and Equipment Insurance		135,122	
Other Charges		2,702	
Other Debt Service		663,074	
Total Miscellaneous			2,676,496

Highways

Litter and Trash Collection

Deputy(ies)	\$	230,499	
Longevity Pay		5,250	
In-service Training		3,200	
Social Security		13,624	
Pensions		7,132	
Employee and Dependent Insurance		67,098	
Employer Medicare		3,186	
Communication		2,369	
Other Contracted Services		20,790	
Electricity		1,964	
Water and Sewer		380	
Other Supplies and Materials		6,610	
Total Litter and Trash Collection			362,102

Other Charges

Contracts with Private Agencies	\$	7,456	
Other Contracted Services		30,098	
Total Other Charges			37,554

Capital Projects

Public Health and Welfare Projects

Other Contracted Services	\$	2,288	
Other Capital Outlay		580	
Total Public Health and Welfare Projects			2,868

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Capital Projects (Cont.)

Social, Cultural, and Recreation Projects

Other Capital Outlay	\$ 36,562	
Total Social, Cultural, and Recreation Projects		\$ 36,562

Other General Government Projects

Other Charges	\$ 4,500	
Other Capital Outlay	1,384,672	
Total Other General Government Projects		<u>1,389,172</u>

Total General Fund		\$ 52,947,177
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Urban Services Fund

Public Safety

Fire Prevention and Control

Supervisor/Director	\$ 47,599	
In-service Training	2,400	
Social Security	2,886	
Pensions	1,445	
Employee and Dependent Insurance	8,175	
Employer Medicare	675	
Communication	1,484	
Contributions	961,250	
Dues and Memberships	191	
Maintenance and Repair Services - Vehicles	70	
Travel	530	
Gasoline	2,775	
Office Supplies	1,070	
Uniforms	301	
Other Supplies and Materials	968	
Other Equipment	2,243	
Other Capital Outlay	50,000	
Total Fire Prevention and Control		<u>\$ 1,084,062</u>

Total Urban Services Fund		1,084,062
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Courthouse and Jail Maintenance Fund

General Government

County Buildings

Maintenance and Repair Services - Buildings	\$ 4,044	
Trustee's Commission	8,557	
Land	159,609	
Total County Buildings		\$ 172,210

Capital Projects

Administration of Justice Projects

Other Capital Outlay	\$ 12,901	
Total Administration of Justice Projects		<u>12,901</u>

Total Courthouse and Jail Maintenance Fund		185,111
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(Continued)

Exhibit L-7

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

Law Library Fund

Administration of Justice

Other Administration of Justice

Library Books/Media	\$	8,183	
Trustee's Commission		84	
Total Other Administration of Justice			\$ 8,267

Total Law Library Fund \$ 8,267

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	64,153	
Laborers		1,054,841	
Longevity Pay		17,000	
Social Security		66,818	
Pensions		29,173	
Employee and Dependent Insurance		224,920	
Employer Medicare		15,627	
Communication		7,448	
Contracts with Government Agencies		1,523,738	
Contributions		60,233	
Maintenance and Repair Services - Buildings		300	
Maintenance and Repair Services - Equipment		10,913	
Maintenance and Repair Services - Vehicles		267,061	
Rentals		9,000	
Other Contracted Services		8,503	
Electricity		38,459	
Gasoline		141,348	
Lubricants		24,574	
Natural Gas		26,918	
Tires and Tubes		49,285	
Uniforms		10,325	
Water and Sewer		3,335	
Other Supplies and Materials		25,477	
Liability Insurance		2,000	
Premiums on Corporate Surety Bonds		500	
Trustee's Commission		1,122	
Total Sanitation Management			\$ 3,683,071

Total Solid Waste/Sanitation Fund 3,683,071

Special Purpose Fund

General Government

Planning

Motor Vehicles	\$	27,641	
Total Planning			\$ 27,641

County Buildings

Maintenance and Repair Services - Buildings	\$	29,406	
Total County Buildings			29,406

(Continued)

Exhibit L-7

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

Special Purpose Fund (Cont.)

Finance

Data Processing

Data Processing Equipment	\$ 56,333	
Other Capital Outlay	32,567	
Total Data Processing		\$ 88,900

Public Safety

Sheriff's Department

Motor Vehicles	\$ 456,300	
Total Sheriff's Department		456,300

Jail

Other Capital Outlay	\$ 30,000	
Total Jail		30,000

Public Health and Welfare

Ambulance/Emergency Medical Services

Motor Vehicles	\$ 18,196	
Other Equipment	46,231	
Other Construction	36,372	
Total Ambulance/Emergency Medical Services		100,799

Sanitation Management

Motor Vehicles	\$ 171,044	
Solid Waste Equipment	105,440	
Other Construction	702,203	
Total Sanitation Management		978,687

Social, Cultural, and Recreational Services

Libraries

Other Contracted Services	\$ 9,800	
Administration Equipment	6,525	
Total Libraries		16,325

Other Operations

Other Charges

Trustee's Commission	\$ 46,695	
Total Other Charges		46,695

Miscellaneous

Motor Vehicles	\$ 125,532	
Total Miscellaneous		125,532

Capital Projects

Other General Government Projects

Other Capital Outlay	\$ 84,755	
Total Other General Government Projects		84,755

Total Special Purpose Fund \$ 1,985,040

(Continued)

Exhibit L-7

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

Drug Control Fund

Public Safety

Sheriff's Department

Other Supplies and Materials	\$ 41,540	
Trustee's Commission	762	
Total Sheriff's Department	\$ 42,302	

Total Drug Control Fund \$ 42,302

Other General Government Special Revenue Fund

Other Operations

American Rescue Plan Act Grant #6

Advertising	\$ 259	
Other Contracted Services	13,000	
Other Supplies and Materials	4,100	
Total American Rescue Plan Act Grant #6	\$ 17,359	

Total Other General Government Special Revenue Fund 17,359

Other Special Revenue Fund

Administration of Justice

Drug Court

Supervisor/Director	\$ 53,653	
Social Workers	68,864	
Social Security	7,004	
Pensions	3,706	
Employee and Dependent Insurance	28,080	
Employer Medicare	1,638	
Advertising	3,191	
Communication	12,089	
Dues and Memberships	300	
Licenses	1,010	
Maintenance and Repair Services - Office Equipment	1,073	
Medical and Dental Services	84	
Pest Control	1,114	
Postal Charges	134	
Travel	8,416	
Drug Treatment	1,850	
Electricity	3,970	
Gasoline	1,154	
Office Supplies	14,572	
Propane Gas	1,190	
Utilities	1,566	
Building and Contents Insurance	5,431	
Liability Insurance	6,748	
Trustee's Commission	564	
Vehicle and Equipment Insurance	539	
Total Drug Court	\$ 227,940	

Total Other Special Revenue Fund 227,940

(Continued)

Exhibit L-7

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

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	\$ 72	
Total Register of Deeds		\$ 72

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 456	
Total County Clerk's Office		456

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 21,389	
Constitutional Officers' Operating Expenses	57	
Total Chancery Court		<u>21,446</u>

Total Constitutional Officers - Fees Fund \$ 21,974

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 127,388	
Accountants/Bookkeepers	67,379	
Secretary(ies)	23,346	
Social Security	12,678	
Pensions	6,550	
Employee and Dependent Insurance	24,300	
Employer Medicare	2,965	
Data Processing Services	12,169	
Dues and Memberships	6,228	
Engineering Services	8,618	
Legal Notices, Recording, and Court Costs	7,555	
Postal Charges	1,100	
Printing, Stationery, and Forms	1,911	
Travel	5,534	
Office Supplies	2,205	
Other Charges	6,456	
Total Administration		\$ 316,382

Highway and Bridge Maintenance

Foremen	\$ 517,918
Equipment Operators	486,433
Equipment Operators - Light	211,714
Truck Drivers	422,856
Laborers	307,646
Social Security	111,300
Pensions	56,511
Employee and Dependent Insurance	430,808
Employer Medicare	26,030

(Continued)



Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Rentals	\$	84	
Other Contracted Services		319,284	
Asphalt		4,803,764	
Concrete		8,946	
Crushed Stone		9,882	
Fertilizer, Lime, and Seed		12,019	
General Construction Materials		262	
Pipe - Metal		24,998	
Road Signs		24,911	
Salt		35,192	
Small Tools		1,263	
Wood Products		1,012	
Other Supplies and Materials		1,733	
Other Charges		239	
Total Highway and Bridge Maintenance			\$ 7,814,805

Operation and Maintenance of Equipment

Foremen	\$	165,075	
Mechanic(s)		210,201	
Laborers		76,213	
Social Security		25,693	
Pensions		13,332	
Employee and Dependent Insurance		104,620	
Employer Medicare		6,009	
Maintenance and Repair Services - Equipment		7,623	
Towing Services		2,080	
Other Contracted Services		100	
Diesel Fuel		196,321	
Electricity		10,851	
Equipment and Machinery Parts		308,590	
Garage Supplies		84,490	
Gasoline		134,934	
Lubricants		56,234	
Natural Gas		3,302	
Office Supplies		2,974	
Propane Gas		1,978	
Small Tools		30,381	
Tires and Tubes		46,668	
Water and Sewer		13,544	
Other Supplies and Materials		770	
Other Charges		203	
Total Operation and Maintenance of Equipment			1,502,186

Quarry Operations

Foremen	\$	39,498
Equipment Operators		27,273
Laborers		27,167

(Continued)

Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Social Security	\$	5,233	
Pensions		2,823	
Employee and Dependent Insurance		23,497	
Employer Medicare		1,223	
Engineering Services		275	
Permits		6,234	
Electricity		13,749	
Other Charges		2,192	
Total Quarry Operations			\$ 149,164

Other Charges

Communication	\$	25,026	
Liability Insurance		22,502	
Trustee's Commission		188,587	
Vehicle and Equipment Insurance		53,222	
Total Other Charges			289,337

Employee Benefits

Employee and Dependent Insurance	\$	7,765	
Medical and Dental Services		4,838	
Workers' Compensation Insurance		58,350	
Total Employee Benefits			70,953

Capital Outlay

Highway Equipment	\$	146,338	
Land		30,000	
Motor Vehicles		137,256	
Office Equipment		2,218	
State Aid Projects		123,326	
Other Equipment		4,175	
Total Capital Outlay			443,313

Total Highway/Public Works Fund \$ 10,586,140

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	2,091,462	
Principal on Other Loans		3,265,000	
Total General Government			\$ 5,356,462

Education

Principal on Bonds	\$	3,293,565	
Principal on Other Loans		2,676,703	
Total Education			5,970,268

(Continued)

Exhibit L-7

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$ 537,238	
Interest on Other Loans	466,175	
Total General Government		\$ 1,003,413

Education

Interest on Bonds	\$ 2,184,457	
Interest on Other Loans	373,814	
Total Education		2,558,271

Other Debt Service

General Government

Fiscal Agent Charges	\$ 10,206	
Trustee's Commission	130,050	
Underwriter's Discount	26,173	
Other Debt Issuance Charges	92,038	
Total General Government		258,467

Education

Fiscal Agent Charges	\$ 11,703	
Total Education		11,703

Total General Debt Service Fund \$ 15,158,584

General Capital Projects Fund

Other Debt Service

General Government

Underwriter's Discount	\$ 207,220	
Other Debt Issuance Charges	199,990	
Total General Government		\$ 407,210

Education

Contributions	\$ 4,942,897	
Total Education		4,942,897

Capital Projects

General Administration Projects

Advertising	\$ 75	
Architects	57,717	
Other Contracted Services	9,480	
Total General Administration Projects		67,272

Administration of Justice Projects

Architects	\$ 105,150	
Total Administration of Justice Projects		105,150

Social, Cultural, and Recreation Projects

Advertising	\$ 207	
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(Continued)

Exhibit L-7

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

<u>General Capital Projects Fund (Cont.)</u>		
<u>Capital Projects (Cont.)</u>		
<u>Social, Cultural, and Recreation Projects (Cont.)</u>		
Architects	\$	3,940
Other Contracted Services		48,113
Other Supplies and Materials		247,169
Other Capital Outlay		<u>633,924</u>
Total Social, Cultural, and Recreation Projects	\$	933,353
 <u>Public Utility Projects</u>		
Other Contracted Services	\$	<u>433</u>
Total Public Utility Projects		<u>433</u>
 Total General Capital Projects Fund		 <u>\$ 6,456,315</u>
 Total Governmental Funds - Primary Government		 <u><u>\$ 92,403,342</u></u>

Exhibit L-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 46,828,087	
Career Ladder Program	132,535	
Career Ladder Extended Contracts	16,000	
Homebound Teachers	71,685	
Educational Assistants	1,621,136	
Other Salaries and Wages	237,660	
Certified Substitute Teachers	60,612	
Non-certified Substitute Teachers	1,108,550	
Social Security	2,908,275	
Pensions	4,387,315	
Life Insurance	23,845	
Medical Insurance	6,962,685	
Dental Insurance	97,205	
Employer Medicare	690,278	
Other Fringe Benefits	170,177	
Maintenance and Repair Services - Equipment	59,054	
Tuition	125,908	
Other Contracted Services	486,486	
Instructional Supplies and Materials	1,241,919	
Software	117,446	
Fee Waivers	43,050	
Other Charges	194,410	
Regular Instruction Equipment	91,494	
Total Regular Instruction Program		\$ 67,675,812

Alternative Instruction Program

Teachers	\$ 1,303,964	
Career Ladder Program	6,795	
Clerical Personnel	31,342	
Educational Assistants	86,902	
Non-certified Substitute Teachers	1,575	
Social Security	78,578	
Pensions	121,764	
Life Insurance	709	
Medical Insurance	214,013	
Dental Insurance	2,982	
Employer Medicare	19,790	
Other Fringe Benefits	5,063	
Tuition	23,852	
Instructional Supplies and Materials	16,624	
Software	4,275	
Total Alternative Instruction Program		1,918,228

Special Education Program

Teachers	\$ 5,301,646
Career Ladder Program	13,600

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Educational Assistants	\$	298,184	
Speech Pathologist		519,976	
Other Salaries and Wages		75,850	
Certified Substitute Teachers		3,438	
Non-certified Substitute Teachers		171,825	
Social Security		552,278	
Pensions		604,284	
Life Insurance		7,659	
Medical Insurance		1,456,417	
Dental Insurance		28,783	
Employer Medicare		131,820	
Other Fringe Benefits		54,664	
Contracts with Private Agencies		823,281	
Tuition		14,268	
Other Contracted Services		4,228	
Instructional Supplies and Materials		127,653	
Software		25,777	
Other Supplies and Materials		2,134	
Special Education Equipment		30,338	
Total Special Education Program			\$ 10,248,103

Career and Technical Education Program

Teachers	\$	2,286,730	
Career Ladder Program		5,500	
Certified Substitute Teachers		2,275	
Non-certified Substitute Teachers		50,000	
Social Security		137,895	
Pensions		213,875	
Life Insurance		1,090	
Medical Insurance		288,766	
Dental Insurance		4,830	
Employer Medicare		32,729	
Other Fringe Benefits		7,782	
Maintenance and Repair Services - Equipment		13,660	
Other Contracted Services		5,717	
Instructional Supplies and Materials		88,270	
Other Supplies and Materials		6,432	
Fee Waivers		3,000	
Total Career and Technical Education Program			3,148,551

Student Body Education Program

Other Charges	\$	6,084	
Total Student Body Education Program			6,084

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	127,595	
Career Ladder Program		1,500	
Social Workers		173,180	
Clerical Personnel		68,472	
Other Salaries and Wages		147,340	
Social Security		26,913	
Pensions		40,969	
Life Insurance		166	
Medical Insurance		86,877	
Dental Insurance		700	
Employer Medicare		7,135	
Other Fringe Benefits		1,182	
Travel		3,600	
Other Contracted Services		1,500	
Software		78,028	
Other Supplies and Materials		1,030	
In Service/Staff Development		602	
Total Attendance			\$ 766,789

Health Services

Supervisor/Director	\$	82,265	
Medical Personnel		1,535,766	
Other Salaries and Wages		167,534	
Social Security		108,288	
Pensions		120,487	
Life Insurance		246	
Medical Insurance		71,501	
Dental Insurance		1,120	
Employer Medicare		25,377	
Other Fringe Benefits		1,753	
Contracts with Private Agencies		131,630	
Maintenance and Repair Services - Equipment		547	
Travel		6,555	
Other Contracted Services		29,733	
Drugs and Medical Supplies		43,058	
Other Supplies and Materials		28,499	
In Service/Staff Development		5,393	
Health Equipment		119,327	
Total Health Services			2,479,079

Other Student Support

Career Ladder Program	\$	5,000	
Guidance Personnel		2,140,990	
Psychological Personnel		499,261	
Clerical Personnel		41,980	
Other Salaries and Wages		61,888	

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Social Security	\$	157,646	
Pensions		244,565	
Life Insurance		1,233	
Medical Insurance		328,831	
Dental Insurance		5,288	
Employer Medicare		38,204	
Other Fringe Benefits		8,799	
Evaluation and Testing		83,846	
Travel		3,171	
Other Supplies and Materials		24,306	
Other Equipment		33,502	
Total Other Student Support			\$ 3,678,510

Regular Instruction Program

Supervisor/Director	\$	793,323	
Career Ladder Program		24,995	
Librarians		1,485,177	
Materials Supervisor		106,588	
Education Media Personnel		450,036	
Clerical Personnel		237,760	
Other Salaries and Wages		630,126	
Social Security		209,153	
Pensions		298,247	
Life Insurance		1,758	
Medical Insurance		459,051	
Dental Insurance		7,252	
Employer Medicare		52,106	
Other Fringe Benefits		12,549	
Travel		32,846	
Other Contracted Services		33,466	
Library Books/Media		159,216	
Periodicals		627	
Other Supplies and Materials		35,337	
In Service/Staff Development		93,900	
Other Charges		2,604	
Other Equipment		5,991	
Total Regular Instruction Program			5,132,108

Alternative Instruction Program

Supervisor/Director	\$	36,448	
Employer Medicare		528	
Travel		266	
Total Alternative Instruction Program			37,242

Special Education Program

Supervisor/Director	\$	375,270	
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(Continued)



Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Career Ladder Program	\$	7,500	
Medical Personnel		86,474	
Clerical Personnel		93,021	
Other Salaries and Wages		386,624	
Social Security		54,434	
Pensions		86,851	
Life Insurance		342	
Medical Insurance		102,381	
Dental Insurance		1,456	
Employer Medicare		13,286	
Other Fringe Benefits		2,443	
Contracts with Private Agencies		13,808	
Travel		14,261	
Other Supplies and Materials		21,043	
In Service/Staff Development		7,278	
Total Special Education Program	\$		1,266,472

Career and Technical Education Program

Supervisor/Director	\$	36,448	
Career Ladder Program		1,000	
Secretary(ies)		47,666	
Social Security		2,877	
Pensions		1,430	
Life Insurance		28	
Medical Insurance		7,151	
Dental Insurance		140	
Employer Medicare		1,216	
Other Fringe Benefits		197	
Travel		581	
In Service/Staff Development		4,358	
Total Career and Technical Education Program			103,092

Technology

Supervisor/Director	\$	204,228	
Instructional Computer Personnel		205,615	
Other Salaries and Wages		399,441	
Social Security		48,267	
Pensions		46,599	
Life Insurance		400	
Medical Insurance		107,111	
Dental Insurance		1,820	
Employer Medicare		11,288	
Other Fringe Benefits		2,767	
Maintenance and Repair Services - Equipment		84,800	
Internet Connectivity		243,434	
Travel		6,948	

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Other Contracted Services	\$	139,391	
Cabling		23,519	
Software		73,451	
Other Supplies and Materials		2,738	
In Service/Staff Development		13,494	
Other Equipment		108,900	
Total Technology			\$ 1,724,211

Other Programs

On-behalf Payments to OPEB	\$	642,853	
Total Other Programs			642,853

Board of Education

Secretary to Board	\$	1,200	
Other Salaries and Wages		2,795,900	
Board and Committee Members Fees		27,000	
Social Security		134,333	
Pensions		223,153	
Life Insurance		585	
Medical Insurance		969,317	
Dental Insurance		2,134	
Employer Medicare		40,820	
Other Fringe Benefits		3,211	
Audit Services		47,800	
Dues and Memberships		20,208	
Legal Services		104,782	
Travel		54,967	
Liability Insurance		442,085	
Trustee's Commission		2,300,000	
Workers' Compensation Insurance		483,787	
In Service/Staff Development		7,712	
Criminal Investigation of Applicants - TBI		5,426	
Other Charges		154,513	
Total Board of Education			7,818,933

Director of Schools

County Official/Administrative Officer	\$	162,969	
Career Ladder Program		1,000	
Other Salaries and Wages		113,461	
Social Security		15,268	
Pensions		28,678	
Life Insurance		50	
Medical Insurance		21,362	
Dental Insurance		882	
Employer Medicare		3,938	
Other Fringe Benefits		355	

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Communication	\$	24,445	
Postal Charges		12,240	
In Service/Staff Development		938	
Total Director of Schools			\$ 385,586

Office of the Principal

Principals	\$	2,991,497	
Career Ladder Program		27,000	
Assistant Principals		1,164,325	
Secretary(ies)		45,303	
Clerical Personnel		2,650,767	
Other Salaries and Wages		47,145	
Social Security		406,968	
Pensions		511,931	
Life Insurance		3,254	
Medical Insurance		863,766	
Dental Insurance		13,439	
Employer Medicare		95,915	
Other Fringe Benefits		23,225	
Communication		74,996	
Travel		2,102	
Other Contracted Services		4,076	
In Service/Staff Development		329	
Total Office of the Principal			8,926,038

Fiscal Services

Supervisor/Director	\$	120,964	
Accountants/Bookkeepers		639,608	
Purchasing Personnel		52,350	
Secretary(ies)		63,312	
Other Salaries and Wages		179,829	
Social Security		60,902	
Pensions		49,621	
Life Insurance		444	
Medical Insurance		128,967	
Dental Insurance		2,534	
Employer Medicare		14,701	
Other Fringe Benefits		3,172	
Data Processing Services		169,918	
Travel		503	
Other Contracted Services		15,732	
Office Supplies		11,884	
In Service/Staff Development		13,686	
Other Charges		1,571	
Administration Equipment		16,816	
Total Fiscal Services			1,546,514

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Guards	\$	91,812	
Custodial Personnel		2,608,052	
Other Salaries and Wages		36,448	
Social Security		159,227	
Pensions		81,361	
Life Insurance		2,236	
Medical Insurance		511,615	
Dental Insurance		6,888	
Employer Medicare		38,054	
Other Fringe Benefits		15,957	
Janitorial Services		1,331,258	
Other Contracted Services		108,553	
Custodial Supplies		395,455	
Electricity		2,808,643	
Natural Gas		414,929	
Water and Sewer		365,867	
Other Supplies and Materials		10,080	
Building and Contents Insurance		642,368	
Plant Operation Equipment		31,948	
Total Operation of Plant			\$ 9,660,751

Maintenance of Plant

Supervisor/Director	\$	157,548	
Secretary(ies)		89,770	
Maintenance Personnel		1,798,672	
Social Security		121,803	
Pensions		58,950	
Life Insurance		1,220	
Medical Insurance		317,212	
Dental Insurance		3,556	
Employer Medicare		28,641	
Other Fringe Benefits		8,707	
Communication		5,801	
Laundry Service		2,431	
Maintenance and Repair Services - Buildings		55,113	
Maintenance and Repair Services - Equipment		66,369	
Maintenance and Repair Services - Vehicles		10,593	
Travel		3,775	
Other Contracted Services		148,285	
Equipment and Machinery Parts		45,218	
Uniforms		12,746	
Other Supplies and Materials		680,387	
In Service/Staff Development		7,500	
Maintenance Equipment		86,408	
Total Maintenance of Plant			3,710,705

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

Supervisor/Director	\$	79,767	
Mechanic(s)		584,227	
Bus Drivers		2,980,610	
Clerical Personnel		52,500	
Other Salaries and Wages		74,294	
Social Security		210,255	
Pensions		145,174	
Life Insurance		2,321	
Medical Insurance		575,135	
Dental Insurance		6,986	
Employer Medicare		51,771	
Other Fringe Benefits		16,568	
Communication		5,625	
Contracts with Parents		18	
Laundry Service		2,750	
Maintenance and Repair Services - Vehicles		29,993	
Other Contracted Services		165,607	
Diesel Fuel		467,141	
Garage Supplies		37,979	
Gasoline		236,912	
Lubricants		24,136	
Natural Gas		11,607	
Tires and Tubes		96,419	
Uniforms		2,947	
Vehicle Parts		276,015	
Vehicle and Equipment Insurance		166,000	
Other Charges		16,711	
Transportation Equipment		79,214	
Total Transportation			\$ 6,398,682

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	61,812	
Clerical Personnel		258,328	
Cafeteria Personnel		89,920	
Social Security		24,037	
Pensions		11,563	
Life Insurance		149	
Medical Insurance		858,021	
Dental Insurance		700	
Employer Medicare		5,853	
Other Fringe Benefits		1,064	
Food Supplies		23,472	
Total Food Service			1,334,919

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services

Other Salaries and Wages	\$	235,058	
Social Security		14,099	
Pensions		16,945	
Life Insurance		28	
Medical Insurance		6,690	
Dental Insurance		140	
Employer Medicare		3,297	
Other Fringe Benefits		197	
Travel		252	
Other Contracted Services		438	
Instructional Supplies and Materials		6,792	
Other Supplies and Materials		672	
Other Charges		7,250	
Total Community Services			\$ 291,858

Early Childhood Education

Educational Assistants	\$	119,663	
Social Security		6,023	
Pensions		2,968	
Life Insurance		190	
Medical Insurance		64,590	
Dental Insurance		952	
Employer Medicare		1,408	
Other Fringe Benefits		1,359	
Instructional Supplies and Materials		5,210	
Total Early Childhood Education			202,363

Capital Outlay

Regular Capital Outlay

Architects	\$	730,867	
Engineering Services		189,640	
Building Improvements		21,819,484	
Land		3,135,984	
Total Regular Capital Outlay			25,875,975

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	8,540,143	
Total Education			8,540,143

Total General Purpose School Fund \$ 173,519,601

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	6,311,632	
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(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Educational Assistants	\$	211,319	
Other Salaries and Wages		399,655	
Social Security		396,214	
Pensions		604,078	
Life Insurance		3,384	
Medical Insurance		995,621	
Dental Insurance		13,752	
Employer Medicare		93,721	
Other Fringe Benefits		24,154	
Instructional Supplies and Materials		947,792	
Textbooks - Bound		1,924,859	
Software		188,346	
Regular Instruction Equipment		4,913,023	
Total Regular Instruction Program			\$ 17,027,550

Special Education Program

Educational Assistants	\$	3,297,526	
Medical Insurance		419,578	
Total Special Education Program			3,717,104

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	279	
Instructional Supplies and Materials		24,770	
Vocational Instruction Equipment		150,198	
Total Career and Technical Education Program			175,247

Support Services

Health Services

Social Workers	\$	46,550	
Other Salaries and Wages		239,738	
Social Security		16,435	
Pensions		24,837	
Life Insurance		144	
Medical Insurance		46,640	
Dental Insurance		658	
Employer Medicare		3,844	
Other Fringe Benefits		1,024	
In Service/Staff Development		150	
Health Equipment		182,976	
Other Equipment		7,536	
Total Health Services			570,532

Other Student Support

Other Salaries and Wages	\$	107,568	
Social Security		6,356	
Pensions		7,053	

(Continued)

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Life Insurance	\$	55	
Medical Insurance		23,217	
Dental Insurance		140	
Employer Medicare		1,486	
Other Fringe Benefits		394	
Evaluation and Testing		260,466	
Travel		40,274	
Other Supplies and Materials		76,193	
In Service/Staff Development		11,500	
Other Equipment		22,208	
Total Other Student Support	\$		556,910

Regular Instruction Program

Secretary(ies)	\$	52,944	
Other Salaries and Wages		1,027,349	
Non-certified Substitute Teachers		37,450	
Social Security		59,200	
Pensions		93,995	
Life Insurance		356	
Medical Insurance		85,061	
Dental Insurance		1,414	
Employer Medicare		15,695	
Other Fringe Benefits		2,541	
Travel		1,316	
Other Contracted Services		112,675	
Other Supplies and Materials		13,016	
In Service/Staff Development		87,545	
Other Charges		670	
Other Equipment		5,121	
Total Regular Instruction Program			1,596,348

Special Education Program

Contracts with Private Agencies	\$	12,284	
Total Special Education Program			12,284

Career and Technical Education Program

Travel	\$	644	
In Service/Staff Development		937	
Total Career and Technical Education Program			1,581

Technology

Software	\$	37,141	
Other Equipment		881,202	
Total Technology			918,343

(Continued)



Exhibit L-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Assistant Principals	\$ 2,190,776	
Social Security	125,305	
Pensions	219,734	
Life Insurance	820	
Medical Insurance	286,447	
Dental Insurance	3,962	
Employer Medicare	30,138	
Other Fringe Benefits	5,851	
Total Office of the Principal		\$ 2,863,033

Operation of Plant

Custodial Supplies	\$ 401,987	
Total Operation of Plant		401,987

Transportation

Transportation Equipment	\$ 1,291,430	
Total Transportation		1,291,430

Total School Federal Projects Fund \$ 29,132,349

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$ 3,605,729	
Social Security	207,683	
Pensions	100,628	
Life Insurance	3,972	
Medical Insurance	42,000	
Dental Insurance	12,670	
Employer Medicare	49,232	
Other Fringe Benefits	28,348	
Communication	3,195	
Maintenance and Repair Services - Equipment	51,211	
Transportation - Other than Students	29,327	
Travel	964	
Other Contracted Services	77,535	
Food Preparation Supplies	422,508	
Food Supplies	3,074,275	
USDA - Commodities	479,828	
Other Supplies and Materials	12,023	
In Service/Staff Development	1,298	
Food Service Equipment	82,238	
Total Food Service		\$ 8,284,664

Total Central Cafeteria Fund 8,284,664

(Continued)

Exhibit L-8

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

<u>Internal School Fund</u>			
<u>Operation of Non-Instructional Services</u>			
<u>Community Services</u>			
Other Charges	\$	<u>4,020,385</u>	
Total Community Services			<u>\$ 4,020,385</u>
 Total Internal School Fund			 <u>\$ 4,020,385</u>
 Total Governmental Funds - Sevier County School Department			 <u><u>\$ 214,956,999</u></u>

Exhibit L-9

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

	<u>Cities - Sales Tax Fund</u>
<u>Additions</u>	
Local Option Sales Tax	\$ 73,650,984
Other Statutory Local Taxes	<u>176,795</u>
Total Additions	<u>\$ 73,827,779</u>
<u>Deductions</u>	
Remittance of Revenues Collected	\$ 73,089,913
Trustee's Commission	<u>737,866</u>
Total Deductions	<u>\$ 73,827,779</u>
Excess of Additions Over (Under) Deductions	\$ 0
Cash Balance, July 1, 2021	<u>0</u>
Cash Balance, 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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sevier County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Sevier County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 7, 2022. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Sevier County School Department, as described in our report on Sevier County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Sevier County's internal control over financial reporting (internal control) 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 Sevier County's internal control. Accordingly, we do not express an opinion on the effectiveness of Sevier County's internal control.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Sevier County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 Sevier County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

December 7, 2022

JEM/tg



JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

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

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

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

In our opinion, Sevier County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier 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 Sevier 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sevier County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Sevier County's basic financial statements. We issued our report thereon dated December 7, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including

comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

December 7, 2022

JEM/tg

Sevier County, Tennessee, and the Sevier County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8)  
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: (4)			
School Breakfast Program	10.553	N/A	\$ 1,965,010
National School Lunch Program	10.555	N/A	5,481,319 (5)
National School Lunch Program (Supply Chain Assistance Grant)	10.555	N/A	284,196 (5)
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	52,000
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	5,814
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Cash Assistance)	10.555	N/A	16,497 (5)
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	479,828 (5)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-22-70891	126,176
Total U.S. Department of Agriculture			<u>\$ 8,410,840</u>
U.S. Department of Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 364,728
Total U.S. Department of Interior			<u>\$ 364,728</u>
U.S. Department of Justice:			
Direct Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	\$ 3,864 (5)
Comprehensive Opioid Abuse Site-Based Program	16.838	N/A	182,743
Passed-through Office of Criminal Justice Programs:			
Crime Victim Assistance	16.575	(3)	144,029
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(3)	72,475 (5)
Total U.S. Department of Justice			<u>\$ 403,111</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	\$ 15,097
Total U.S. Department of Transportation			<u>\$ 15,097</u>
U.S. Department of Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 17,359
Total U.S. Department of Treasury			<u>\$ 17,359</u>
U.S. Institute of Museum and Library Services:			
Direct Program:			
COVID 19 - Promotion of the Humanities Public Programs	45.164	N/A	\$ 10,000
Passed-through Tennessee State Library and Archives:			
COVID 19 - Grants to States	45.310	(3)	41,460
Total U.S. Institute of Museum and Library Services			<u>\$ 51,460</u>

(Continued)

Sevier County, Tennessee, and the Sevier County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies Special Education Cluster: (4)	84.010	N/A	\$ 3,627,620
Special Education - Grants to States	84.027	N/A	3,668,665
Special Education - Preschool Grants	84.173	N/A	110,446
Career and Technical Education - Basic Grants to States	84.048	N/A	227,328
Twenty-First Century Community Learning Centers	84.287	N/A	69,947
English Language Acquisition State Grants	84.365	N/A	209,745
Improving Teacher Quality State Grants	84.367	N/A	516,468
Striving Readers	84.371	N/A	72,995
Student Support and Academic Enrichment Program	84.424	N/A	271,808
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	N/A	327,508 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	8,014,379 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Tennessee ALL Corps (ESSER II)	84.425D	N/A	157,926 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	11,975,233 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth - (ESSER ARP)	84.425W	N/A	1,951 (5)
Total U.S. Department of Education			<u>\$ 29,252,019</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
COVID 19 - 2020 HAVA Election Security Grants	90.404	(3)	\$ 26,922
Total U.S. Election Assistance Commission			<u>\$ 26,922</u>
U.S. Department of Health and Human Services:			
Passed-through East Tennessee Human Resource Agency:			
Aging Cluster: (4)			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	\$ 71,028
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	GG-22-70891	32,077
Family Planning Services	93.217	GG-22-70891	29,174
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-22-70891	24,894
Maternal and Child Health Service Block Grant to the States	93.994	GG-22-70891	55,916
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	N/A	3,593,584
Temporary Assistance for Needy Families	93.558	N/A	506,506 (5)
Passed-through State Department of Mental Health and Substance Abuse:			
Temporary Assistance for Needy Families	93.558	N/A	49,925 (5)
Opioid STR	93.788	N/A	119,832
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	58,950 (5)
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	1,922 (5)
COVID-19 Mental Health Disaster Assistance and Emergency Mental Health	93.982	N/A	17,750
Total U.S. Department of Health and Human Services			<u>\$ 4,561,558</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	N/A	\$ 40,753
Homeland Security Grant Program	97.067	65931-33055	11,701
Total U.S. Department of Homeland Security			<u>\$ 52,454</u>
Total Expenditures of Federal Grants			<u>\$ 43,155,548</u>

(Continued)

Sevier County, Tennessee, and the Sevier County School Department  
 Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8) (Cont.)

State Grants		Contract Number	Expenditures
Juvenile Services Program - State Children's Services Commission	N/A	(3)	\$ 9,000
Aging Program - State Office on Aging	N/A	(3)	16,817
Litter Program - State Department of Transportation	N/A	(3)	67,149
Health Department Grants - State Department of Health	N/A	GG-22-70891	336,235
State, Mental Health Transport - State Department of Finance and Administration	N/A	(3)	62,843
Tennessee Certified Recovery Court Grant- State Department of Mental Health	N/A	(3)	128,906
Law Enforcement Training Grants - State Department of Safety	N/A	(3)	75,200
Help America Vote Act - Tennessee Secretary of State, Division of Elections	N/A	(3)	16,503
Pre-Trial Grant - State Department of Finance and Administration, Office of Criminal Justice Programs	N/A	(3)	44,966
Tourism Marketing Grant - State Department of Tourist Development	N/A	(3)	8,732
Prevention and Treatment of Substance Abuse Grant - State Department of Mental Health and Substance Abuse Services	N/A	(3)	6,365
Library Construction - Tennessee Secretary of State, Tennessee State Library and Archives	N/A	(3)	100,000
Family Resource Centers - State Department of Education	N/A	(3)	29,612
Coordinated School Health Program - State Department of Education	N/A	(3)	100,000
Driver's Education - State Commission of Education	N/A	(3)	49,614
Lottery for Education Afterschool Programs - State Department of Education	N/A	(3)	158,109
School Safety - State Department of Education	N/A	(3)	166,760
Summer Learning Camps - State Department of Education	N/A	(3)	952,506
Summer Learning Camps Transportation - State Department of Education	N/A	(3)	248,448
Bridge Camp - State Department of Education	N/A	(3)	357,536
STREAM Mini Camps - State Department of Education	N/A	(3)	268,887
State Direct Appropriations Grant FY 2021 - State Department of Finance and Administration	N/A	(3)	699,601
Total State Grants			<u>\$ 3,903,789</u>

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) Sevier County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$8,226,850; Highway Safety Cluster total \$15,097; Special Education Cluster total \$3,779,111; Aging Cluster total \$71,028; Medicaid Cluster total \$24,894.
- (5) FAL No. 10.555 is \$6,261,840; FAL No. 16.738 is \$76,339; FAL No. 84.425 is \$20,476,997; FAL No. 93.558 is \$556,431; FAL No. 93.959 is \$60,872.
- (6) Z-21-THS263: \$12,535; Z-21-THS263: 2,562
- (7) No amounts (\$0) were passed-through to subrecipients.
- (8) CONSOLIDATED ADMINISTRATION

Program Title	Federal Assistance Listing Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 200,932
Student Support and Academic Enrichment Program	84.424	346
Improving Teacher Quality State Grants	84.367	173
		<u>\$ 201,451</u>

Sevier 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 Sevier County, Tennessee, for the year ended June 30, 2022.

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
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**OFFICE OF COUNTY CLERK**

2021	257	2021-001	Two employees of the County Clerk's Office were indicted by the Sevier County grand jury.	N/A	Corrected
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**SEVIER COUNTY**

2021	257	2021-002	Property tax collections were not prorated accurately.	N/A	Corrected
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***Prior-year Federal Awards Findings***

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

SEVIER 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 Sevier 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 Number: 84.425 COVID 19 - Education Stabilization Fund
  - \* Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster:  
Special Education - Grants to States;  
Special Education - Preschool Grants
  - \* Assistance Listing Number: 93.323 COVID 19 - Epidemiology and Laboratory Capacity  
for Infectious Diseases (ELC)
8. Dollar threshold used to distinguish between Type A and Type B Programs. \$1,294,666
9. Auditee qualified as low-risk auditee? YES

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

There were no findings resulting from the audit of the financial statements of Sevier County, Tennessee, for the year ended June 30, 2022.



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

There were no findings and recommendations, as a result of our audit of federal awards of Sevier County, Tennessee, for the year ended June 30, 2022.

**Sevier County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2022**

The audit of Sevier 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 Sevier County.

### **SEVIER COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Sevier County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Sevier County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.