



## ANNUAL FINANCIAL REPORT

# DeKalb County, Tennessee

*For the Year Ended June 30, 2023*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**DEKALB COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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

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

*STEVE REEDER, CPA, CGFM, CFE*  
*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  
DeKalb County, Tennessee  
For the Year Ended June 30, 2023

## ***Scope***

We have audited the basic financial statements of DeKalb County as of and for the year ended June 30, 2023.

## ***Results***

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

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

## ***Findings***

The following is a summary of the audit findings:

### **OFFICE OF ROAD SUPERVISOR**

- ◆ The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.
- ◆ Expenditures exceeded appropriations.
- ◆ The office had deficiencies in the administration of accrued leave records.

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### **OFFICE OF DIRECTOR OF SCHOOLS**

- ◆ The school department violated state statutes in the administration of a stadium bleachers construction project.
- ◆ Amounts withheld from contractor payments were not deposited into an escrow account.



# INTRODUCTORY SECTION

DeKalb County Officials  
June 30, 2023

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**Officials**

Matt Adcock, County Mayor  
Danny Hale, Road Supervisor  
Patrick Cripps, Director of Schools  
Sean Driver, Trustee  
Shannon Cantrell , Assessor of Property  
James Poss, County Clerk  
Susan Martin, Circuit, General Sessions and Juvenile Courts Clerk  
Debra Malone, Clerk and Master  
Daniel Seber, Register of Deeds  
Patrick Ray, Sheriff

**Board of County Commissioners**

Matt Adcock, County Mayor, Chairman	
Justin Adcock	Larry Green
Jeff Barns	Tony Luna
Tom Chandler	Greg Matthews
Daniel Cripps	Glynn Merriman
Tony Culwell	Beth Pafford
Susannah Daughtry	Tim Reynolds
Sabrina Farler	Myron Rhody

**Board of Education**

Shaun Tubbs, Chairman	
Jim Beshearse	Thomas Hayes
Jamie Cripps	Jason Miller
Eric Ervin	Danny Parkerson

**Purchasing Committee**

Matt Adcock, County Mayor, Chairman  
Danny Hale, Road Supervisor  
Patrick Cripps, Director of Schools  
Jeff Barns  
Tom Chandler  
Myron Rhody

**Audit Committee**

Tom Janney, Chairman  
Daniel Cripps  
Tony Luna  
Beth Pafford



# FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

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

***Opinions***

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Tennessee, as of and for the year ended June 30, 2023, 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 the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Tennessee, as of June 30, 2023, the respective changes in financial position and the respective budgetary comparisons for the General, Solid Waste/Sanitation, Local Purpose Tax, Other Special Revenue, 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 Internal School Fund of the DeKalb County School Department (a discretely presented component unit), which represent 1.91 percent, 2.07 percent, and 2.79 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the DeKalb County School Department's Internal School Fund, 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 DeKalb 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 DeKalb 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 DeKalb 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 DeKalb 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 school changes in total OPEB 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 DeKalb County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the DeKalb 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, combining and individual fund financial statements of the DeKalb 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 November 9, 2023, on our consideration of DeKalb 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 DeKalb 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 DeKalb County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 9, 2023

JEM/tg

# BASIC FINANCIAL STATEMENTS

Exhibit A

DeKalb County, Tennessee  
Statement of Net Position  
June 30, 2023

	<u>Primary Government Governmental Activities</u>	<u>Component Unit DeKalb County School Department</u>
<u>ASSETS</u>		
Cash	\$ 36,880	\$ 658,565
Equity in Pooled Cash and Investments	28,542,192	12,150,119
Inventories	0	531
Accounts Receivable	901,663	0
Allowance for Uncollectibles	(457,122)	0
Due from Other Governments	1,537,639	584,413
Property Taxes Receivable	7,645,598	3,346,588
Allowance for Uncollectible Property Taxes	(102,091)	(69,636)
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	364,810
Net Pension Asset - Agent Plan	35,657	22,426
Net Pension Asset - Teacher Retirement Plan	0	77,275
Net Pension Asset - Teacher Legacy Pension Plan	0	3,641,296
Capital Assets:		
Assets Not Depreciated:		
Land	2,190,088	1,254,587
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	2,892,720	10,697,416
Infrastructure	1,454,378	0
Other Capital Assets	2,945,973	1,764,188
Total Assets	<u>\$ 47,623,575</u>	<u>\$ 34,492,578</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension Changes in Experience	\$ 299,810	\$ 791,765
Pension Changes in Assumptions	801,266	2,875,560
Pension Changes in Investment Earnings	39,551	111,496
Pension Changes in Proportion	354,887	7,327
Pension Changes in Contributions after Measurement Date	0	1,198,863
OPEB Changes in Experience	0	126,776
OPEB Changes in Assumptions	0	568,045
OPEB Changes in Proportion	0	84,054
OPEB Changes in Contributions after Measurement Date	0	77,106
Total Deferred Outflows of Resources	<u>\$ 1,495,514</u>	<u>\$ 5,840,992</u>

LIABILITIES

Accounts Payable	\$ 267,767	\$ 37
Accrued Payroll	0	3,560
Accrued Interest Payable	34,570	937,151
Payroll Deductions Payable	10,230	0
Due to State of Tennessee	5,964	0
Due to Other Governments	2,262,508	0
Noncurrent Liabilities:		
Due Within One Year - Debt	1,125,000	0
Due Within One Year - Other	238,607	0
Due in More Than One Year - Debt	2,085,000	0
Due in More Than One Year - Other	2,801,653	2,637,503
Total Liabilities	<u>\$ 8,831,299</u>	<u>\$ 3,578,251</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit DeKalb County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 7,392,233	\$ 3,208,843
Pension Changes in Experience	33,053	683,006
Pension Changes in Proportion	0	206,977
OPEB Changes in Experience	0	327,794
OPEB Changes in Assumptions	0	372,160
OPEB Changes in Proportion	0	161,229
Total Deferred Inflows of Resources	<u>\$ 7,425,286</u>	<u>\$ 4,960,009</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 8,243,159	\$ 13,716,191
Restricted for:		
General Government	236,014	0
Administration of Justice	101,169	0
Public Safety	168,521	0
Public Health and Welfare	285,809	0
Highway/Public Works	3,168,034	0
Debt Service	2,043,109	0
Education	9,969,337	1,920,562
Capital Projects	1,796,439	0
Pensions	35,657	4,105,807
Unrestricted	<u>6,815,256</u>	<u>12,052,750</u>
Total Net Position	<u>\$ 32,862,504</u>	<u>\$ 31,795,310</u>

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



Exhibit B

DeKalb County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Unit DeKalb County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 6,066,351	\$ 327,860	\$ 2,227,837	\$ 157,030	\$ (3,353,624)	\$ 0
Finance	1,179,824	838,535	0	0	(341,289)	0
Administration of Justice	1,045,320	353,746	0	0	(691,574)	0
Public Safety	5,108,672	169,459	218,909	259,167	(4,461,137)	0
Public Health and Welfare	5,089,430	1,774,029	947,530	65,130	(2,302,741)	0
Social, Cultural, and Recreational Services	322,421	70,224	8,125	0	(244,072)	0
Agriculture and Natural Resources	114,622	0	0	0	(114,622)	0
Highways/Public Works	4,381,471	0	3,557,903	0	(823,568)	0
Education	5,610	0	0	140,000	134,390	0
Interest on Long-term Debt	89,829	0	0	0	(89,829)	0
Total Governmental Activities	\$ 23,403,550	\$ 3,533,853	\$ 6,960,304	\$ 621,327	\$ (12,288,066)	\$ 0
Total Primary Government	\$ 23,403,550	\$ 3,533,853	\$ 6,960,304	\$ 621,327	\$ (12,288,066)	\$ 0
Component Unit:						
DeKalb County School Department	\$ 32,624,634	\$ 125,963	\$ 9,187,154	\$ 113,012	\$ 0	\$ (23,198,505)
Total Component Unit	\$ 32,624,634	\$ 125,963	\$ 9,187,154	\$ 113,012	\$ 0	\$ (23,198,505)

(Continued)

Exhibit B

DeKalb County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit
					Government Total Governmental Activities	DeKalb County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 7,359,575	\$ 3,472,481
Property Taxes Levied for Debt Service					681,288	0
Local Option Sales Taxes					5,482,534	0
Litigation Tax					151,023	0
Wholesale Beer Tax					98,197	0
Business Tax					245,363	0
Hotel/Motel Tax					295,020	0
Mixed Drink Tax					27,705	39,437
Bank Excise Tax					130,249	0
Other Local Taxes					51,418	0
Grants and Contributions Not Restricted to Specific Programs					947,726	21,257,585
Unrestricted Investment Earnings					392,976	28,541
Proceeds from Disposal of Assets					58,852	4,836
Miscellaneous					58,970	622
Total General Revenues					<u>\$ 15,980,896</u>	<u>\$ 24,803,502</u>
Insurance Recovery					<u>\$ 37,312</u>	<u>\$ 0</u>
Change in Net Position					\$ 3,730,142	\$ 1,604,997
Net Position, July 1, 2022					<u>29,132,362</u>	<u>30,190,313</u>
Net Position, June 30, 2023					<u><u>\$ 32,862,504</u></u>	<u><u>\$ 31,795,310</u></u>

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

Exhibit C-1

DeKalb County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2023

	Major Funds				
	General	Solid Waste / Sanitation	Local Purpose Tax	Other Special Revenue	Highway / Public Works
<u>ASSETS</u>					
Cash	\$ 650	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	6,159,789	4,497,148	9,571,879	1,466,166	2,801,634
Accounts Receivable	718,743	147,486	0	0	2,210
Allowance for Uncollectibles	(457,122)	0	0	0	0
Due from Other Governments	170,266	194,278	793,110	0	379,985
Due from Other Funds	35,553	0	0	0	0
Property Taxes Receivable	6,349,070	0	0	0	145,595
Allowance for Uncollectible Property Taxes	(82,669)	0	0	0	(4,437)
Total Assets	<u>\$ 12,894,280</u>	<u>\$ 4,838,912</u>	<u>\$ 10,364,989</u>	<u>\$ 1,466,166</u>	<u>\$ 3,324,987</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 76,682	\$ 187,374	\$ 0	\$ 0	\$ 3,486
Payroll Deductions Payable	20	369	0	0	9,841
Due to Other Funds	0	0	0	0	0
Due to State of Tennessee	0	0	0	0	5,964
Due to Other Governments	0	0	0	2,262,508	0
Total Liabilities	<u>\$ 76,702</u>	<u>\$ 187,743</u>	<u>\$ 0</u>	<u>\$ 2,262,508</u>	<u>\$ 19,291</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 6,141,301	\$ 0	\$ 0	\$ 0	\$ 137,662
Deferred Delinquent Property Taxes	121,403	0	0	0	3,496
Other Deferred/Unavailable Revenue	214,450	100,365	395,652	0	182,083
Total Deferred Inflows of Resources	<u>\$ 6,477,154</u>	<u>\$ 100,365</u>	<u>\$ 395,652</u>	<u>\$ 0</u>	<u>\$ 323,241</u>

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Solid Waste / Sanitation	Local Purpose Tax	Other Special Revenue	Highway / Public Works
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 115,710	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Administration of Justice	101,169	0	0	0	0
Restricted for Public Safety	20,983	0	0	0	0
Restricted for Public Health and Welfare	285,809	0	0	0	0
Restricted for Other Operations	39,361	0	0	0	0
Restricted for Highways/Public Works	0	0	0	0	2,982,455
Restricted for Education	0	0	9,969,337	0	0
Restricted for Capital Outlay	0	0	0	0	0
Restricted for Debt Service	0	0	0	0	0
Committed:					
Committed for Finance	0	0	0	0	0
Committed for Public Health and Welfare	0	4,550,804	0	0	0
Committed for Social, Cultural, and Recreational Services	232,109	0	0	0	0
Unassigned	5,545,283	0	0	(796,342)	0
Total Fund Balances	<u>\$ 6,340,424</u>	<u>\$ 4,550,804</u>	<u>\$ 9,969,337</u>	<u>\$ (796,342)</u>	<u>\$ 2,982,455</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,894,280</u>	<u>\$ 4,838,912</u>	<u>\$ 10,364,989</u>	<u>\$ 1,466,166</u>	<u>\$ 3,324,987</u>

(Continued)

Exhibit C-1

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 36,230		\$ 36,880
Equity in Pooled Cash and Investments	4,045,576		28,542,192
Accounts Receivable	33,224		901,663
Allowance for Uncollectibles	0		(457,122)
Due from Other Governments	0		1,537,639
Due from Other Funds	0		35,553
Property Taxes Receivable	1,150,933		7,645,598
Allowance for Uncollectible Property Taxes	(14,985)		(102,091)
	<u>\$ 5,250,978</u>		<u>\$ 38,140,312</u>
Total Assets			
<u>LIABILITIES</u>			
Accounts Payable	\$ 225		\$ 267,767
Payroll Deductions Payable	0		10,230
Due to Other Funds	35,553		35,553
Due to State of Tennessee	0		5,964
Due to Other Governments	0		2,262,508
Total Liabilities	<u>\$ 35,778</u>		<u>\$ 2,582,022</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 1,113,270		\$ 7,392,233
Deferred Delinquent Property Taxes	22,008		146,907
Other Deferred/Unavailable Revenue	0		892,550
Total Deferred Inflows of Resources	<u>\$ 1,135,278</u>		<u>\$ 8,431,690</u>

(Continued)

Exhibit C-1

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

FUND BALANCES

	<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
	Other	Govern- mental Funds	Governmental Funds
Restricted:			
Restricted for General Government	\$ 80,943		\$ 196,653
Restricted for Administration of Justice	0		101,169
Restricted for Public Safety	147,538		168,521
Restricted for Public Health and Welfare	0		285,809
Restricted for Other Operations	0		39,361
Restricted for Highways/Public Works	0		2,982,455
Restricted for Education	0		9,969,337
Restricted for Capital Outlay	1,787,442		1,787,442
Restricted for Debt Service	2,030,098		2,030,098
Committed:			
Committed for Finance	33,901		33,901
Committed for Public Health and Welfare	0		4,550,804
Committed for Social, Cultural, and Recreational Services	0		232,109
Unassigned	0		4,748,941
Total Fund Balances	<u>\$ 4,079,922</u>		<u>\$ 27,126,600</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,250,978</u>		<u>\$ 38,140,312</u>

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

Exhibit C-2

DeKalb County, Tennessee  
Reconciliation of the Balance Sheet of Governmental  
Funds to the Statement of Net Position  
June 30, 2023

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)		\$	27,126,600
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	2,190,088	
Add: buildings and improvements net of accumulated depreciation		2,892,720	
Add: infrastructure net of accumulated depreciation		1,454,378	
Add: other capital assets net of accumulated depreciation		<u>2,945,973</u>	9,483,159
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(2,585,000)	
Less: notes payable		(625,000)	
Less: landfill closure/postclosure care costs		(2,944,245)	
Less: compensated absences payable		(96,015)	
Less: accrued interest on bonds and notes		<u>(34,570)</u>	(6,284,830)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	1,495,514	
Less: deferred inflows of resources related to pensions		<u>(33,053)</u>	1,462,461
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			35,657
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,039,457</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>32,862,504</u></u>

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

Exhibit C-3

DeKalb County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2023

	Major Funds				
	General	Solid Waste / Sanitation	Local Purpose Tax	Other Special Revenue	Highway / Public Works
<u>Revenues</u>					
Local Taxes	\$ 7,124,177	\$ 1,371,074	\$ 4,415,644	\$ 0	\$ 252,199
Licenses and Permits	61,833	0	0	0	0
Fines, Forfeitures, and Penalties	61,849	0	0	0	0
Charges for Current Services	1,553,265	861,474	0	0	0
Other Local Revenues	545,095	82,885	0	37,254	29,905
Fees Received From County Officials	1,047,559	0	0	0	0
State of Tennessee	1,230,736	557,878	0	0	3,557,903
Federal Government	854,456	0	0	1,830,258	0
Other Governments and Citizens Groups	220,272	0	0	0	0
<b>Total Revenues</b>	<b>\$ 12,699,242</b>	<b>\$ 2,873,311</b>	<b>\$ 4,415,644</b>	<b>\$ 1,867,512</b>	<b>\$ 3,840,007</b>
<u>Expenditures</u>					
Current:					
General Government	\$ 2,490,763	\$ 0	\$ 0	\$ 0	\$ 0
Finance	828,300	0	0	0	0
Administration of Justice	1,046,512	0	0	0	0
Public Safety	4,682,162	0	0	0	0
Public Health and Welfare	2,043,935	2,420,255	0	0	0
Social, Cultural, and Recreational Services	295,512	0	0	0	0
Agriculture and Natural Resources	114,622	0	0	0	0
Other Operations	838,800	0	0	1,394,064	0
Highways	0	0	0	0	4,184,181
Support Services	0	0	0	0	0
Debt Service:					
Principal on Debt	0	0	0	0	0
Interest on Debt	0	0	0	0	0

(Continued)



Exhibit C-3

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

	Major Funds				
	General	Solid Waste / Sanitation	Local Purpose Tax	Other Special Revenue	Highway / Public Works
<u>Expenditures (Cont.)</u>					
Debt Service (Cont.)					
Other Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Projects	0	0	1,584,252	0	0
Total Expenditures	<u>\$ 12,340,606</u>	<u>\$ 2,420,255</u>	<u>\$ 1,584,252</u>	<u>\$ 1,394,064</u>	<u>\$ 4,184,181</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>\$ 358,636</u>	<u>\$ 453,056</u>	<u>\$ 2,831,392</u>	<u>\$ 473,448</u>	<u>\$ (344,174)</u>
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 5,410	\$ 31,902	\$ 0	\$ 0	\$ 0
Transfers In	0	0	0	0	1,000,001
Transfers Out	0	0	(409,950)	(1,000,001)	0
Total Other Financing Sources (Uses)	<u>\$ 5,410</u>	<u>\$ 31,902</u>	<u>\$ (409,950)</u>	<u>\$ (1,000,001)</u>	<u>\$ 1,000,001</u>
Net Change in Fund Balances	\$ 364,046	\$ 484,958	\$ 2,421,442	\$ (526,553)	\$ 655,827
Fund Balance, July 1, 2022	<u>5,976,378</u>	<u>4,065,846</u>	<u>7,547,895</u>	<u>(269,789)</u>	<u>2,326,628</u>
Fund Balance, June 30, 2023	<u>\$ 6,340,424</u>	<u>\$ 4,550,804</u>	<u>\$ 9,969,337</u>	<u>\$ (796,342)</u>	<u>\$ 2,982,455</u>

(Continued)

Exhibit C-3

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

	Nonmajor Funds		Total Governmental Funds
	Other	Govern- mental Funds	
<hr/>			
<u>Revenues</u>			
Local Taxes	\$ 1,258,354	\$	14,421,448
Licenses and Permits	0		61,833
Fines, Forfeitures, and Penalties	40,705		102,554
Charges for Current Services	167,532		2,582,271
Other Local Revenues	71,551		766,690
Fees Received From County Officials	0		1,047,559
State of Tennessee	0		5,346,517
Federal Government	255,875		2,940,589
Other Governments and Citizens Groups	140,000		360,272
Total Revenues	<u>\$ 1,934,017</u>	<u>\$</u>	<u>27,629,733</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 70,625	\$	2,561,388
Finance	158,200		986,500
Administration of Justice	0		1,046,512
Public Safety	45,729		4,727,891
Public Health and Welfare	0		4,464,190
Social, Cultural, and Recreational Services	0		295,512
Agriculture and Natural Resources	0		114,622
Other Operations	405		2,233,269
Highways	0		4,184,181
Support Services	3,487		3,487
Debt Service:			
Principal on Debt	1,100,000		1,100,000
Interest on Debt	101,125		101,125

(Continued)

Exhibit C-3

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

	<u>Nonmajor Funds</u>		<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<hr/>				
<u>Expenditures (Cont.)</u>				
Debt Service (Cont.)				
Other Debt Service	\$	16,964	\$	16,964
Capital Projects		654,955		2,239,207
Total Expenditures	\$	<u>2,151,490</u>	\$	<u>24,074,848</u>
Excess (Deficiency) of Revenues				
Over Expenditures	\$	<u>(217,473)</u>	\$	<u>3,554,885</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$	0	\$	37,312
Transfers In		409,950		1,409,951
Transfers Out		0		(1,409,951)
Total Other Financing Sources (Uses)	\$	<u>409,950</u>	\$	<u>37,312</u>
Net Change in Fund Balances	\$	192,477	\$	3,592,197
Fund Balance, July 1, 2022		<u>3,887,445</u>		<u>23,534,403</u>
Fund Balance, June 30, 2023	\$	<u><u>4,079,922</u></u>	\$	<u><u>27,126,600</u></u>

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

Exhibit C-4

DeKalb 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, 2023

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)		\$ 3,592,197
(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	\$ 770,830	
Less: current-year depreciation expense	<u>(1,072,944)</u>	(302,114)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of assets disposed		(62,122)
(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, 2023	\$ 1,039,457	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(1,457,007)</u>	(417,550)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) 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 bonds	\$ 800,000	
Add: principal payments on notes	<u>300,000</u>	1,100,000
(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 on notes and bonds	\$ 11,296	
Change in compensated absences payable	(4,490)	
Change in closure/postclosure care costs	(149,927)	
Change in net pension asset	(1,624,566)	
Change in deferred outflows of resources related to pensions	(78,422)	
Change in deferred inflows of resources related to pensions	<u>1,665,840</u>	<u>(180,269)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,730,142</u>

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

Exhibit C-5

DeKalb County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,124,177	\$ 6,570,745	\$ 6,570,745	\$ 553,432
Licenses and Permits	61,833	45,000	45,000	16,833
Fines, Forfeitures, and Penalties	61,849	56,650	56,650	5,199
Charges for Current Services	1,553,265	988,750	988,800	564,465
Other Local Revenues	545,095	226,500	306,720	238,375
Fees Received From County Officials	1,047,559	874,000	874,000	173,559
State of Tennessee	1,230,736	886,548	1,054,590	176,146
Federal Government	854,456	560,780	909,856	(55,400)
Other Governments and Citizens Groups	220,272	125,000	125,000	95,272
Total Revenues	\$ 12,699,242	\$ 10,333,973	\$ 10,931,361	\$ 1,767,881
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 125,429	\$ 108,232	\$ 130,732	\$ 5,303
Board of Equalization	925	2,500	2,500	1,575
Beer Board	749	4,195	4,195	3,446
County Mayor/Executive	266,129	271,869	271,869	5,740
County Attorney	24,000	27,400	27,400	3,400
Election Commission	373,025	252,057	401,677	28,652
Register of Deeds	179,678	197,633	194,217	14,539
Planning	16,201	19,850	19,900	3,699
County Buildings	631,372	663,774	693,223	61,851
Other Facilities	142,267	164,930	164,930	22,663
Other General Administration	730,988	747,633	747,633	16,645
<u>Finance</u>				
Property Assessor's Office	284,333	309,015	313,950	29,617
County Trustee's Office	224,580	229,126	232,542	7,962
County Clerk's Office	319,387	318,710	326,749	7,362
<u>Administration of Justice</u>				
Circuit Court	304,091	321,021	319,851	15,760
General Sessions Court	271,616	273,699	277,092	5,476
Drug Court	197,104	186,772	198,772	1,668
Chancery Court	171,051	181,022	181,022	9,971
Juvenile Court	50,951	60,997	60,997	10,046
Judicial Commissioners	51,699	54,322	54,322	2,623
<u>Public Safety</u>				
Sheriff's Department	2,137,315	2,155,447	2,229,001	91,686
Special Patrols	65,437	69,159	65,888	451
Traffic Control	22,081	22,398	22,489	408
Correctional Incentive Program Improvements	1,793,876	1,842,521	1,886,255	92,379
Fire Prevention and Control	303,664	318,118	357,053	53,389
Civil Defense	13,355	15,000	15,000	1,645
Other Emergency Management	167,041	169,888	169,888	2,847
County Coroner/Medical Examiner	60,600	75,000	75,000	14,400
Public Safety Grants Program	73,358	77,579	74,179	821
Other Public Safety	45,435	50,195	65,308	19,873

(Continued)

## Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Health and Welfare</u>				
Local Health Center	\$ 100,064	\$ 161,016	\$ 161,016	\$ 60,952
Rabies and Animal Control	38,785	39,805	39,805	1,020
Ambulance/Emergency Medical Services	1,750,432	1,685,539	1,798,698	48,266
Alcohol and Drug Programs	147,474	124,215	154,185	6,711
Regional Mental Health Center	7,180	7,180	7,180	0
Other Public Health and Welfare	0	0	119,164	119,164
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	63,734	80,645	80,645	16,911
Libraries	211,907	223,645	223,739	11,832
Parks and Fair Boards	9,000	9,000	9,000	0
Other Social, Cultural, and Recreational	10,871	0	212,037	201,166
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	52,940	68,454	68,454	15,514
Soil Conservation	61,682	84,596	84,596	22,914
<u>Other Operations</u>				
Industrial Development	40	4,500	4,500	4,460
Housing and Urban Development	237,062	500,000	500,000	262,938
Other Economic and Community Development	50,985	84,000	84,000	33,015
Veterans' Services	18,965	18,080	19,587	622
Other Charges	174,457	172,000	178,000	3,543
Contributions to Other Agencies	19,717	21,217	21,217	1,500
Employee Benefits	9,720	8,100	10,700	980
COVID-19 Grant E	259,167	0	264,446	5,279
American Rescue Plan Act Grant #2	55,780	55,780	55,780	0
Miscellaneous	12,907	41,700	24,339	11,432
Total Expenditures	\$ 12,340,606	\$ 12,579,534	\$ 13,704,722	\$ 1,364,116
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 358,636	\$ (2,245,561)	\$ (2,773,361)	\$ 3,131,997
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 5,410	\$ 0	\$ 64,829	\$ (59,419)
Total Other Financing Sources	\$ 5,410	\$ 0	\$ 64,829	\$ (59,419)
Net Change in Fund Balance				
Fund Balance, July 1, 2022	\$ 5,976,378	\$ (2,245,561)	\$ (2,708,532)	\$ 3,072,578
Fund Balance, June 30, 2023	\$ 6,340,424	\$ 3,182,211	\$ 2,719,240	\$ 3,621,184

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

Exhibit C-6

DeKalb County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,371,074	\$ 1,045,300	\$ 1,045,300	\$ 325,774
Charges for Current Services	861,474	320,000	320,000	541,474
Other Local Revenues	82,885	25,000	76,244	6,641
State of Tennessee	557,878	505,000	505,000	52,878
Total Revenues	<u>\$ 2,873,311</u>	<u>\$ 1,895,300</u>	<u>\$ 1,946,544</u>	<u>\$ 926,767</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Waste Pickup	\$ 342,098	\$ 363,170	\$ 355,334	\$ 13,236
Convenience Centers	429,163	391,991	430,727	1,564
Transfer Stations	1,232,919	988,600	1,253,100	20,181
Other Waste Disposal	27,102	23,000	26,500	(602)
Postclosure Care Costs	388,973	434,060	481,804	92,831
Total Expenditures	<u>\$ 2,420,255</u>	<u>\$ 2,200,821</u>	<u>\$ 2,547,465</u>	<u>\$ 127,210</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 453,056</u>	<u>\$ (305,521)</u>	<u>\$ (600,921)</u>	<u>\$ 1,053,977</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 31,902	\$ 0	\$ 0	\$ 31,902
Total Other Financing Sources	<u>\$ 31,902</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 31,902</u>
Net Change in Fund Balance	\$ 484,958	\$ (305,521)	\$ (600,921)	\$ 1,085,879
Fund Balance, July 1, 2022	<u>4,065,846</u>	<u>3,705,722</u>	<u>3,705,722</u>	<u>360,124</u>
Fund Balance, June 30, 2023	<u>\$ 4,550,804</u>	<u>\$ 3,400,201</u>	<u>\$ 3,104,801</u>	<u>\$ 1,446,003</u>

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

Exhibit C-7

DeKalb County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Local Purpose Tax Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,415,644	\$ 3,100,000	\$ 3,100,000	\$ 1,315,644
Total Revenues	\$ 4,415,644	\$ 3,100,000	\$ 3,100,000	\$ 1,315,644
<u>Expenditures</u>				
<u>Capital Projects</u>				
Other General Government Projects	\$ 1,584,252	\$ 1,991,950	\$ 1,585,200	\$ 948
Total Expenditures	\$ 1,584,252	\$ 1,991,950	\$ 1,585,200	\$ 948
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,831,392	\$ 1,108,050	\$ 1,514,800	\$ 1,316,592
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (409,950)	\$ 0	\$ (409,950)	\$ 0
Total Other Financing Sources	\$ (409,950)	\$ 0	\$ (409,950)	\$ 0
Net Change in Fund Balance	\$ 2,421,442	\$ 1,108,050	\$ 1,104,850	\$ 1,316,592
Fund Balance, July 1, 2022	7,547,895	6,785,475	6,785,475	762,420
Fund Balance, June 30, 2023	\$ 9,969,337	\$ 7,893,525	\$ 7,890,325	\$ 2,079,012

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



Exhibit C-8

DeKalb County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Other Special Revenue Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 37,254	\$ 3,000	\$ 3,000	\$ 34,254
Federal Government	1,830,258	1,989,971	1,989,971	(159,713)
Total Revenues	<u>\$ 1,867,512</u>	<u>\$ 1,992,971</u>	<u>\$ 1,992,971</u>	<u>\$ (125,459)</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
American Rescue Plan Act Grant #1	\$ 1,394,064	\$ 3,707,143	\$ 2,707,142	\$ 1,313,078
Total Expenditures	<u>\$ 1,394,064</u>	<u>\$ 3,707,143</u>	<u>\$ 2,707,142</u>	<u>\$ 1,313,078</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 473,448</u>	<u>\$ (1,714,172)</u>	<u>\$ (714,171)</u>	<u>\$ 1,187,619</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (1,000,001)	0	\$ (1,000,001)	0
Total Other Financing Sources	<u>\$ (1,000,001)</u>	<u>0</u>	<u>\$ (1,000,001)</u>	<u>0</u>
Net Change in Fund Balance	\$ (526,553)	(1,714,172)	(1,714,172)	1,187,619
Fund Balance, July 1, 2022	<u>(269,789)</u>	<u>1,722,012</u>	<u>1,722,012</u>	<u>(1,991,801)</u>
Fund Balance, June 30, 2023	<u>\$ (796,342)</u>	<u>7,840</u>	<u>7,840</u>	<u>\$ (804,182)</u>

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

Exhibit C-9

DeKalb County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 252,199	\$ 229,697	\$ 229,697	\$ 22,502
Other Local Revenues	29,905	0	0	29,905
State of Tennessee	3,557,903	3,241,374	3,241,374	316,529
Total Revenues	<u>\$ 3,840,007</u>	<u>\$ 3,471,071</u>	<u>\$ 3,471,071</u>	<u>\$ 368,936</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 164,843	\$ 227,136	\$ 230,622	\$ 65,779
Highway and Bridge Maintenance	1,491,681	2,043,500	2,198,500	706,819
Operation and Maintenance of Equipment	315,371	392,000	392,000	76,629
Quarry Operations	90,942	228,000	228,000	137,058
Other Charges	133,243	159,282	159,282	26,039
Employee Benefits	274,806	420,000	420,000	145,194
Capital Outlay	1,713,295	1,439,325	1,439,325	(273,970)
Total Expenditures	<u>\$ 4,184,181</u>	<u>\$ 4,909,243</u>	<u>\$ 5,067,729</u>	<u>\$ 883,548</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (344,174)</u>	<u>\$ (1,438,172)</u>	<u>\$ (1,596,658)</u>	<u>\$ 1,252,484</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,000,001	0	\$ 1,000,001	0
Total Other Financing Sources	<u>\$ 1,000,001</u>	<u>\$ 0</u>	<u>\$ 1,000,001</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 655,827	\$ (1,438,172)	\$ (596,657)	\$ 1,252,484
Fund Balance, July 1, 2022	<u>2,326,628</u>	<u>1,975,171</u>	<u>1,975,171</u>	<u>351,457</u>
Fund Balance, June 30, 2023	<u>\$ 2,982,455</u>	<u>\$ 536,999</u>	<u>\$ 1,378,514</u>	<u>\$ 1,603,941</u>

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

Exhibit D-1

DeKalb County, Tennessee  
Statement of Fiduciary Net Position  
June 30, 2023

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,039,619
Accounts Receivable	197
Due from Other Governments	297,227
Notes Receivable - Long-term	<u>125,323</u>
Total Assets	<u>\$ 2,462,366</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 297,227</u>
Total Liabilities	<u>\$ 297,227</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 2,165,139</u>
Total Net Position	<u>\$ 2,165,139</u>

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

DeKalb County, Tennessee  
Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2023

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 1,681,332
Fines/Fees and Other Collections	<u>8,135,756</u>
Total Additions	<u>\$ 9,817,088</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 1,681,332
Payments to State	3,034,106
Payments to Cities, Individuals and Others	<u>6,015,517</u>
Total Deductions	<u>\$ 10,730,955</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (913,867)
Net Position, July 1, 2022	<u>3,079,006</u>
Net Position, June 30, 2023	<u><u>\$ 2,165,139</u></u>

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

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

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**DEKALB COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

DeKalb 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 DeKalb County:

**A. Reporting Entity**

DeKalb County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present DeKalb County (the primary government) and its component units. The financial statements of the DeKalb County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The DeKalb County School Department operates the public school system in the county, and the voters of DeKalb 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 DeKalb County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of DeKalb County, and the DeKalb 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 DeKalb County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The DeKalb 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 DeKalb County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

DeKalb County Emergency  
Communications District  
P.O. Box 346  
Smithville, TN 37166

**Related Organization** – The Industrial Development Board of DeKalb County provides assistance in industrial recruitment in DeKalb County, and the DeKalb County Commission appoints its eight-member board. The authority acted as a decision-making board and did not have any financial activity during the year.

**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 the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of DeKalb County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The DeKalb 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.

DeKalb County issues all debt for the discretely presented DeKalb County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2023.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the 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 DeKalb 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. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. DeKalb County has no proprietary funds to report.

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

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



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

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

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

DeKalb 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.

**Solid Waste/Sanitation Fund** – This special revenue fund accounts for transactions relating to the disposal of DeKalb County’s solid waste. Local taxes and general service charges are the foundational revenues of this fund.

**Local Purpose Tax Fund** – This special revenue fund accounts for local sales tax collections, which are disbursed to other county funds and component units. Local option sales tax is the foundational revenue of this fund.

**Other Special Revenue 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.

Additionally, DeKalb County reports the following fund types:

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

**Capital Projects Fund** – The General Capital Projects Fund is used to account for resources that are restricted, committed, or assigned to expenditure for general capital outlays of the county.

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in DeKalb County.

The discretely presented DeKalb 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.

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY23) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY22) 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.

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

**1. Deposits and Investments**

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented DeKalb 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, Local Purpose Tax, and Solid Waste/Sanitation funds. DeKalb 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. DeKalb County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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 at the end of the fiscal year is referred to as due to/from other funds.

All ambulance service and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 0.65 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.

**3. Restricted Assets**

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

**4. Capital Assets**

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

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$15,000 or more and an estimated useful life of more than one year (five years for the school department). 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 DeKalb County and the discretely presented DeKalb County 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 - 40
Infrastructure:	
Roads	8 - 20
Bridges	30
Other Capital Assets	5 - 15

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. 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 pension and OPEB changes in experience, assumptions, and proportionate share of contributions; employer contributions made to the pension and other postemployment benefits plans (OPEB) after the measurement date; and pension changes in investment earnings.

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, etc.) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes; pension and OPEB changes in experience and proportionate share of contributions; OPEB changes in assumptions; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These

amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated Absences**

**Primary Government**

It is the county's policy, except for the highway department, not to allow for the accumulation of unused vacation and sick days beyond year end. The highway department's policy permits employees to accumulate earned but unused vacation/sick leave benefits up to 20 days. All vacation/sick leave pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation/sick leave pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**Discretely Presented DeKalb County School Department**

It is the policy of the discretely presented DeKalb County School Department to permit employees to accumulate earned but unused vacation and sick pay benefits. Sick leave is unlimited and vacation leave has a twelve day maximum by year end. There is no liability for accumulated vacation or sick leave since the school department does not have a policy to pay any amounts when employees separate from service with the government.

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

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

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

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

**8. Net Position and Fund Balance**

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

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

As of June 30, 2023, DeKalb County had \$1,970,000 in outstanding debt for capital purposes for the discretely presented DeKalb County School Department. This debt is a liability of DeKalb County; however, the capital assets acquired are reported in the financial statements of the school department. Therefore, DeKalb County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on



the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

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

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

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

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

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

**E. Pension Plans**

**Primary Government**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of DeKalb County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from DeKalb 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 DeKalb 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 Post Employment Benefit (OPEB) Plans**

**Discretely Presented DeKalb 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 DeKalb 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 DeKalb County School Department**

Exhibit H-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 DeKalb County School Department**

Exhibit H-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 school department's Education Capital Projects Fund, which adopts a project length budget. All annual appropriations lapse at fiscal year-end.

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

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

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

**B. Fund Deficit**

The Other Special Revenue Fund had a fund deficit of \$796,342 due to the grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (CFDA 21.027). The grant expenditures can only be reported in April of each year. DeKalb county made expenditures of grant funds after the reporting period but before the end of the fiscal year which resulted in the deficit.

**C. Expenditures Exceeded Appropriations**

Expenditures exceeded appropriations approved by the county commission in the Other Waste Disposal major appropriations category (the legal level of control) of the Solid Waste/Sanitation Fund by \$602, in Capital Outlay of the Highway/Public Works Fund by \$273,970, and in Operation of Plant of the General Purpose School Fund by \$30,055. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues in the Solid Waste/Sanitation Fund and by available fund balance in the Highway/Public Works and General Purpose School Funds.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

**Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their

public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government

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

The county had no pooled and nonpooled investments as of June 30, 2023.

### **TCRS Stabilization Trust**

**Legal Provisions.** The DeKalb 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 DeKalb 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, 2023, the DeKalb 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	\$ 113,091
Developed Market International Equity	N/A	N/A	51,073
Emerging Market International Equity	N/A	N/A	14,592
U.S. Fixed Income	N/A	N/A	72,962
Real Estate	N/A	N/A	36,482
Short-term Securities	N/A	N/A	3,648
NAV - Private Equity and Strategic Lending	N/A	N/A	72,962
 Total			 \$ 364,810

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

**B. Notes Receivable**

In a prior year, the county sold its hospital to a private corporation. On May 10, 1971, the chancellor ordered that a portion of the proceeds of this sale be used to provide loans to "...deserving young men and women, who are preparing themselves for the practice of medicine or the practice of nursing...." These proceeds were deposited in the Office of Clerk and Master and were earmarked for loans to students in medical-related fields. Notes receivable of \$125,323 in the Constitutional Officers - Custodial Fund represent the total of these student loans outstanding at June 30, 2023. These loans are repayable to the county on or before five years after the borrower begins his or her practice in the field they have chosen. These loans carry an interest rate two percent below the prime interest rate as published in the *Wall Street Journal*.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2023, was as follows:

**Primary Government**

**Governmental Activities:**

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 2,190,088	\$ 0	\$ 0	\$ 2,190,088
Total Capital Assets Not Depreciated	<u>\$ 2,190,088</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,190,088</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 10,542,300	\$ 0	\$ 0	\$ 10,542,300
Infrastructure	17,627,003	0	0	17,627,003
Other Capital Assets	8,268,326	770,830	(364,000)	8,675,156
Total Capital Assets Depreciated	<u>\$ 36,437,629</u>	<u>\$ 770,830</u>	<u>\$ (364,000)</u>	<u>\$ 36,844,459</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 7,332,159	\$ 317,421	\$ 0	\$ 7,649,580
Infrastructure	15,987,495	185,130	0	16,172,625
Other Capital Assets	5,460,668	570,393	(301,878)	5,729,183
Total Accumulated Depreciation	<u>\$ 28,780,322</u>	<u>\$ 1,072,944</u>	<u>\$ (301,878)</u>	<u>\$ 29,551,388</u>
Total Capital Assets Depreciated, Net	<u>\$ 7,657,307</u>	<u>\$ (302,114)</u>	<u>\$ (62,122)</u>	<u>\$ 7,293,071</u>
Governmental Activities Capital Assets, Net	<u>\$ 9,847,395</u>	<u>\$ (302,114)</u>	<u>\$ (62,122)</u>	<u>\$ 9,483,159</u>



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

**Governmental Activities:**

General Government	\$ 207,082
Finance	10,957
Public Safety	286,356
Public Health and Welfare	266,380
Social, Cultural, and Recreational Services	14,909
Highways/Public Works	<u>287,260</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,072,944</u></u>

**Net Investment in Capital Assets**

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Capital Assets	\$ 9,483,159
Add:	
Outstanding principal of school debt	1,970,000
Less:	
Outstanding principal of capital debt	<u>(3,210,000)</u>
Net Investment in Capital Assets	<u><u>\$ 8,243,159</u></u>

**Discretely Presented DeKalb County School Department**

**Governmental Activities:**

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets				
Not Depreciated:				
Land	\$ 1,254,587	\$ 0	\$ 0	\$ 1,254,587
Total Capital Assets Not Depreciated	<u>\$ 1,254,587</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,254,587</u>
Capital Assets				
Depreciated:				
Buildings and Improvements	\$ 19,769,921	\$ 1,998,039	\$ 0	\$ 21,767,960
Other Capital Assets	3,353,763	547,181	(27,238)	3,873,706
Total Capital Assets Depreciated	<u>\$ 23,123,684</u>	<u>\$ 2,545,220</u>	<u>\$ (27,238)</u>	<u>\$ 25,641,666</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 10,631,759	\$ 438,785	\$ 0	\$ 11,070,544
Other Capital Assets	1,914,298	216,346	(21,126)	2,109,518
Total Accumulated Depreciation	<u>\$ 12,546,057</u>	<u>\$ 655,131</u>	<u>\$ (21,126)</u>	<u>\$ 13,180,062</u>
Total Capital Assets Depreciated, Net	<u>\$ 10,577,627</u>	<u>\$ 1,890,089</u>	<u>\$ (6,112)</u>	<u>\$ 12,461,604</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,832,214</u>	<u>\$ 1,890,089</u>	<u>\$ (6,112)</u>	<u>\$ 13,716,191</u>

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

**Governmental Activities:**

Instruction	\$ 310,460
Support Services	337,493
Operation of Non-Instructional Services	<u>7,178</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 655,131</u></u>

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

The composition of interfund balances as of June 30, 2023, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 35,553

This balance 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, 2023, consisted of the following amounts:

**Primary Government**

Transfers Out	Transfers In		Purpose
	Highway/ Public Works Fund	Nonmajor Governmental Fund	
Local Purpose Tax Fund	\$ 0	\$ 409,950	Debt retirement
Other Special Revenue Fund	1,000,001	0	Reimbursement

**Discretely Presented DeKalb County School Department**

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	School Federal Projects Fund	
General Purpose School Fund	\$ 0	\$ 250,000	Cash flow
School Federal Projects Fund	8,759	0	Indirect cost

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.

**E. Long-term Debt**

**Primary Government**

**General Obligation Bonds and Notes**

General Obligation Bonds - DeKalb 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 bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 15 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, 2023, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - DeKalb County issues capital outlay notes to provide funds for capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes, and other loans included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

General obligation bonds and capital outlay notes outstanding as of June 30, 2023, for governmental activities are as follows:

<u>Type</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount of Issue</u>	<u>Balance 6-30-23</u>
General Obligation Bonds	2 to 3.25 %	10-1-28	\$ 4,500,000	\$ 1,800,000
General Obligation Bonds - Refunding	2 to 2.5	2-1-25	2,615,000	785,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1 to 2	3-1-25	3,400,000	625,000

The annual requirements to amortize all general obligation bonds and notes as of June 30, 2023, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 815,000	\$ 66,413	\$ 881,413
2025	845,000	45,697	890,697
2026	220,000	25,484	245,484
2027	225,000	18,975	243,975
2028	235,000	11,780	246,780
2029	245,000	3,983	248,983
Total	<u>\$ 2,585,000</u>	<u>\$ 172,332</u>	<u>\$ 2,757,332</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2024	\$ 310,000	\$ 9,400	\$ 319,400
2025	315,000	3,150	318,150
Total	<u>\$ 625,000</u>	<u>\$ 12,550</u>	<u>\$ 637,550</u>

There is \$2,030,098 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$129, based on the 2020 federal census. Total debt per capita, including bonds and notes, totaled \$160 based on the 2020 federal census.

The school department annually contributes funds to service some of the debt issued on its behalf by the primary government. The amount of the contribution is subject to annual budgetary restrictions. During the year ending June 30, 2023, the school department contributed \$140,000 to the General Debt Service Fund for debt retirement.

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2023, was as follows:

#### **Governmental Activities:**

	Bonds	Notes - Direct Placement
Balance, July 1, 2022	\$ 3,385,000	\$ 925,000
Reductions	(800,000)	(300,000)
Balance, June 30, 2023	<u>\$ 2,585,000</u>	<u>\$ 625,000</u>
Balance Due Within One Year	<u>\$ 815,000</u>	<u>\$ 310,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 3,210,000
Less: Balance Due Within One Year - Debt	<u>(1,125,000)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 2,085,000</u>

**F. Long-term Obligations**

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2023, was as follows:

<b>Governmental Activities:</b>	Compensated Absences	Landfill Closure/ Postclosure Care Costs
	<u>          </u>	<u>          </u>
Balance, July 1, 2022	\$ 91,525	\$ 2,794,318
Additions	127,891	200,307
Reductions	<u>(123,401)</u>	<u>(50,380)</u>
Balance, June 30, 2023	<u>\$ 96,015</u>	<u>\$ 2,944,245</u>
Balance Due Within One Year	<u>\$ 72,013</u>	<u>\$ 166,594</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 3,040,260
Less: Balance Due Within One Year - Other	<u>(238,607)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,801,653</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Postclosure Care Costs will be paid from the Solid Waste/Sanitation Fund.

**Discretely Presented DeKalb County School Department**

**Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented DeKalb County School Department for the year ended June 30, 2023, was as follows:

**Governmental Activities:**

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2022	\$ 2,844,560
Additions	231,393
Reductions	<u>(438,450)</u>
Balance, June 30, 2023	<u>\$ 2,637,503</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 2,637,503
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,637,503</u>

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

**G. On-Behalf Payments**

**Discretely Presented DeKalb County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the DeKalb County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2023, were \$54,938. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

## V. OTHER INFORMATION

### A. Risk Management

#### Primary Government

The county is exposed to various risks related to general liability, property, casualty, and workers' compensation. The county participates in the Local Government Property and Casualty Fund (LGPCF) and the Local Government Workers' Compensation Fund (LGWCF) as opposed to purchasing commercial insurance for these risks. The LGPCF and LGWCF are public entity risk pools established by the Tennessee County Services Association, an association of member counties. The county pays annual premiums to these pools for their insurance coverage. These pools are to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

The county participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, *Tennessee Code Annotated*, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. State statutes provide for the LGGIF to be self-sustaining through member premiums.

#### Discretely Presented DeKalb County School Department

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

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the



state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

**B. Accounting Changes**

GASB Statement No. 91, *Conduit Debt Obligations*, became effective for fiscal year ending June 30, 2023. This statement clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, became effective for fiscal year ending June 30, 2023. This statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, became effective for fiscal year ending June 30, 2023. This standard establishes a definition for SBITAs and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. This statement also establishes criteria for the recognition of implementation costs and requires a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement.

GASB Statement No. 99, *Omnibus 2022*, 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 including Financial Guarantees; Derivative Instruments; Leases, PPPs, and SBITAs; LIBOR rate replacement; and other technical updates and corrections.

**C. Contingent Liabilities**

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

Counties are often involved in threatened or pending lawsuits due to the nature of the services that they provide; however, at June 30, 2023, attorneys

representing the county and school department did not identify any significant threatened or pending lawsuits against DeKalb County or the Discretely Presented DeKalb County School Department.

**D. Changes in Administration**

On August 31, 2022, Tim Stribling left the office of County Mayor and was succeeded by Matt Adcock, and Jeff McMillen left office of Register of Deeds and was succeeded by Daniel Seber.

**E. Landfill Closure and Postclosure Care Costs**

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

All landfill tracts in DeKalb County have been closed. The county closed the Midway landfill in 1994, the Felts Tract and expansion in 2002, and the lateral expansions in 2020. State and federal laws and regulations require the county to perform certain maintenance and monitoring functions at the site for 30 years after closure. The county reports actual postclosure care costs as an operating expense each year and reports the remaining estimated postclosure care costs as a liability on the government-wide Statement of Net Position. The \$2,944,245 reported as postclosure care liability at June 30, 2023, represents \$272,231 for the Midway landfill, \$362,014 for the Felts Tract, \$303,337 for the Felts Tract Expansion, and \$2,006,663 for the Felts Tract Lateral Expansion based on what it would cost to perform all estimated postclosure care in 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Future postclosure care costs will be handled by the county through the Solid Waste/Sanitation Fund.

**F. Joint Venture**

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, DeKalb, Overton, Pickett, Putnam, and White counties, and participating municipalities within the district. 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. DeKalb County did not make appropriations to the DTF for the year ended June 30, 2023.

DeKalb County does not have an equity interest in the above-noted joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office: Office of District Attorney General  
Thirteenth Judicial District Drug Task Force  
1519A East Spring Street  
Cookeville, TN 38506

**G. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of DeKalb County and non-certified employees of the discretely presented DeKalb 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 61.39 percent, the non-certified employees of the discretely presented school department comprise 38.61 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.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	186
Inactive Employees Entitled to But Not Yet Receiving Benefits	429
Active Employees	301
Total	916

*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. DeKalb County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contribution for DeKalb County was \$551,620 based on a rate of 5.41 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept DeKalb 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)**

DeKalb County’s net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2022, 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

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

The actuarial assumptions used in the June 30, 2022, 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 reflect more closely 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 DeKalb 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, 2021	\$ 20,611,287	\$ 23,237,806	\$ (2,626,519)
Changes for the Year:			
Service Cost	\$ 729,042	\$ 0	\$ 729,042
Interest	1,407,589	0	1,407,589
Differences Between Expected and Actual Experience	494,509	0	494,509
Contributions-Employer	0	509,151	(509,151)
Contributions-Employees	0	471,053	(471,053)
Net Investment Income	0	(888,549)	888,549
Benefit Payments, Including Refunds of Employee	(974,317)	(974,317)	
Administrative Expense	0	(28,951)	28,951
Net Changes	\$ 1,656,823	\$ (911,613)	\$ 2,568,436
Balance, June 30, 2022	\$ 22,268,110	\$ 22,326,193	\$ (58,083)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	61.39%	\$ 13,670,393	\$ 13,706,050	\$ (35,657)
School Department	38.61%	8,597,717	8,620,143	(22,426)
Total		\$ 22,268,110	\$ 22,326,193	\$ (58,083)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of DeKalb 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:

DeKalb County	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)      \$ 2,964,028    \$ (58,083)    \$ (2,546,363)

**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, 2023, DeKalb County recognized pension expense (negative pension expense) of \$581,240.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, DeKalb 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	\$ 488,369	\$ 53,841
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	64,425	0
Changes in Assumptions	1,305,207	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	551,620	N/A
Total	\$ 2,409,621	\$ 53,841

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2022,” 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	61.39%	\$ 1,495,514	\$ 33,053
School Department	38.61%	914,107	20,788
Total		\$ 2,409,621	\$ 53,841

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
2024	\$ 461,838
2025	402,879
2026	349,271
2027	590,166
2028	0
Thereafter	0

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

**Discretely Presented DeKalb County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of DeKalb County and non-certified employees of the discretely presented DeKalb 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 61.39 percent and the non-certified employees of the discretely presented school department comprise 38.61 percent of the plan based on contribution data.

## **Certified Employees**

### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the DeKalb 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, 2023, to the Teacher Retirement Plan were \$144,205 which is 2.78 percent of covered payroll. In addition, employer contributions of \$56,557, which is 1.13 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* At June 30, 2023, the school department reported a liability (asset) of (\$77,275) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was .255097 percent. The proportion as of June 30, 2021, was .239383 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$107,689.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, 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	\$ 4,225	\$ 46,950
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	24,358	0
Changes in Assumptions	90,524	0
Changes in Proportion of Net Pension Liability (Asset)	6,635	23,503
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	<u>144,205</u>	<u>N/A</u>
Total	<u>\$ 269,947</u>	<u>\$ 70,453</u>

The school department's employer contributions of \$144,205 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2024. 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
2024	\$ 252
2025	500
2026	(3,503)
2027	38,923
2028	2,954
Thereafter	16,163

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, 2022, 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, 2022, 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 reflect more closely 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)   \$ 405,651   \$ (77,275)   \$ (429,960)

*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 DeKalb 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 DeKalb County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$857,925, which is 8.69 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, 2023, the school department reported a liability (asset) of (\$3,641,296) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, 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, 2022, the school department's proportion was .296908 percent. The proportion measured at June 30, 2021, was .284155 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2023, the DeKalb County School Department recognized pension expense (negative pension expense) of (\$41,532).



*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, 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	\$ 598,980	\$ 615,268
Changes in Assumptions	2,281,096	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	62,264	0
Changes in Proportion of Net Pension Liability (Asset)	692	183,474
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	857,925	N/A
Total	<u>\$ 3,800,957</u>	<u>\$ 798,742</u>

The school department's employer contributions of \$857,925 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as reduction (increase) to the net pension liability (asset) in the year ending June 30, 2024. 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
2024	\$ 297,078
2025	613,528
2026	(688,190)
2027	1,921,873
2028	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, 2022, 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, 2022, 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 reflect more closely 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) \$ 7,212,152 \$ (3,641,296) \$ (12,681,497)

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

## **2. Deferred Compensation**

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

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 \$493,552 and teachers contributed \$176,610 to this deferred compensation pension plan.

## **H. Other Postemployment Benefits (OPEB)**

The discretely presented DeKalb County School Department provides OPEB benefits to its retirees under various OPEB plans. These include OPEB provided through state administered public entity risk pools and commercial health insurance plans. For reporting purposes, the plans are 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 State Administered Public Entity Risk Pools**

Retirees of DeKalb County are provided healthcare under a Local Government Plan (LGP) until they reach Medicare eligibility. The DeKalb County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of DeKalb County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

The county and the school department’s total OPEB liability for each plan was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2022, 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	3.54%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 8.37% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 7-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.54 percent, based on an average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2022, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2022, valuations were the same as those employed in the July 1, 2021, 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 reflect more closely actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2020 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2020.

*Changes in Assumptions.* The discount rate changed from 2.16 percent as of the beginning of the measurement period to 3.54 percent as of the measurement date of June 30, 2022. 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 7.36 percent to 8.37 percent.

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

*Plan Description.* Employees of the DeKalb 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 DeKalb 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. DeKalb County does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity,

provides a direct subsidy for eligible retirees’ premiums based on years of service. Therefore, 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, 2022, the following employees were covered by the benefit terms:

	<u>Total</u>
Inactive Employees Currently Receiving Benefit Payments	10
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible For Benefits	<u>221</u>
Total	<u><u>231</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 \$77,106 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>DeKalb County</u>	<u>State of</u>	<u>Total OPEB</u>
	<u>School Department</u>	<u>TN</u>	
	61.52%	38.48%	
Balance July 1, 2021	\$ 2,844,562	\$ 1,638,095	\$ 4,482,657
Changes for the Year:			
Service Cost	\$ 155,443	\$ 97,232	\$ 252,675
Interest	62,071	38,826	100,897
Changes in Proportions	(86,883)	86,883	0
Difference between			
Expected and Actuarial			
Experience	13,880	8,682	22,562
Changes in Assumption			
and Other Inputs	(272,176)	(170,251)	(442,427)
Benefit Payments	(79,392)	(49,662)	(129,054)
Net Changes	<u>\$ (207,057)</u>	<u>\$ 11,710</u>	<u>\$ (195,347)</u>
Balance June 30, 2022	<u>\$ 2,637,506</u>	<u>\$ 1,649,805</u>	<u>\$ 4,287,310</u>

The DeKalb 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 DeKalb County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department is required by GASB Statement No. 75 to recognized revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department employees. The amount of the subsidy is equal to the nonemployer share of collective OPEB expenses. The school department recognized \$146,722 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the DeKalb County School Department's proportionate share of the collective OPEB liability was 61.52 percent and the State of Tennessee's share was 38.48 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, the school department recognized OPEB expense of \$348,583, including the state's share of the expense. At June 30, 2023, 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	\$ 126,776	\$ 327,794
Changes of Assumptions/Inputs	568,045	372,160
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	84,054	161,229
Benefits Paid After the Measurement Date of June 30, 2022	<u>77,106</u>	<u>0</u>
Total	<u>\$ 855,981</u>	<u>\$ 861,183</u>

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

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

Year Ending June 30	School Department
2024	\$ (15,653)
2025	(15,653)
2026	(15,653)
2027	(15,653)
2028	(8,405)
Thereafter	(11,291)

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
	2.54%	3.54%	4.54%

Proportionate Share of the Collective Total OPEB Liability	\$ 2,834,417	\$ 2,637,503	\$ 2,449,823
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rate	1% Increase
	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 2,358,958	\$ 2,637,503	\$ 2,961,529
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## **I. Purchasing Laws**

### Offices of County Mayor and Road Supervisor

Purchasing procedures for the funds administered by the county mayor and road supervisor are governed by provisions of Chapter 63, Private Acts of 1979, as amended. Purchasing procedures for the highway department are also governed by Section 54-7-113, *Tennessee Code Annotated (TCA)*, (Uniform Road Law). Chapter 63, Private Acts of 1979, as amended, provides for the establishment of a Purchasing Committee, and designates the county mayor as purchasing agent for purchases approved by the committee. All purchases of materials, supplies, equipment, or services estimated to exceed \$10,000 for the county and \$25,000 for the highway department are required to be made by the Purchasing Committee on the basis of competitive bids solicited through newspaper advertisement. Other purchases may be made by the department heads. Requisitions and purchase orders are required for all purchases.

Office of Director of Schools

Purchasing procedures for the discretely presented DeKalb County School Department are governed by provisions of Chapter 63, Private Acts of 1979, as amended, and by Section 49-2-203, *TCA*. Chapter 63, Private Acts of 1979, as amended, provides for the establishment of a Purchasing Committee, and designates the county mayor as purchasing agent for purchases approved by the committee. All purchases of materials, supplies, equipment, or services estimated to exceed \$10,000 are required to be made by the Purchasing Committee on the basis of competitive bids solicited through newspaper advertisement. Other purchases may be made by the department heads. Requisitions and purchase orders are required for all purchases.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Exhibit E-1

DeKalb 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	2022
<b>Total Pension Liability</b>									
Service Cost	\$ 450,903	\$ 499,326	\$ 516,910	\$ 543,588	\$ 565,648	\$ 587,084	\$ 620,682	\$ 636,257	\$ 729,042
Interest	832,772	896,508	963,480	1,007,698	1,064,688	1,118,336	1,208,948	1,272,150	1,407,589
Differences Between Actual and Expected Experience	18,397	118,817	(232,528)	(177,218)	(170,886)	326,831	(134,601)	45,657	494,509
Changes in Assumptions	0	0	0	527,839	0	0	0	2,175,345	0
Benefit Payments, Including Refunds of Employee Contributions	(413,560)	(587,776)	(690,781)	(679,155)	(670,013)	(811,833)	(820,203)	(857,519)	(974,317)
Net Change in Total Pension Liability	\$ 888,512	\$ 926,875	\$ 557,081	\$ 1,222,752	\$ 789,437	\$ 1,220,418	\$ 874,826	\$ 3,271,890	\$ 1,656,823
Total Pension Liability, Beginning	10,859,496	11,748,008	12,674,883	13,231,964	14,454,716	15,244,153	16,464,571	17,339,397	20,611,287
Total Pension Liability, Ending (a)	\$ 11,748,008	\$ 12,674,883	\$ 13,231,964	\$ 14,454,716	\$ 15,244,153	\$ 16,464,571	\$ 17,339,397	\$ 20,611,287	\$ 22,268,110
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 420,976	\$ 371,908	\$ 380,998	\$ 395,240	\$ 408,344	\$ 445,436	\$ 449,746	\$ 463,192	\$ 509,151
Contributions - Employee	357,846	349,028	352,126	365,288	377,399	411,681	415,665	428,092	471,053
Net Investment Income	1,764,331	388,277	346,598	1,524,352	1,248,854	1,217,197	872,146	4,764,494	(888,549)
Benefit Payments, Including Refunds of Employee Contributions	(413,560)	(587,776)	(690,781)	(679,155)	(670,013)	(811,833)	(820,203)	(857,519)	(974,317)
Administrative Expense	(10,531)	(14,909)	(22,090)	(25,036)	(28,526)	(26,834)	(25,633)	(25,654)	(28,951)
Other Charges	0	0	0	12	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 2,119,062	\$ 506,528	\$ 366,851	\$ 1,580,701	\$ 1,336,058	\$ 1,235,647	\$ 891,721	\$ 4,772,605	\$ (911,613)
Plan Fiduciary Net Position, Beginning	10,428,633	12,547,695	13,054,223	13,421,074	15,001,775	16,337,833	17,573,480	18,465,201	23,237,806
Plan Fiduciary Net Position, Ending (b)	\$ 12,547,695	\$ 13,054,223	\$ 13,421,074	\$ 15,001,775	\$ 16,337,833	\$ 17,573,480	\$ 18,465,201	\$ 23,237,806	\$ 22,326,193
Net Pension Liability (Asset), Ending (a - b)	\$ (799,687)	\$ (379,340)	\$ (189,110)	\$ (547,059)	\$ (1,093,680)	\$ (1,108,909)	\$ (1,125,804)	\$ (2,626,519)	\$ (58,083)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.81%	102.99%	101.43%	103.78%	107.17%	106.74%	106.49%	112.74%	100.26%
Covered Payroll	\$ 6,724,834	\$ 6,879,540	\$ 7,042,582	\$ 7,305,724	\$ 7,547,948	\$ 8,233,555	\$ 8,313,252	\$ 8,560,875	\$ 9,411,306
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(11.89)%	(5.51)%	(2.69)%	(7.49)%	(14.49)%	(13.47)%	(13.54)%	(30.68)%	(0.62)%

Note 1: Ten years of information 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 E-2

DeKalb 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	2023
Actuarially Determined Contribution	\$ 420,976	\$ 371,908	\$ 380,998	\$ 230,130	\$ 224,174	\$ 244,537	\$ 211,988	\$ 218,325	\$ 239,988	\$ 551,620
Less: Contributions in Relation to the Actuarially Determined Contribution	(420,976)	(371,908)	(380,998)	(395,240)	(408,344)	(445,436)	(449,746)	(463,192)	(509,151)	(551,620)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (165,110)	\$ (184,170)	\$ (200,899)	\$ (237,758)	\$ (244,867)	\$ (269,163)	\$ 0
Covered Payroll	\$ 6,724,834	\$ 6,879,540	\$ 7,042,582	\$ 7,305,724	\$ 7,547,948	\$ 8,233,555	\$ 8,313,252	\$ 8,560,875	\$ 9,411,306	\$ 10,195,149
Contributions as a Percentage of Covered Payroll	6.26%	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%

Note: 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 E-3

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 27,669	\$ 43,375	\$ 51,968	\$ 72,732	\$ 47,376	\$ 62,653	\$ 69,788	\$ 87,562	\$ 144,205
Less: Contributions in Relation to the Contractually Required Contribution	(27,669)	(43,375)	(51,968)	(72,732)	(47,376)	(62,653)	(69,788)	(87,562)	(144,205)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 691,718	\$ 1,084,370	\$ 1,299,202	\$ 1,818,295	\$ 2,442,006	\$ 3,086,348	\$ 3,454,819	\$ 4,356,274	\$ 5,187,053
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.78%

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%  
 2023: Pension - 2.87%, SRT - 1.13%

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 995,164	\$ 968,749	\$ 926,674	\$ 922,414	\$ 892,162	\$ 973,695	\$ 981,135	\$ 957,826	\$ 1,006,419	\$ 857,925
Less: Contributions in Relation to the Contractually Required Contribution	(995,164)	(968,749)	(926,674)	(922,414)	(892,162)	(973,695)	(981,135)	(957,826)	(1,006,419)	(857,925)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,206,799	\$ 10,716,254	\$ 10,250,832	\$ 10,203,712	\$ 9,825,557	\$ 9,308,744	\$ 9,229,861	\$ 9,326,445	\$ 9,771,053	\$ 9,876,968
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%



Exhibit E-5

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

	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.326051%	0.246447%	0.197947%	0.208072%	0.230772%	0.244578%	0.239383%	0.255097%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (13,393)	\$ (25,656)	\$ (52,226)	\$ (94,366)	\$ (130,268)	\$ (139,077)	\$ (259,303)	\$ (77,275)
Covered Payroll	\$ 691,718	\$ 1,084,370	\$ 1,299,202	\$ 1,818,295	\$ 2,442,006	\$ 3,086,348	\$ 3,454,819	\$ 4,356,274
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)%	(7.51)%	(1.77)%
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%	104.55%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.285524%	0.286263%	0.283972%	0.288652%	0.280596%	0.277613%	0.277318%	0.284155%	0.296908%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (46,396)	\$ 117,263	\$ 1,774,668	\$ (94,440)	\$ (987,395)	\$ (2,854,357)	\$ (2,114,756)	\$ (12,256,276)	\$ (3,641,296)
Covered Payroll	\$ 11,206,799	\$ 10,716,254	\$ 10,250,832	\$ 10,203,712	\$ 9,825,557	\$ 9,308,744	\$ 9,229,861	\$ 9,326,445	\$ 9,771,053
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	99.81%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%

Exhibit E-7

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

	2017	2018	2019	2020	2021	2022
<b>Total OPEB Liability</b>						
Service Cost	\$ 197,436	\$ 182,348	\$ 165,295	\$ 149,364	\$ 190,857	\$ 252,675
Interest	108,676	128,979	116,804	117,991	89,927	100,897
Differences Between Actual and Expected Experience	0	(590,821)	281,965	34,854	(285,237)	22,562
Changes in Assumptions or Other Inputs	(173,338)	100,114	(248,968)	512,318	683,101	(442,427)
Benefit Payments	(210,690)	(222,249)	(179,227)	(148,913)	(147,622)	(129,054)
Net Change in Total OPEB Liability	\$ (77,916)	\$ (401,629)	\$ 135,869	\$ 665,614	\$ 531,026	\$ (195,347)
Total OPEB Liability, Beginning	3,629,693	3,551,777	3,150,148	3,286,017	3,951,631	4,482,657
<b>Total OPEB Liability, Ending</b>	<b>\$ 3,551,777</b>	<b>\$ 3,150,148</b>	<b>\$ 3,286,017</b>	<b>\$ 3,951,631</b>	<b>\$ 4,482,657</b>	<b>\$ 4,287,310</b>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,277,095	\$ 1,083,222	\$ 1,272,881	\$ 1,485,789	\$ 1,638,097	\$ 1,649,807
Employer Proportionate Share of the Total OPEB Liability	2,274,682	2,066,926	2,013,136	2,465,842	2,844,560	2,637,503
Covered Employee Payroll	\$ 14,630,934	\$ 15,009,641	\$ 15,217,018	\$ 15,750,305	\$ 17,761,928	\$ 18,699,329
Net OPEB Liability as a Percentage of Covered Employee Payroll	24.28%	20.99%	21.59%	25.09%	25.24%	22.93%

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%
2022	3.54%

(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%
- For the 2023 plan year - from 7.36% to 8.37%

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

**DEKALB COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2023**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2023 were calculated based on the June 30, 2021, 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	2.25%
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 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	2.125%

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

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

# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

## 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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# General Capital Projects Fund

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

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Exhibit F-1

DeKalb County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue Funds				Debt Service Fund
	Courthouse and Jail Maintenance	Drug Control	Constitutional Officers - Fees	Total	General Debt Service
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 36,230	\$ 36,230	\$ 0
Equity in Pooled Cash and Investments	81,168	147,538	0	228,706	2,029,702
Accounts Receivable	0	0	33,224	33,224	0
Property Taxes Receivable	0	0	0	0	680,418
Allowance for Uncollectible Property Taxes	0	0	0	0	(8,859)
Total Assets	\$ 81,168	\$ 147,538	\$ 69,454	\$ 298,160	\$ 2,701,261
<u>LIABILITIES</u>					
Accounts Payable	\$ 225	\$ 0	\$ 0	\$ 225	\$ 0
Due to Other Funds	0	0	35,553	35,553	0
Total Liabilities	\$ 225	\$ 0	\$ 35,553	\$ 35,778	\$ 0
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 658,152
Deferred Delinquent Property Taxes	0	0	0	0	13,011
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 671,163
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 80,943	\$ 0	\$ 0	\$ 80,943	\$ 0
Restricted for Public Safety	0	147,538	0	147,538	0
Restricted for Capital Outlay	0	0	0	0	0
Restricted for Debt Service	0	0	0	0	2,030,098
Committed:					
Committed for Finance	0	0	33,901	33,901	0
Total Fund Balances	\$ 80,943	\$ 147,538	\$ 33,901	\$ 262,382	\$ 2,030,098
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 81,168	\$ 147,538	\$ 69,454	\$ 298,160	\$ 2,701,261

(Continued)



Exhibit F-1

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

	Capital Projects Fund	Total Nonmajor Governmental Funds
	General Capital Projects	Nonmajor Governmental Funds
<u>ASSETS</u>		
Cash	\$ 0	\$ 36,230
Equity in Pooled Cash and Investments	1,787,168	4,045,576
Accounts Receivable	0	33,224
Property Taxes Receivable	470,515	1,150,933
Allowance for Uncollectible Property Taxes	(6,126)	(14,985)
Total Assets	<u>\$ 2,251,557</u>	<u>\$ 5,250,978</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 225
Due to Other Funds	0	35,553
Total Liabilities	<u>\$ 0</u>	<u>\$ 35,778</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 455,118	\$ 1,113,270
Deferred Delinquent Property Taxes	8,997	22,008
Total Deferred Inflows of Resources	<u>\$ 464,115</u>	<u>\$ 1,135,278</u>
<u>FUND BALANCES</u>		
Restricted:		
Restricted for General Government	\$ 0	\$ 80,943
Restricted for Public Safety	0	147,538
Restricted for Capital Outlay	1,787,442	1,787,442
Restricted for Debt Service	0	2,030,098
Committed:		
Committed for Finance	0	33,901
Total Fund Balances	<u>\$ 1,787,442</u>	<u>\$ 4,079,922</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,251,557</u>	<u>\$ 5,250,978</u>

Exhibit F-2

DeKalb County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	Special Revenue Funds				Debt Service Fund
	Courthouse and Jail Maintenance	Drug Control	Constitutional Officers - Fees	Total	General Debt Service
<u>Revenues</u>					
Local Taxes	\$ 84,303	\$ 0	\$ 0	\$ 84,303	\$ 694,079
Fines, Forfeitures, and Penalties	0	40,705	0	40,705	0
Charges for Current Services	0	0	167,532	167,532	0
Other Local Revenues	0	69,551	0	69,551	0
Federal Government	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	0	140,000
Total Revenues	<u>\$ 84,303</u>	<u>\$ 110,256</u>	<u>\$ 167,532</u>	<u>\$ 362,091</u>	<u>\$ 834,079</u>
<u>Expenditures</u>					
Current:					
General Government	\$ 70,625	\$ 0	\$ 0	\$ 70,625	\$ 0
Finance	0	0	158,200	158,200	0
Public Safety	0	45,729	0	45,729	0
Other Operations	0	405	0	405	0
Support Services	0	3,487	0	3,487	0
Debt Service:					
Principal on Debt	0	0	0	0	1,100,000
Interest on Debt	0	0	0	0	101,125
Other Debt Service	0	0	0	0	16,964
Capital Projects	0	0	0	0	0
Total Expenditures	<u>\$ 70,625</u>	<u>\$ 49,621</u>	<u>\$ 158,200</u>	<u>\$ 278,446</u>	<u>\$ 1,218,089</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 13,678</u>	<u>\$ 60,635</u>	<u>\$ 9,332</u>	<u>\$ 83,645</u>	<u>\$ (384,010)</u>
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 409,950
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 409,950</u>
Net Change in Fund Balances	\$ 13,678	\$ 60,635	\$ 9,332	\$ 83,645	\$ 25,940
Fund Balance, July 1, 2022	<u>67,265</u>	<u>86,903</u>	<u>24,569</u>	<u>178,737</u>	<u>2,004,158</u>
Fund Balance, June 30, 2023	<u>\$ 80,943</u>	<u>\$ 147,538</u>	<u>\$ 33,901</u>	<u>\$ 262,382</u>	<u>\$ 2,030,098</u>

(Continued)

Exhibit F-2

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

	<u>Capital</u> <u>Projects Fund</u>	Total Nonmajor Governmental Funds
	General Capital Projects	
<hr/>		
<u>Revenues</u>		
Local Taxes	\$ 479,972	\$ 1,258,354
Fines, Forfeitures, and Penalties	0	40,705
Charges for Current Services	0	167,532
Other Local Revenues	2,000	71,551
Federal Government	255,875	255,875
Other Governments and Citizens Groups	0	140,000
Total Revenues	<u>\$ 737,847</u>	<u>\$ 1,934,017</u>
<u>Expenditures</u>		
Current:		
General Government	\$ 0	\$ 70,625
Finance	0	158,200
Public Safety	0	45,729
Other Operations	0	405
Support Services	0	3,487
Debt Service:		
Principal on Debt	0	1,100,000
Interest on Debt	0	101,125
Other Debt Service	0	16,964
Capital Projects	654,955	654,955
Total Expenditures	<u>\$ 654,955</u>	<u>\$ 2,151,490</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 82,892</u>	<u>\$ (217,473)</u>
<u>Other Financing Sources (Uses)</u>		
Transfers In	\$ 0	\$ 409,950
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 409,950</u>
Net Change in Fund Balances	\$ 82,892	\$ 192,477
Fund Balance, July 1, 2022	<u>1,704,550</u>	<u>3,887,445</u>
Fund Balance, June 30, 2023	<u>\$ 1,787,442</u>	<u>\$ 4,079,922</u>

Exhibit F-3

DeKalb 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, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 84,303	\$ 69,115	\$ 69,115	\$ 15,188
Total Revenues	\$ 84,303	\$ 69,115	\$ 69,115	\$ 15,188
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 70,625	\$ 72,000	\$ 72,000	\$ 1,375
Total Expenditures	\$ 70,625	\$ 72,000	\$ 72,000	\$ 1,375
Excess (Deficiency) of Revenues Over Expenditures	\$ 13,678	\$ (2,885)	\$ (2,885)	\$ 16,563
Net Change in Fund Balance	\$ 13,678	\$ (2,885)	\$ (2,885)	\$ 16,563
Fund Balance, July 1, 2022	67,265	57,827	57,827	9,438
Fund Balance, June 30, 2023	\$ 80,943	\$ 54,942	\$ 54,942	\$ 26,001

Exhibit F-4

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 40,705	\$ 21,800	\$ 21,800	\$ 18,905
Other Local Revenues	69,551	100	600	68,951
Total Revenues	<u>\$ 110,256</u>	<u>\$ 21,900</u>	<u>\$ 22,400</u>	<u>\$ 87,856</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 35,729	\$ 45,000	\$ 45,000	\$ 9,271
Drug Enforcement	10,000	10,000	10,000	0
<u>Other Operations</u>				
Other Charges	405	950	950	545
<u>Support Services</u>				
Other Student Support	3,487	7,000	7,500	4,013
Total Expenditures	<u>\$ 49,621</u>	<u>\$ 62,950</u>	<u>\$ 63,450</u>	<u>\$ 13,829</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 60,635</u>	<u>\$ (41,050)</u>	<u>\$ (41,050)</u>	<u>\$ 101,685</u>
Net Change in Fund Balance	\$ 60,635	\$ (41,050)	\$ (41,050)	\$ 101,685
Fund Balance, July 1, 2022	86,903	83,451	83,451	3,452
Fund Balance, June 30, 2023	<u>\$ 147,538</u>	<u>\$ 42,401</u>	<u>\$ 42,401</u>	<u>\$ 105,137</u>

Exhibit F-5

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 694,079	\$ 662,241	\$ 662,241	\$ 31,838
Other Governments and Citizens Groups	140,000	140,000	140,000	0
Total Revenues	<u>\$ 834,079</u>	<u>\$ 802,241</u>	<u>\$ 802,241</u>	<u>\$ 31,838</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 600,000	\$ 600,000	\$ 600,000	0
Education	500,000	500,000	500,000	0
<u>Interest on Debt</u>				
General Government	43,675	43,675	43,675	0
Education	57,450	57,450	57,450	0
<u>Other Debt Service</u>				
General Government	14,841	18,000	18,000	3,159
Education	2,123	2,500	2,500	377
Total Expenditures	<u>\$ 1,218,089</u>	<u>\$ 1,221,625</u>	<u>\$ 1,221,625</u>	<u>\$ 3,536</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (384,010)</u>	<u>\$ (419,384)</u>	<u>\$ (419,384)</u>	<u>\$ 35,374</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 409,950	\$ 409,950	\$ 409,950	0
Total Other Financing Sources	<u>\$ 409,950</u>	<u>\$ 409,950</u>	<u>\$ 409,950</u>	<u>0</u>
Net Change in Fund Balance	\$ 25,940	\$ (9,434)	\$ (9,434)	\$ 35,374
Fund Balance, July 1, 2022	<u>2,004,158</u>	<u>1,861,692</u>	<u>1,861,692</u>	<u>142,466</u>
Fund Balance, June 30, 2023	<u>\$ 2,030,098</u>	<u>\$ 1,852,258</u>	<u>\$ 1,852,258</u>	<u>\$ 177,840</u>

Exhibit F-6

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 479,972	\$ 459,041	\$ 459,041	\$ 20,931
Other Local Revenues	2,000	0	0	2,000
Federal Government	255,875	0	269,395	(13,520)
Total Revenues	<u>\$ 737,847</u>	<u>\$ 459,041</u>	<u>\$ 728,436</u>	<u>\$ 9,411</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
General Administration Projects	\$ 49,456	\$ 118,500	\$ 118,500	\$ 69,044
Public Safety Projects	413,102	494,000	763,395	350,293
Public Health and Welfare Projects	192,397	475,000	475,000	282,603
Total Expenditures	<u>\$ 654,955</u>	<u>\$ 1,087,500</u>	<u>\$ 1,356,895</u>	<u>\$ 701,940</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 82,892</u>	<u>\$ (628,459)</u>	<u>\$ (628,459)</u>	<u>\$ 711,351</u>
Net Change in Fund Balance	\$ 82,892	\$ (628,459)	\$ (628,459)	\$ 711,351
Fund Balance, July 1, 2022	1,704,550	1,708,159	1,708,159	(3,609)
Fund Balance, June 30, 2023	<u>\$ 1,787,442</u>	<u>\$ 1,079,700</u>	<u>\$ 1,079,700</u>	<u>\$ 707,742</u>

# 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, other governments, and/or other funds. Custodial Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial fund reporting focuses on net position and changes in net position. Custodial funds are distinguished from trust funds by the absence of a trust agreement or equivalent arrangement.

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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.



Exhibit G-1

DeKalb County, Tennessee  
Combining Statement of Net Position  
Custodial Funds  
June 30, 2023

	<u>Custodial Funds</u>		
	<u>Cities - Sales Tax</u>	<u>Constitu - tional Officers - Custodial</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 0	\$ 2,039,619	\$ 2,039,619
Accounts Receivable	0	197	197
Due from Other Governments	297,227	0	297,227
Notes Receivable - Long-term	0	125,323	125,323
Total Assets	<u>\$ 297,227</u>	<u>\$ 2,165,139</u>	<u>\$ 2,462,366</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 297,227	\$ 0	\$ 297,227
Total Liabilities	<u>\$ 297,227</u>	<u>\$ 0</u>	<u>\$ 297,227</u>
<u>NET POSITION</u>			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 2,165,139	\$ 2,165,139
Total Net Position	<u>\$ 0</u>	<u>\$ 2,165,139</u>	<u>\$ 2,165,139</u>

Exhibit G-2

DeKalb County, Tennessee  
Combining Statement of Changes in Custodial Net Position  
Custodial Funds  
For the Year Ended June 30, 2023

	<u>Custodial Funds</u>		
	<u>Cities -</u>	<u>Constitu -</u>	
	<u>Sales</u>	<u>tional</u>	
	<u>Tax</u>	<u>Officers -</u>	<u>Total</u>
		<u>Custodial</u>	
<u>Additions</u>			
Sales Tax Collections for Other Governments	\$ 1,681,332	\$ 0	\$ 1,681,332
Fines/Fees and Other Collections	0	8,135,756	8,135,756
Total Additions	<u>\$ 1,681,332</u>	<u>\$ 8,135,756</u>	<u>\$ 9,817,088</u>
<u>Deductions</u>			
Payment of Sales Tax Collections for Other Governments	\$ 1,681,332	\$ 0	\$ 1,681,332
Payments to State	0	3,034,106	3,034,106
Payments to Cities, Individuals and Others	0	6,015,517	6,015,517
Total Deductions	<u>\$ 1,681,332</u>	<u>\$ 9,049,623</u>	<u>\$ 10,730,955</u>
Change in Net Position	\$ 0	\$ (913,867)	\$ (913,867)
Net Position July 1, 2022	0	3,079,006	3,079,006
Net Position June 30, 2023	<u>\$ 0</u>	<u>\$ 2,165,139</u>	<u>\$ 2,165,139</u>

# DeKalb County School Department

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

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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.

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

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

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

Exhibit H-1

DeKalb County, Tennessee  
Statement of Activities  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

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	\$ 18,986,101	\$ 21,046	\$ 5,457,842	\$ 113,012	\$ (13,394,201)
Support Services	9,483,127	0	1,195,693	0	(8,287,434)
Operation of Non-instructional Services	4,155,406	104,917	2,533,619	0	(1,516,870)
<b>Total Governmental Activities</b>	<b>\$ 32,624,634</b>	<b>\$ 125,963</b>	<b>\$ 9,187,154</b>	<b>\$ 113,012</b>	<b>\$ (23,198,505)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 3,472,481
Mixed Drink Tax					39,437
Grants and Contributions Not Restricted to Specific Programs					21,257,585
Unrestricted Investment Earnings					28,541
Sale of Equipment					4,836
Miscellaneous					622
<b>Total General Revenues</b>					<b>\$ 24,803,502</b>
Change in Net Position					\$ 1,604,997
Net Position, July 1, 2022					30,190,313
Net Position, June 30, 2023					<b>\$ 31,795,310</b>

Exhibit H-2

DeKalb County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented DeKalb County School Department  
June 30, 2023

	Major Funds		Nonmajor	Total
	General	School	Funds	
	Purpose	Federal	Other	
	School	Projects	Governmental	Governmental
			Funds	Funds
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 658,565	\$ 658,565
Equity in Pooled Cash and Investments	10,659,142	305,876	1,185,101	12,150,119
Inventories	0	0	531	531
Due from Other Governments	485,406	33,366	65,641	584,413
Property Taxes Receivable	3,346,588	0	0	3,346,588
Allowance for Uncollectible Property Taxes	(69,636)	0	0	(69,636)
Restricted Assets	364,810	0	0	364,810
Total Assets	<u>\$ 14,786,310</u>	<u>\$ 339,242</u>	<u>\$ 1,909,838</u>	<u>\$ 17,035,390</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 0	\$ 37	\$ 37
Accrued Payroll	3,560	0	0	3,560
Payroll Deductions Payable	936,959	192	0	937,151
Total Liabilities	<u>\$ 940,519</u>	<u>\$ 192</u>	<u>\$ 37</u>	<u>\$ 940,748</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 3,208,843	\$ 0	\$ 0	\$ 3,208,843
Deferred Delinquent Property Taxes	64,828	0	0	64,828
Total Deferred Inflows of Resources	<u>\$ 3,273,671</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,273,671</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 531	\$ 531

(Continued)

Exhibit H-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Funds Other Governmental Funds</u>	
<u>FUND BALANCES (Cont.)</u>				
Restricted:				
Restricted for Education	\$ 1,711	\$ 9,050	\$ 1,697,461	\$ 1,708,222
Restricted for Capital Outlay	0	0	211,809	211,809
Restricted for Hybrid Retirement Stabilization Funds	364,810	0	0	364,810
Committed:				
Committed for Education	0	330,000	0	330,000
Assigned:				
Assigned for Education	10,446	0	0	10,446
Unassigned	10,195,153	0	0	10,195,153
Total Fund Balances	<u>\$ 10,572,120</u>	<u>\$ 339,050</u>	<u>\$ 1,909,801</u>	<u>\$ 12,820,971</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,786,310</u>	<u>\$ 339,242</u>	<u>\$ 1,909,838</u>	<u>\$ 17,035,390</u>

Exhibit H-3

DeKalb County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented DeKalb County School Department  
June 30, 2023

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

Total fund balances - balance sheet - governmental funds (Exhibit H-2)		\$ 12,820,971
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,254,587	
Add: buildings and improvements net of accumulated depreciation	10,697,416	
Add: other capital assets net of accumulated depreciation	<u>1,764,188</u>	13,716,191
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: OPEB liability		(2,637,503)
(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	\$ 4,985,011	
Less: deferred inflows of resources related to pensions	(889,983)	
Add: deferred outflows of resources related to OPEB	855,981	
Less: deferred inflows of resources related to OPEB	<u>(861,183)</u>	4,089,826
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 22,426	
Add: net pension asset - teacher retirement plan	77,275	
Add: net pension asset - teacher legacy pension plan	<u>3,641,296</u>	3,740,997
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>64,828</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 31,795,310</u></u>

Exhibit H-4

DeKalb County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 3,511,918	\$ 0	\$ 0	\$ 3,511,918
Licenses and Permits	1,877	0	0	1,877
Charges for Current Services	21,621	0	104,342	125,963
Other Local Revenues	41,865	0	962,429	1,004,294
State of Tennessee	20,850,186	0	15,924	20,866,110
Federal Government	162,566	5,157,622	2,049,929	7,370,117
Other Governments and Citizens Groups	1,551,012	0	0	1,551,012
<b>Total Revenues</b>	<b>\$ 26,141,045</b>	<b>\$ 5,157,622</b>	<b>\$ 3,132,624</b>	<b>\$ 34,431,291</b>
<u>Expenditures</u>				
Current:				
Instruction	\$ 16,537,332	\$ 2,780,958	\$ 0	\$ 19,318,290
Support Services	8,804,856	2,094,115	0	10,898,971
Operation of Non-Instructional Services	664,277	267,981	3,230,467	4,162,725
Capital Outlay	980,461	0	0	980,461
Debt Service:				
Principal on Debt	140,000	0	0	140,000
<b>Total Expenditures</b>	<b>\$ 27,126,926</b>	<b>\$ 5,143,054</b>	<b>\$ 3,230,467</b>	<b>\$ 35,500,447</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (985,881)	\$ 14,568	\$ (97,843)	\$ (1,069,156)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 8,759	\$ 250,000	\$ 0	\$ 258,759
Transfers Out	(250,000)	(8,759)	0	(258,759)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (241,241)</b>	<b>\$ 241,241</b>	<b>\$ 0</b>	<b>\$ 0</b>
Net Change in Fund Balances	\$ (1,227,122)	\$ 255,809	\$ (97,843)	\$ (1,069,156)
Fund Balance, July 1, 2022	11,799,242	83,241	2,007,644	13,890,127
<b>Fund Balance, June 30, 2023</b>	<b>\$ 10,572,120</b>	<b>\$ 339,050</b>	<b>\$ 1,909,801</b>	<b>\$ 12,820,971</b>



Exhibit H-5

DeKalb County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds (Exhibit H-4)		\$ (1,069,156)
(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	\$ 2,545,220	
Less: current-year depreciation expense	<u>(655,131)</u>	1,890,089
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.		
Less: book value of capital assets disposed		(6,112)
(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, 2023	\$ 64,828	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(64,828)</u>	0
(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	\$ 207,057	
Change in deferred outflows related to OPEB	(137,069)	
Change in deferred inflows related to OPEB	(194,740)	
Change in net pension asset - agent plan	(943,870)	
Change in net pension asset - teacher retirement plan	(182,028)	
Change in net pension asset - teacher legacy pension plan	(8,614,980)	
Change in deferred outflows related to pensions	(491,006)	
Change in deferred inflows related to pensions	<u>11,146,812</u>	<u>790,176</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,604,997</u>

Exhibit H-6

DeKalb County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented DeKalb County School Department  
June 30, 2023

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>	
	<u>Central</u>	<u>Internal</u>	<u>Total</u>	<u>Projects Fund</u>		
	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Nonmajor</u>	
				<u>Capital</u>	<u>Governmental</u>	
				<u>Projects</u>	<u>Funds</u>	
<u>ASSETS</u>						
Cash	\$ 0	\$ 658,565	\$ 658,565	\$ 0	\$ 658,565	
Equity in Pooled Cash and Investments	973,292	0	973,292	211,809	1,185,101	
Inventories	0	531	531	0	531	
Due from Other Governments	65,641	0	65,641	0	65,641	
Total Assets	<u>\$ 1,038,933</u>	<u>\$ 659,096</u>	<u>\$ 1,698,029</u>	<u>\$ 211,809</u>	<u>\$ 1,909,838</u>	
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 37	\$ 37	\$ 0	\$ 37	
Total Liabilities	<u>\$ 0</u>	<u>\$ 37</u>	<u>\$ 37</u>	<u>\$ 0</u>	<u>\$ 37</u>	
<u>FUND BALANCES</u>						
Nonspendable:						
Inventory	\$ 0	\$ 531	\$ 531	\$ 0	\$ 531	
Restricted:						
Restricted for Education	1,038,933	658,528	1,697,461	0	1,697,461	
Restricted for Capital Outlay	0	0	0	211,809	211,809	
Total Fund Balances	<u>\$ 1,038,933</u>	<u>\$ 659,059</u>	<u>\$ 1,697,992</u>	<u>\$ 211,809</u>	<u>\$ 1,909,801</u>	
Total Liabilities and Fund Balances	<u>\$ 1,038,933</u>	<u>\$ 659,096</u>	<u>\$ 1,698,029</u>	<u>\$ 211,809</u>	<u>\$ 1,909,838</u>	

Exhibit H-7

DeKalb County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>Central</u>	<u>Internal</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Nonmajor</u>
				<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 104,342	\$ 0	\$ 104,342	\$ 0	\$ 104,342
Other Local Revenues	6,870	955,559	962,429	0	962,429
State of Tennessee	15,924	0	15,924	0	15,924
Federal Government	2,049,929	0	2,049,929	0	2,049,929
Total Revenues	<u>\$ 2,177,065</u>	<u>\$ 955,559</u>	<u>\$ 3,132,624</u>	<u>\$ 0</u>	<u>\$ 3,132,624</u>
<u>Expenditures</u>					
Current:					
Operation of Non-Instructional Services	\$ 2,345,646	\$ 884,821	\$ 3,230,467	\$ 0	\$ 3,230,467
Total Expenditures	<u>\$ 2,345,646</u>	<u>\$ 884,821</u>	<u>\$ 3,230,467</u>	<u>\$ 0</u>	<u>\$ 3,230,467</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>\$ (168,581)</u>	<u>\$ 70,738</u>	<u>\$ (97,843)</u>	<u>\$ 0</u>	<u>\$ (97,843)</u>
Net Change in Fund Balances	\$ (168,581)	\$ 70,738	\$ (97,843)	\$ 0	\$ (97,843)
Fund Balance, July 1, 2022	<u>1,207,514</u>	<u>588,321</u>	<u>1,795,835</u>	<u>211,809</u>	<u>2,007,644</u>
Fund Balance, June 30, 2023	<u>\$ 1,038,933</u>	<u>\$ 659,059</u>	<u>\$ 1,697,992</u>	<u>\$ 211,809</u>	<u>\$ 1,909,801</u>

Exhibit H-8

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented DeKalb County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 3,511,918	\$ 4,896,451	\$ 3,356,451	\$ 155,467
Licenses and Permits	1,877	1,500	1,500	377
Charges for Current Services	21,621	43,500	43,500	(21,879)
Other Local Revenues	41,865	47,000	61,736	(19,871)
State of Tennessee	20,850,186	19,225,903	22,072,184	(1,221,998)
Federal Government	162,566	280,000	280,000	(117,434)
Other Governments and Citizens Groups	1,551,012	15,000	1,565,737	(14,725)
Total Revenues	\$ 26,141,045	\$ 24,509,354	\$ 27,381,108	\$ (1,240,063)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 12,190,426	\$ 12,920,500	\$ 12,246,000	\$ 55,574
Alternative Instruction Program	121,162	137,105	137,105	15,943
Special Education Program	2,411,785	2,630,000	2,630,000	218,215
Career and Technical Education Program	1,813,959	872,750	2,974,750	1,160,791
<u>Support Services</u>				
Attendance	154,632	185,350	175,850	21,218
Health Services	392,565	423,843	463,843	71,278
Other Student Support	636,278	689,100	722,440	86,162
Regular Instruction Program	681,002	744,079	729,816	48,814
Special Education Program	573,762	584,900	584,900	11,138
Technology	343,315	368,560	368,560	25,245
Other Programs	154,273	0	154,938	665
Board of Education	420,700	481,145	493,545	72,845
Director of Schools	152,848	185,335	185,335	32,487
Office of the Principal	1,542,404	1,567,250	1,616,750	74,346
Fiscal Services	204,325	222,630	224,966	20,641
Operation of Plant	1,442,115	1,412,060	1,412,060	(30,055)
Maintenance of Plant	379,682	369,985	404,425	24,743
Transportation	1,726,955	1,817,450	1,826,950	99,995
<u>Operation of Non-Instructional Services</u>				
Community Services	168,103	0	522,466	354,363
Early Childhood Education	496,174	489,179	517,276	21,102
<u>Capital Outlay</u>				
Regular Capital Outlay	980,461	420,000	1,001,000	20,539
<u>Principal on Debt</u>				
Education	140,000	140,000	140,000	0
Total Expenditures	\$ 27,126,926	\$ 26,661,221	\$ 29,532,975	\$ 2,406,049
Excess (Deficiency) of Revenues Over Expenditures	\$ (985,881)	\$ (2,151,867)	\$ (2,151,867)	\$ 1,165,986
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 10,000	\$ 10,000	\$ (10,000)
Transfers In	8,759	6,000	6,000	2,759
Transfers Out	(250,000)	0	(250,000)	0
Total Other Financing Sources	\$ (241,241)	\$ 16,000	\$ (234,000)	\$ (7,241)
Net Change in Fund Balance	\$ (1,227,122)	\$ (2,135,867)	\$ (2,385,867)	\$ 1,158,745
Fund Balance, July 1, 2022	11,799,242	12,307,672	12,307,672	(508,430)
Fund Balance, June 30, 2023	\$ 10,572,120	\$ 10,171,805	\$ 9,921,805	\$ 650,315

Exhibit H-9

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented DeKalb County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 5,157,622	\$ 11,454,580	\$ 12,042,239	\$ (6,884,617)
Total Revenues	\$ 5,157,622	\$ 11,454,580	\$ 12,042,239	\$ (6,884,617)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,828,262	\$ 5,553,602	\$ 5,792,091	\$ 3,963,829
Special Education Program	852,693	808,271	963,322	110,629
Career and Technical Education Program	100,003	101,192	100,003	0
<u>Support Services</u>				
Health Services	23,630	51,650	53,650	30,020
Other Student Support	160,135	383,188	400,078	239,943
Regular Instruction Program	527,407	2,685,535	2,830,276	2,302,869
Special Education Program	153,253	135,536	164,935	11,682
Career and Technical Education Program	2,278	0	2,278	0
Fiscal Services	46,200	46,200	46,200	0
Operation of Plant	1,180,557	1,184,557	1,184,557	4,000
Maintenance of Plant	0	1,718	1,718	1,718
Transportation	655	64,601	64,601	63,946
<u>Operation of Non-Instructional Services</u>				
Food Service	41,599	56,023	56,023	14,424
Community Services	226,382	373,748	373,748	147,366
Total Expenditures	\$ 5,143,054	\$ 11,445,821	\$ 12,033,480	\$ 6,890,426
Excess (Deficiency) of Revenues Over Expenditures	\$ 14,568	\$ 8,759	\$ 8,759	\$ 5,809
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 250,000	\$ 0	\$ 0	\$ 250,000
Transfers Out	(8,759)	(8,759)	(8,759)	0
Total Other Financing Sources	\$ 241,241	\$ (8,759)	\$ (8,759)	\$ 250,000
Net Change in Fund Balance	\$ 255,809	\$ 0	\$ 0	\$ 255,809
Fund Balance, July 1, 2022	83,241	0	0	83,241
Fund Balance, June 30, 2023	\$ 339,050	\$ 0	\$ 0	\$ 339,050

Exhibit H-10

DeKalb County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented DeKalb County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 104,342	\$ 103,100	\$ 103,100	\$ 1,242
Other Local Revenues	6,870	39,500	39,500	(32,630)
State of Tennessee	15,924	0	0	15,924
Federal Government	2,049,929	2,556,000	2,559,135	(509,206)
Total Revenues	<u>\$ 2,177,065</u>	<u>\$ 2,698,600</u>	<u>\$ 2,701,735</u>	<u>\$ (524,670)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 2,345,646	\$ 2,822,950	\$ 2,826,085	\$ 480,439
Total Expenditures	<u>\$ 2,345,646</u>	<u>\$ 2,822,950</u>	<u>\$ 2,826,085</u>	<u>\$ 480,439</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (168,581)</u>	<u>\$ (124,350)</u>	<u>\$ (124,350)</u>	<u>\$ (44,231)</u>
Net Change in Fund Balance	\$ (168,581)	\$ (124,350)	\$ (124,350)	\$ (44,231)
Fund Balance, July 1, 2022	1,207,514	124,350	124,350	1,083,164
Fund Balance, June 30, 2023	<u>\$ 1,038,933</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,038,933</u>

# MISCELLANEOUS SCHEDULES

Exhibit I-1

DeKalb County, Tennessee  
Schedule of Changes in Long-term Bonds and Notes  
For the Year Ended June 30, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-22	Paid and/or Matured During Period	Outstanding 6-30-23
<b><u>BONDS PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
General Obligation Refunding, Series 2018	\$ 2,615,000	2 to 2.5 %	2-8-18	2-1-25	\$ 1,170,000	\$ 385,000	\$ 785,000
General Obligation Improvement Bonds, Series 2018	1,500,000	2 to 2.5	2-8-18	2-1-25	670,000	215,000	455,000
General Obligation School Bonds, Series 2013	3,000,000	2 to 3.25	10-28-13	10-1-28	1,545,000	200,000	1,345,000
Total Bonds Payable					<u>\$ 3,385,000</u>	<u>\$ 800,000</u>	<u>\$ 2,585,000</u>
<b><u>NOTES PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
School Capital Outlay Notes, Series 2012	3,400,000	1 to 2	9-21-12	3-1-25	\$ 925,000	\$ 300,000	\$ 625,000
Total Notes Payable					<u>\$ 925,000</u>	<u>\$ 300,000</u>	<u>\$ 625,000</u>



Exhibit I-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 815,000	\$ 66,413	\$ 881,413
2025	845,000	45,697	890,697
2026	220,000	25,484	245,484
2027	225,000	18,975	243,975
2028	235,000	11,780	246,780
2029	245,000	3,983	248,983
Total	<u>\$ 2,585,000</u>	<u>\$ 172,332</u>	<u>\$ 2,757,332</u>

Year Ending June 30	Notes		
	Principal	Interest	Total
2024	\$ 310,000	\$ 9,400	\$ 319,400
2025	315,000	3,150	318,150
Total	<u>\$ 625,000</u>	<u>\$ 12,550</u>	<u>\$ 637,550</u>

Exhibit I-3

DeKalb County, Tennessee  
Schedule of Notes Receivable  
For the Year Ended June 30, 2023

Description	Original Amount of Loan	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-22	Retired During Period	Balance 6-30-23
<u>Constitutional Officers - Custodial Fund</u>							
Snow	\$ 18,000	7-13-04	(1)	(2)	\$ 16,400	\$ 0	\$ 16,400
Johnson	12,500	12-19-07	(1)	(2)	11,923	0	11,923
Scott	80,000	5-4-12	(1)	(2)	80,000	0	80,000
Taylor	22,000	5-11-20	(1)	(2)	17,700	700	17,000
Total					<u>\$ 126,023</u>	<u>\$ 700</u>	<u>\$ 125,323</u>

(1) Five years after borrower begins his/her practice according to the individual court order authorizing each loan.

(2) Two percent below prime interest rate as published in the *Wall Street Journal*.

Exhibit I-4

DeKalb County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Local Purpose Tax	General Debt Service	Debt retirement	\$ 409,950
Other Special Revenue Fund - ARP	Highway/Public Works	Reimbursement	<u>1,000,001</u>
Total Transfers Primary Government			<u>\$ 1,409,951</u>
<u>DISCRETELY PRESENTED DEKALB COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 8,759
General Purpose School	School Federal Projects	Cash flow	<u>250,000</u>
Total Transfers Discretely Presented DeKalb County School Department			<u>\$ 258,759</u>

DeKalb County, Tennessee  
 Schedule of Salaries and Official Bonds of Principal Officials  
 Primary Government and Discretely Presented Dekalb County School Department  
 For the Year Ended June 30, 2023

Official	Authorization	Bond	Surety
<b>County Mayor - Tim Stribling (7/1/22-8/31/22)</b>	Section 8-24-102, TCA	\$ (1)	Local Government Insurance Pool
Base salary			
Chairman of Roads	Private Act of 1979		
Total compensation			
<b>County Mayor - Matt Adcock (9/1/22-6/30/23)</b>			
Base salary	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Additional pay approved by county commission			
Chairman of Roads	Private Act of 1979		
Total compensation			
Total County Mayor's Compensation			
<b>Road Supervisor</b>	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Base salary			
Additional pay approved by county commission			
Total compensation			
<b>Director of Schools</b>	State Board of Education and County Board of Education	100,000	Cincinnati Insurance Company
Base salary			
Chief executive officer training supplement			
Total compensation			
<b>Trustee</b>	Section 8-24-102, TCA	899,041	Cincinnati Insurance Company
Base salary			
Additional pay approved by county commission			
Total compensation			
<b>Assessor of Property</b>	Section 8-24-102, TCA	50,000	RLI Insurance Company
Base salary			
Additional pay approved by county commission			
Total compensation			
<b>County Clerk</b>	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Base salary			
Additional pay approved by the commission			
Total compensation			
<b>Circuit, General Sessions and Juvenile Courts Clerk</b>	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Base salary			
Additional pay approved by county commission			
Total compensation			
<b>Clerk and Master</b>	Section 8-24-102, TCA and Chancery Court Judge	150,000	RLI Insurance Company
Base salary			
Additional pay approved by county commission			
Special commissioner fees			
Total compensation			
<b>Register of Deeds- Jeff McMillian (7/1/22-8/31/22)</b>	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Base salary/Total compensation			
<b>Register of Deeds - Daniel Seber (9/1/22-6/30/23)</b>		(1)	Local Government Insurance Pool
Base salary			
Additional pay approved by county commission			
Total compensation			
Total Register of Deeds Compensation			
<b>Sheriff</b>	Section 8-24-102, TCA	(1)	Local Government Insurance Pool
Base salary			
Additional pay approved by county commission			
Law enforcement training supplement			
Total compensation			
Employee Blanket Bonds:			
Employee Fidelity - County Departments		400,000	Local Government Insurance Pool
Employee Fidelity - School Department		400,000	Tennessee Risk Management Trust

(1) Official is under the employee fidelity insurance coverage.

Exhibit I-6

DeKalb County, Tennessee  
 Schedule of Detailed Revenues -  
All Governmental Fund Types  
 For the Year Ended June 30, 2023

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 6,269,163	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	127,446	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	54,326	0	0	0	0	0
Interest and Penalty	25,655	0	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	107	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	117,750	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	1,024,771	4,415,644	0	0
Hotel/Motel Tax	295,020	0	0	0	0	0
Litigation Tax - General	448	56,557	0	0	0	0
Litigation Tax - Special Purpose	12,229	4,252	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	23,494	0	0	0	0
Litigation Tax - Courthouse Security	54,043	0	0	0	0	0
Business Tax	245,363	0	0	0	0	0
Mixed Drink Tax	39,437	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	1,047	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	130,249	0	0	0
Wholesale Beer Tax	0	0	98,197	0	0	0
Total Local Taxes	\$ 7,124,177	\$ 84,303	\$ 1,371,074	\$ 4,415,644	\$ 0	\$ 0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 58,752	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit I-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 3,081	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 61,833	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 6,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	3,271	0	0	0	0	0
Drug Control Fines	0	0	0	0	4,346	0
Drug Court Fees	654	0	0	0	0	0
Veterans Treatment Court Fees	441	0	0	0	0	0
Jail Fees	745	0	0	0	0	0
DUI Treatment Fines	712	0	0	0	0	0
Data Entry Fee - Circuit Court	825	0	0	0	0	0
Courtroom Security Fee	21	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	5,192	0	0	0	0	0
Officers Costs	14,211	0	0	0	0	0
Game and Fish Fines	554	0	0	0	0	0
Drug Control Fines	0	0	0	0	546	0
Drug Court Fees	830	0	0	0	0	0
Veterans Treatment Court Fees	522	0	0	0	0	0
Jail Fees	2,679	0	0	0	0	0
DUI Treatment Fines	2,371	0	0	0	0	0
Data Entry Fee - General Sessions Court	8,664	0	0	0	0	0
Courtroom Security Fee	618	0	0	0	0	0

(Continued)

Exhibit I-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 3,156	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	2,397	0	0	0	0	0
Data Entry Fee - Juvenile Court	564	0	0	0	0	0
Courtroom Security Fee	93	0	0	0	0	0
<u>Chancery Court</u>						
Data Entry Fee - Chancery Court	2,082	0	0	0	0	0
Courtroom Security Fee	17	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	4,430	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	35,813	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 61,849</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 40,705</b>	<b>\$ 0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Residential Waste Collection Charge	\$ 0	\$ 0	\$ 22,200	\$ 0	\$ 0	0
Tipping Fees	0	0	827,649	0	0	0
Surcharge - Waste Tire Disposal	0	0	11,625	0	0	0
Patient Charges	1,430,165	0	0	0	0	0
Other General Service Charges	1,574	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	6,575	0	0	0	0	0
Recreation Fees	54,570	0	0	0	0	0
Copy Fees	680	0	0	0	0	0
Library Fees	9,007	0	0	0	0	0

(Continued)

Exhibit I-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Telephone Commissions	\$ 5,967	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Additional Fees - Titling and Registration	19,407	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	9,414	0	0	0	0	0
Data Processing Fee - Sheriff	1,070	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,750	0	0	0	0	0
Data Processing Fee - County Clerk	8,421	0	0	0	0	0
Vehicle Registration Reinstatement Fees	2,665	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 1,553,265</b>	<b>\$ 0</b>	<b>\$ 861,474</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 355,722	\$ 0	\$ 0	\$ 0	\$ 0	\$ 37,254
Lease/Rentals	55,005	0	0	0	0	0
Commissary Sales	11,328	0	0	0	0	0
Sale of Recycled Materials	0	0	31,641	0	0	0
Cobra Insurance Payments	0	0	0	0	0	0
Miscellaneous Refunds	47,238	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	54,360	0	51,244	0	69,051	0
Contributions and Gifts	21,442	0	0	0	500	0
<b>Total Other Local Revenues</b>	<b>\$ 545,095</b>	<b>\$ 0</b>	<b>\$ 82,885</b>	<b>\$ 0</b>	<b>\$ 69,551</b>	<b>\$ 37,254</b>

(Continued)



Exhibit I-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
Trustee	\$ 391,200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	246,229	0	0	0	0	0
Circuit Court Clerk	51,202	0	0	0	0	0
General Sessions Court Clerk	125,560	0	0	0	0	0
Clerk and Master	64,303	0	0	0	0	0
Juvenile Court Clerk	10,127	0	0	0	0	0
Register	145,590	0	0	0	0	0
Sheriff	13,348	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,047,559	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	8,125	0	0	0	0	0
Other General Government Grants	149,620	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	8,386	0	0	0	0	0
Drug Control Grants	150,434	0	0	0	0	0
Other Public Safety Grants	19,810	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	55,324	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	0
Litter Program	110,925	0	0	0	0	0

(Continued)

Exhibit I-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	Other Special Revenue
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Flood Control	\$ 312,426	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Tax	99	0	0	0	0	0
Beer Tax	0	0	19,200	0	0	0
Vehicle Certificate of Title Fees	2,233	0	0	0	0	0
Alcoholic Beverage Tax	0	0	59,459	0	0	0
Opioid Settlement Funds - TN Abatement Council	119,163	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	479,219	0	0	0
State Revenue Sharing - Telecommunications	53,204	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	21,886	0	0	0	0	0
Contracted Prisoner Boarding	139,963	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	26,994	0	0	0	0	0
Other State Grants	34,091	0	0	0	0	0
Other State Revenues	9,053	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 1,230,736</b>	<b>\$ 0</b>	<b>\$ 557,878</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 237,062	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Medicaid	83,997	0	0	0	0	0
COVID-19 Grant E	259,167	0	0	0	0	0
American Rescue Plan Act Grant #2	65,130	0	0	0	0	0
Other Federal through State	205,658	0	0	0	0	0

(Continued)

Exhibit I-6

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

	Special Revenue Funds					Other Special Revenue
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Local Purpose Tax	Drug Control	
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue</u>						
American Rescue Plan Act Grant #6	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,830,258
Other Direct Federal Revenue	3,442	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 854,456</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,830,258</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 135,088	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other</u>						
Opioid Settlement Funds - Past Remediation	85,184	0	0	0	0	0
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 220,272</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total</b>	<b>\$ 12,699,242</b>	<b>\$ 84,303</b>	<b>\$ 2,873,311</b>	<b>\$ 4,415,644</b>	<b>\$ 110,256</b>	<b>\$ 1,867,512</b>

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 207,061	\$ 671,849	\$ 464,593	\$ 7,612,666
Trustee's Collections - Prior Year	0	4,200	13,660	9,447	154,753
Circuit Clerk/Clerk and Master Collections - Prior Years	0	1,559	5,821	4,028	65,734
Interest and Penalty	0	847	2,749	1,904	31,155
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	107
Payments in-Lieu-of Taxes - Other	0	0	0	0	117,750
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	5,440,415
Hotel/Motel Tax	0	0	0	0	295,020
Litigation Tax - General	0	0	0	0	57,005
Litigation Tax - Special Purpose	0	0	0	0	16,481
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	23,494
Litigation Tax - Courthouse Security	0	0	0	0	54,043
Business Tax	0	0	0	0	245,363
Mixed Drink Tax	0	0	0	0	39,437
Mineral Severance Tax	0	38,532	0	0	38,532
Other County Local Option Taxes	0	0	0	0	1,047
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	130,249
Wholesale Beer Tax	0	0	0	0	98,197
Total Local Taxes	\$ 0	\$ 252,199	\$ 694,079	\$ 479,972	\$ 14,421,448
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 58,752

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	3,081
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	61,833
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	6,800
Officers Costs	0	0	0	0	3,271
Drug Control Fines	0	0	0	0	4,346
Drug Court Fees	0	0	0	0	654
Veterans Treatment Court Fees	0	0	0	0	441
Jail Fees	0	0	0	0	745
DUI Treatment Fines	0	0	0	0	712
Data Entry Fee - Circuit Court	0	0	0	0	825
Courtroom Security Fee	0	0	0	0	21
<u>General Sessions Court</u>					
Fines	0	0	0	0	5,192
Officers Costs	0	0	0	0	14,211
Game and Fish Fines	0	0	0	0	554
Drug Control Fines	0	0	0	0	546
Drug Court Fees	0	0	0	0	830
Veterans Treatment Court Fees	0	0	0	0	522
Jail Fees	0	0	0	0	2,679
DUI Treatment Fines	0	0	0	0	2,371
Data Entry Fee - General Sessions Court	0	0	0	0	8,664
Courtroom Security Fee	0	0	0	0	618

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Juvenile Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	3,156
Officers Costs	0	0	0	0	2,397
Data Entry Fee - Juvenile Court	0	0	0	0	564
Courtroom Security Fee	0	0	0	0	93
<u>Chancery Court</u>					
Data Entry Fee - Chancery Court	0	0	0	0	2,082
Courtroom Security Fee	0	0	0	0	17
<u>Other Courts - In-county</u>					
Fines	0	0	0	0	4,430
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	35,813
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>102,554</b>
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Residential Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	22,200
Tipping Fees	0	0	0	0	827,649
Surcharge - Waste Tire Disposal	0	0	0	0	11,625
Patient Charges	0	0	0	0	1,430,165
Other General Service Charges	0	0	0	0	1,574
<u>Fees</u>					
Subdivision Lot Fees	0	0	0	0	6,575
Recreation Fees	0	0	0	0	54,570
Copy Fees	0	0	0	0	680
Library Fees	0	0	0	0	9,007

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	5,967
Additional Fees - Titling and Registration	0	0	0	0	19,407
Constitutional Officers' Fees and Commissions	167,532	0	0	0	167,532
Data Processing Fee - Register	0	0	0	0	9,414
Data Processing Fee - Sheriff	0	0	0	0	1,070
Sexual Offender Registration Fee - Sheriff	0	0	0	0	3,750
Data Processing Fee - County Clerk	0	0	0	0	8,421
Vehicle Registration Reinstatement Fees	0	0	0	0	2,665
Total Charges for Current Services	\$ 167,532	\$ 0	\$ 0	\$ 0	2,582,271
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	392,976
Lease/Rentals	0	0	0	0	55,005
Commissary Sales	0	0	0	0	11,328
Sale of Recycled Materials	0	20,883	0	0	52,524
Cobra Insurance Payments	0	162	0	0	162
Miscellaneous Refunds	0	8,860	0	2,000	58,098
<u>Nonrecurring Items</u>					
Sale of Equipment	0	0	0	0	174,655
Contributions and Gifts	0	0	0	0	21,942
Total Other Local Revenues	\$ 0	\$ 29,905	\$ 0	\$ 2,000	766,690

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu - tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>Fees Received From County Officials</u>					
<u>Excess Fees</u>					
Trustee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 391,200
<u>Fees In-Lieu-of Salary</u>					
County Clerk	0	0	0	0	246,229
Circuit Court Clerk	0	0	0	0	51,202
General Sessions Court Clerk	0	0	0	0	125,560
Clerk and Master	0	0	0	0	64,303
Juvenile Court Clerk	0	0	0	0	10,127
Register	0	0	0	0	145,590
Sheriff	0	0	0	0	13,348
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,047,559
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
Aging Programs	0	0	0	0	8,125
Other General Government Grants	0	0	0	0	149,620
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	8,386
Drug Control Grants	0	0	0	0	150,434
Other Public Safety Grants	0	0	0	0	19,810
<u>Health and Welfare Grants</u>					
Other Health and Welfare Grants	0	0	0	0	55,324
<u>Public Works Grants</u>					
Bridge Program	0	1,364,072	0	0	1,364,072
Litter Program	0	0	0	0	110,925

(Continued)



Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues</u>					
Flood Control	\$ 0	\$ 0	\$ 0	\$ 0	\$ 312,426
Income Tax	0	0	0	0	99
Beer Tax	0	0	0	0	19,200
Vehicle Certificate of Title Fees	0	0	0	0	2,233
Alcoholic Beverage Tax	0	0	0	0	59,459
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	119,163
State Revenue Sharing - T.V.A.	0	0	0	0	479,219
State Revenue Sharing - Telecommunications	0	0	0	0	53,204
State Shared Sports Gaming Privilege Tax	0	0	0	0	21,886
Contracted Prisoner Boarding	0	0	0	0	139,963
Gasoline and Motor Fuel Tax	0	2,180,526	0	0	2,180,526
Petroleum Special Tax	0	13,305	0	0	13,305
Registrar's Salary Supplement	0	0	0	0	26,994
Other State Grants	0	0	0	0	34,091
Other State Revenues	0	0	0	0	9,053
Total State of Tennessee	\$ 0	\$ 3,557,903	\$ 0	\$ 0	\$ 5,346,517
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	255,875	\$ 492,937
Medicaid	0	0	0	0	83,997
COVID-19 Grant E	0	0	0	0	259,167
American Rescue Plan Act Grant #2	0	0	0	0	65,130
Other Federal through State	0	0	0	0	205,658

(Continued)

Exhibit I-6

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	
	Constitu - tional - Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Total
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
American Rescue Plan Act Grant #6	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,830,258
Other Direct Federal Revenue	0	0	0	0	3,442
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 255,875	\$ 2,940,589
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 0	\$ 140,000	\$ 0	\$ 275,088
<u>Other</u>					
Opioid Settlement Funds - Past Remediation	0	0	0	0	85,184
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 140,000	\$ 0	\$ 360,272
Total	\$ 167,532	\$ 3,840,007	\$ 834,079	\$ 737,847	\$ 27,629,733

Exhibit I-7

DeKalb County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

	Special Revenue Funds				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,365,127	\$ 0	\$ 0	\$ 0	\$ 3,365,127
Trustee's Collections - Prior Year	68,271	0	0	0	68,271
Circuit Clerk/Clerk and Master Collections - Prior Years	25,336	0	0	0	25,336
Interest and Penalty	13,747	0	0	0	13,747
<u>County Local Option Taxes</u>					
Mixed Drink Tax	39,437	0	0	0	39,437
<b>Total Local Taxes</b>	<b>\$ 3,511,918</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,511,918</b>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 1,877	\$ 0	\$ 0	\$ 0	\$ 1,877
<b>Total Licenses and Permits</b>	<b>\$ 1,877</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,877</b>
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Tuition - Regular Day Students	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 3,000
Lunch Payments - Adults	0	0	40,863	0	40,863
A la Carte Sales	0	0	63,479	0	63,479
Receipts from Individual Schools	18,046	0	0	0	18,046
Other Charges for Services	575	0	0	0	575
<b>Total Charges for Current Services</b>	<b>\$ 21,621</b>	<b>\$ 0</b>	<b>\$ 104,342</b>	<b>\$ 0</b>	<b>\$ 125,963</b>

(Continued)

Exhibit I-7

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 21,671	\$ 0	\$ 6,870	\$ 0	\$ 28,541
Miscellaneous Refunds	622	0	0	0	622
<u>Nonrecurring Items</u>					
Sale of Equipment	4,836	0	0	0	4,836
Contributions and Gifts	14,736	0	0	0	14,736
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	955,559	955,559
<b>Total Other Local Revenues</b>	<b>\$ 41,865</b>	<b>\$ 0</b>	<b>\$ 6,870</b>	<b>\$ 955,559</b>	<b>\$ 1,004,294</b>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 54,938	\$ 0	\$ 0	\$ 0	\$ 54,938
<u>State Education Funds</u>					
Basic Education Program	18,584,648	0	0	0	18,584,648
Early Childhood Education	467,766	0	0	0	467,766
School Food Service	0	0	15,924	0	15,924
Other State Education Funds	704,524	0	0	0	704,524
Career Ladder Program	22,613	0	0	0	22,613
Other Vocational	913,697	0	0	0	913,697
<u>Other State Revenues</u>					
Other State Grants	102,000	0	0	0	102,000
<b>Total State of Tennessee</b>	<b>\$ 20,850,186</b>	<b>\$ 0</b>	<b>\$ 15,924</b>	<b>\$ 0</b>	<b>\$ 20,866,110</b>

(Continued)

Exhibit I-7

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,244,608	\$ 0	\$ 1,244,608
USDA - Commodities	0	0	167,620	0	167,620
Breakfast	0	0	508,447	0	508,447
USDA - Other	0	0	129,254	0	129,254
Vocational Education - Basic Grants to States	0	117,942	0	0	117,942
Title I Grants to Local Education Agencies	0	898,820	0	0	898,820
Special Education - Grants to States	0	832,004	0	0	832,004
Special Education Preschool Grants	0	21,630	0	0	21,630
English Language Acquisition Grants	0	26,066	0	0	26,066
Rural Education	0	101,348	0	0	101,348
Eisenhower Professional Development State Grants	0	86,074	0	0	86,074
COVID-19 Grant B	0	1,863,341	0	0	1,863,341
COVID-19 Grant D	0	63,000	0	0	63,000
American Rescue Plan Act Grant #1	0	760,660	0	0	760,660
American Rescue Plan Act Grant #2	0	101,277	0	0	101,277
American Rescue Plan Act Grant #3	0	6,410	0	0	6,410
American Rescue Plan Act Grant #4	0	2,972	0	0	2,972
Other Federal through State	0	276,078	0	0	276,078
<u>Direct Federal Revenue</u>					
Public Law 874 - Maintenance and Operation	162,566	0	0	0	162,566
<b>Total Federal Government</b>	<b>\$ 162,566</b>	<b>\$ 5,157,622</b>	<b>\$ 2,049,929</b>	<b>\$ 0</b>	<b>\$ 7,370,117</b>

(Continued)

Exhibit I-7

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 1,540,000	\$ 0	\$ 0	\$ 0	\$ 1,540,000
<u>Citizens Groups</u>					
Donations	11,012	0	0	0	11,012
Total Other Governments and Citizens Groups	<u>\$ 1,551,012</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,551,012</u>
Total	<u>\$ 26,141,045</u>	<u>\$ 5,157,622</u>	<u>\$ 2,177,065</u>	<u>\$ 955,559</u>	<u>\$ 34,431,291</u>

Exhibit I-8

DeKalb County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2023

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	63,000	
Social Security		3,894	
Pensions		1,294	
Unemployment Compensation		1	
Employer Medicare		911	
Audit Services		8,434	
Fiscal Agent Charges		22,500	
Legal Notices, Recording, and Court Costs		4,758	
Travel		626	
Tax Relief Program		19,947	
Other Charges		64	
Total County Commission			\$ 125,429

Board of Equalization

Board and Committee Members Fees	\$	925	
Total Board of Equalization			925

Beer Board

Board and Committee Members Fees	\$	725	
Social Security		17	
Pensions		3	
Employer Medicare		4	
Total Beer Board			749

County Mayor/Executive

County Official/Administrative Officer	\$	98,828	
Assistant(s)		98,828	
Other Salaries and Wages		825	
Social Security		11,765	
Pensions		10,738	
Employee and Dependent Insurance		15,608	
Unemployment Compensation		38	
Employer Medicare		2,751	
Data Processing Services		18,740	
Maintenance and Repair Services - Vehicles		170	
Gasoline		1,344	
Office Supplies		5,654	
Other Charges		840	
Total County Mayor/Executive			266,129

County Attorney

County Official/Administrative Officer	\$	24,000	
Total County Attorney			24,000

Election Commission

County Official/Administrative Officer	\$	77,008	
Part-time Personnel		792	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Other Salaries and Wages	\$	40,817	
Election Commission		3,825	
Election Workers		30,451	
Social Security		6,604	
Pensions		6,374	
Employee and Dependent Insurance		10,800	
Unemployment Compensation		42	
Employer Medicare		1,544	
Advertising		4,526	
Communication		467	
Printing, Stationery, and Forms		182	
Other Contracted Services		25,373	
Office Supplies		4,229	
Other Supplies and Materials		164	
Liability Insurance		3,125	
Other Charges		7,082	
Other Equipment		149,620	
Total Election Commission			\$ 373,025

Register of Deeds

County Official/Administrative Officer	\$	85,565	
Assistant(s)		59,889	
Social Security		8,991	
Pensions		7,507	
Unemployment Compensation		77	
Employer Medicare		2,103	
Other Contracted Services		3,060	
Office Supplies		1,649	
Data Processing Equipment		8,348	
Other Equipment		2,489	
Total Register of Deeds			179,678

Planning

Board and Committee Members Fees	\$	7,938	
Social Security		116	
Pensions		8	
Employer Medicare		27	
Other Contracted Services		8,062	
Refunds		50	
Total Planning			16,201

County Buildings

Custodial Personnel	\$	54,164	
Part-time Personnel		12,330	
Social Security		3,978	
Pensions		2,803	
Employee and Dependent Insurance		8,100	

(Continued)



Exhibit I-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Unemployment Compensation	\$	70	
Employer Medicare		930	
Maintenance and Repair Services - Buildings		100,381	
Utilities		109,352	
Other Construction		339,264	
Total County Buildings			\$ 631,372

Other Facilities

Supervisor/Director	\$	35,081	
Part-time Personnel		62,832	
Other Salaries and Wages		7,470	
Social Security		5,959	
Pensions		1,898	
Employee and Dependent Insurance		5,400	
Unemployment Compensation		128	
Employer Medicare		1,394	
Office Supplies		284	
Other Supplies and Materials		2,836	
Other Charges		8,988	
Other Equipment		9,997	
Total Other Facilities			142,267

Other General Administration

Other Salaries and Wages	\$	6,750	
Social Security		388	
Pensions		365	
Unemployment Compensation		2	
Employer Medicare		91	
Communication		47,644	
Dues and Memberships		12,768	
Lease Payments		12,659	
Postal Charges		38,752	
Office Supplies		3,984	
Periodicals		45	
Liability Insurance		322,418	
Premiums on Corporate Surety Bonds		5,137	
Workers' Compensation Insurance		279,420	
Other Charges		565	
Total Other General Administration			730,988

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	85,565	
Deputy(ies)		133,153	
Social Security		13,253	
Pensions		11,732	
Employee and Dependent Insurance		9,900	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Unemployment Compensation	\$	90	
Employer Medicare		3,099	
Data Processing Services		7,799	
Dues and Memberships		1,395	
Maintenance and Repair Services - Vehicles		139	
Travel		1,350	
Other Contracted Services		15,320	
Gasoline		546	
Office Supplies		992	
Total Property Assessor's Office			\$ 284,333

County Trustee's Office

County Official/Administrative Officer	\$	85,565	
Assistant(s)		78,719	
Social Security		9,594	
Pensions		8,888	
Employee and Dependent Insurance		10,800	
Unemployment Compensation		42	
Employer Medicare		2,244	
Data Processing Services		19,936	
Legal Notices, Recording, and Court Costs		311	
Maintenance and Repair Services - Records		7,080	
Office Supplies		1,401	
Total County Trustee's Office			224,580

County Clerk's Office

County Official/Administrative Officer	\$	85,565	
Deputy(ies)		153,160	
Social Security		13,480	
Pensions		12,915	
Employee and Dependent Insurance		16,200	
Unemployment Compensation		83	
Employer Medicare		3,153	
Contracts with Private Agencies		17,891	
Travel		966	
Office Supplies		3,929	
Other Charges		4,006	
Data Processing Equipment		8,039	
Total County Clerk's Office			319,387

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	85,565	
Deputy(ies)		137,251	
Jury and Witness Expense		6,965	
Social Security		13,310	
Pensions		11,822	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Employee and Dependent Insurance	\$	10,275	
Unemployment Compensation		84	
Employer Medicare		3,113	
Data Processing Services		24,750	
Other Contracted Services		2,030	
Office Supplies		6,926	
Other Charges		2,000	
Total Circuit Court			\$ 304,091

General Sessions Court

County Official/Administrative Officer	\$	117,345	
Secretary(ies)		10,680	
Attendants		98,747	
Social Security		13,692	
Pensions		11,690	
Employee and Dependent Insurance		11,700	
Unemployment Compensation		69	
Employer Medicare		3,202	
Travel		1,503	
Office Supplies		1,913	
Other Charges		1,075	
Total General Sessions Court			271,616

Drug Court

Other Salaries and Wages	\$	114,576	
Social Security		6,899	
Pensions		6,034	
Employee and Dependent Insurance		8,100	
Unemployment Compensation		83	
Employer Medicare		1,614	
Communication		3,180	
Travel		11,454	
Other Contracted Services		22,911	
Drugs and Medical Supplies		6,714	
Office Supplies		1,374	
Other Charges		14,165	
Total Drug Court			197,104

Chancery Court

County Official/Administrative Officer	\$	85,565	
Secretary(ies)		38,847	
Part-time Personnel		3,031	
Social Security		6,872	
Pensions		6,731	
Employee and Dependent Insurance		10,800	
Unemployment Compensation		51	
Employer Medicare		1,607	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Data Processing Services	\$	13,125	
Office Supplies		2,862	
Other Charges		1,560	
Total Chancery Court			\$ 171,051

Juvenile Court

Youth Service Officer(s)	\$	43,990	
Social Security		2,727	
Pensions		2,380	
Unemployment Compensation		21	
Employer Medicare		638	
Contracts with Other Public Agencies		1,050	
Other Charges		145	
Total Juvenile Court			50,951

Judicial Commissioners

County Official/Administrative Officer	\$	46,102	
Social Security		2,858	
Unemployment Compensation		72	
Employer Medicare		668	
Dues and Memberships		400	
Travel		590	
Office Supplies		1,009	
Total Judicial Commissioners			51,699

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	94,922	
Deputy(ies)		1,222,812	
Overtime Pay		105,200	
In-service Training		20,920	
Social Security		86,081	
Pensions		76,545	
Employee and Dependent Insurance		71,086	
Unemployment Compensation		525	
Employer Medicare		20,132	
Communication		35,826	
Contracts with Private Agencies		1,155	
Contributions		1,500	
Lease Payments		2,397	
Maintenance and Repair Services - Vehicles		96,108	
Travel		9,068	
Gasoline		126,588	
Law Enforcement Supplies		5,018	
Office Supplies		8,703	
Uniforms		13,434	
Utilities		70,073	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Supplies and Materials	\$	9,368	
Other Charges		15,539	
Data Processing Equipment		16,641	
Motor Vehicles		27,674	
Total Sheriff's Department			\$ 2,137,315

Special Patrols

Laborers	\$	42,919	
Other Salaries and Wages		4,361	
Social Security		2,842	
Pensions		2,562	
Unemployment Compensation		22	
Employer Medicare		679	
Gasoline		3,215	
Instructional Supplies and Materials		8,837	
Total Special Patrols			65,437

Traffic Control

Part-time Personnel	\$	3,300	
Other Salaries and Wages		17,691	
Social Security		852	
Unemployment Compensation		39	
Employer Medicare		199	
Total Traffic Control			22,081

Correctional Incentive Program Improvements

Other Salaries and Wages	\$	881,590	
Social Security		53,641	
Pensions		59,269	
Employee and Dependent Insurance		31,950	
Unemployment Compensation		563	
Employer Medicare		12,531	
Contracts with Private Agencies		387,488	
Medical and Dental Services		57,253	
Food Supplies		231,348	
Other Supplies and Materials		20,393	
Other Charges		57,850	
Total Correctional Incentive Program Improvements			1,793,876

Fire Prevention and Control

Part-time Personnel	\$	33,266	
In-service Training		11,387	
Social Security		2,024	
Unemployment Compensation		78	
Employer Medicare		482	
Communication		4,413	
Forest Resource Services		1,500	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Maintenance and Repair Services - Buildings	\$	13,824	
Maintenance and Repair Services - Equipment		27,507	
Equipment and Machinery Parts		27,735	
Gasoline		17,642	
Instructional Supplies and Materials		999	
Utilities		21,518	
Other Supplies and Materials		5,629	
Liability Insurance		2,645	
In Service/Staff Development		55,650	
Other Charges		18,813	
Communication Equipment		4,817	
Law Enforcement Equipment		19,810	
Other Equipment		33,925	
Total Fire Prevention and Control			\$ 303,664

Civil Defense

Other Salaries and Wages	\$	5,400	
Social Security		335	
Unemployment Compensation		16	
Employer Medicare		78	
Communication		3,567	
Maintenance and Repair Services - Vehicles		1,321	
Other Charges		2,638	
Total Civil Defense			13,355

Other Emergency Management

Contributions	\$	160,000	
Liability Insurance		6,888	
Communication Equipment		153	
Total Other Emergency Management			167,041

County Coroner/Medical Examiner

Evaluation and Testing	\$	45,200	
Medical and Dental Services		6,600	
Other Contracted Services		8,800	
Total County Coroner/Medical Examiner			60,600

Public Safety Grants Program

Guards	\$	42,716	
Social Security		2,648	
Pensions		2,133	
Unemployment Compensation		32	
Employer Medicare		619	
Motor Vehicles		25,210	
Total Public Safety Grants Program			73,358

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety

Part-time Personnel	\$	4,100	
Social Security		246	
Employer Medicare		58	
Contributions		40,821	
Travel		210	
Total Other Public Safety			\$ 45,435

Public Health and Welfare

Local Health Center

Social Workers	\$	34,489	
Medical Personnel		14,710	
Custodial Personnel		7,986	
Social Security		3,462	
Pensions		796	
Employee and Dependent Insurance		2,025	
Unemployment Compensation		44	
Employer Medicare		810	
Advertising		84	
Communication		4,595	
Contracts with Government Agencies		10,478	
Custodial Supplies		444	
Drugs and Medical Supplies		300	
Office Supplies		488	
Utilities		11,511	
Other Supplies and Materials		252	
Workers' Compensation Insurance		158	
Other Charges		7,432	
Total Local Health Center			100,064

Rabies and Animal Control

Contracts with Other Public Agencies	\$	1,980	
Contributions		36,805	
Total Rabies and Animal Control			38,785

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	58,258	
Medical Personnel		786,664	
Secretary(ies)		41,927	
Part-time Personnel		132,100	
Overtime Pay		195,893	
In-service Training		9,845	
Social Security		73,516	
Pensions		57,057	
Employee and Dependent Insurance		42,316	
Unemployment Compensation		518	
Employer Medicare		17,193	
Advertising		60	

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Communication	\$	9,555	
Lease Payments		4,883	
Licenses		3,387	
Maintenance and Repair Services - Buildings		1,720	
Maintenance and Repair Services - Equipment		8,455	
Maintenance and Repair Services - Vehicles		54,094	
Travel		135	
Disposal Fees		540	
Other Contracted Services		81,226	
Custodial Supplies		2,050	
Diesel Fuel		66,797	
Drugs and Medical Supplies		63,970	
Instructional Supplies and Materials		2,460	
Office Supplies		6,393	
Uniforms		5,296	
Utilities		9,207	
Other Supplies and Materials		6,335	
Refunds		4,083	
Other Charges		4,499	
Total Ambulance/Emergency Medical Services			\$ 1,750,432

Alcohol and Drug Programs

Travel	\$	15,848	
Other Contracted Services		83,989	
Office Supplies		23,968	
Other Supplies and Materials		20,750	
Other Charges		2,919	
Total Alcohol and Drug Programs			147,474

Regional Mental Health Center

Contributions	\$	7,180	
Total Regional Mental Health Center			7,180

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Clerical Personnel	\$	29,557	
Other Salaries and Wages		21,386	
Social Security		2,954	
Pensions		2,211	
Employee and Dependent Insurance		6,750	
Unemployment Compensation		45	
Employer Medicare		691	
Other Supplies and Materials		90	
Other Charges		50	
Total Senior Citizens Assistance			63,734

(Continued)



Exhibit I-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries

Librarians	\$	44,494	
Clerical Personnel		59,896	
Part-time Personnel		47,136	
Social Security		9,366	
Pensions		5,647	
Unemployment Compensation		174	
Employer Medicare		2,190	
Communication		5,683	
Library Books/Media		11,400	
Periodicals		1,499	
Utilities		10,447	
Other Supplies and Materials		12,485	
Other Equipment		1,490	
Total Libraries			\$ 211,907

Parks and Fair Boards

Other Charges	\$	9,000	
Total Parks and Fair Boards			9,000

Other Social, Cultural, and Recreational

Other Charges	\$	10,871	
Total Other Social, Cultural, and Recreational			10,871

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	15,810	
Supervisor/Director		14,832	
Clerical Personnel		5,697	
Other Fringe Benefits		13,601	
Travel		1,000	
Other Supplies and Materials		2,000	
Total Agricultural Extension Service			52,940

Soil Conservation

Secretary(ies)	\$	33,972	
Other Salaries and Wages		16,067	
Social Security		2,940	
Pensions		2,573	
Employee and Dependent Insurance		5,400	
Unemployment Compensation		42	
Employer Medicare		688	
Total Soil Conservation			61,682

Other Operations

Industrial Development

Other Charges	\$	40	
Total Industrial Development			40

(Continued)

Exhibit I-8

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

General Fund (Cont.)

Other Operations (Cont.)

Housing and Urban Development

Other Contracted Services	\$ 237,062	
Total Housing and Urban Development		\$ 237,062

Other Economic and Community Development

Contributions	\$ 25,000	
Travel	700	
Other Charges	25,285	
Total Other Economic and Community Development		50,985

Veterans' Services

Supervisor/Director	\$ 13,396	
Social Security	831	
Unemployment Compensation	24	
Employer Medicare	194	
Office Supplies	4,520	
Total Veterans' Services		18,965

Other Charges

Contributions	\$ 12,000	
Trustee's Commission	162,457	
Total Other Charges		174,457

Contributions to Other Agencies

Contributions	\$ 19,717	
Total Contributions to Other Agencies		19,717

Employee Benefits

Employee and Dependent Insurance	\$ 9,720	
Total Employee Benefits		9,720

COVID-19 Grant E

Maintenance and Repair Services - Buildings	\$ 27,700	
Law Enforcement Supplies	95,030	
Motor Vehicles	136,437	
Total COVID-19 Grant E		259,167

American Rescue Plan Act Grant #2

Other Charges	\$ 55,780	
Total American Rescue Plan Act Grant #2		55,780

Miscellaneous

Pauper Burials	\$ 500	
Road Signs	9,185	
Other Charges	3,222	
Total Miscellaneous		12,907

Total General Fund		\$ 12,340,606
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(Continued)

Exhibit I-8

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

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Maintenance and Repair Services - Buildings	\$	30,269	
Custodial Supplies		39,526	
Trustee's Commission		830	
Total County Buildings		<u>830</u>	\$ 70,625

Total Courthouse and Jail Maintenance Fund \$ 70,625

Solid Waste/Sanitation Fund

Public Health and Welfare

Waste Pickup

Laborers	\$	143,199	
Overtime Pay		12,550	
Social Security		9,182	
Pensions		7,611	
Employee and Dependent Insurance		9,450	
Unemployment Compensation		102	
Employer Medicare		2,147	
Maintenance and Repair Services - Vehicles		56,412	
Diesel Fuel		101,445	
Total Waste Pickup		<u>101,445</u>	\$ 342,098

Convenience Centers

Laborers	\$	388,133	
Social Security		24,064	
Unemployment Compensation		690	
Employer Medicare		5,628	
Communication		4,203	
Other Supplies and Materials		6,445	
Total Convenience Centers		<u>6,445</u>	429,163

Transfer Stations

Communication	\$	1,699	
Other Contracted Services		1,229,898	
Utilities		1,322	
Total Transfer Stations		<u>1,322</u>	1,232,919

Other Waste Disposal

Trustee's Commission	\$	27,102	
Total Other Waste Disposal		<u>27,102</u>	27,102

Postclosure Care Costs

Supervisor/Director	\$	31,632	
Laborers		69,247	
Overtime Pay		5,125	
Social Security		6,353	
Pensions		5,005	
Employee and Dependent Insurance		11,925	

(Continued)

Exhibit I-8

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

<u>Solid Waste/Sanitation Fund (Cont.)</u>			
<u>Public Health and Welfare (Cont.)</u>			
<u>Postclosure Care Costs (Cont.)</u>			
Unemployment Compensation	\$	93	
Employer Medicare		1,486	
Communication		797	
Lease Payments		18,932	
Maintenance and Repair Services - Vehicles		35,060	
Rentals		5,123	
Other Contracted Services		38,749	
Diesel Fuel		6,465	
Utilities		14,802	
Other Supplies and Materials		15,614	
Landfill Closure/Postclosure Care Costs		50,380	
Other Charges		20,941	
Motor Vehicles		51,244	
Total Postclosure Care Costs			\$ 388,973
Total Solid Waste/Sanitation Fund			\$ 2,420,255
<u>Local Purpose Tax Fund</u>			
<u>Capital Projects</u>			
<u>Other General Government Projects</u>			
Contributions	\$	1,540,000	
Trustee's Commission		44,252	
Total Other General Government Projects			\$ 1,584,252
Total Local Purpose Tax Fund			1,584,252
<u>Drug Control Fund</u>			
<u>Public Safety</u>			
<u>Sheriff's Department</u>			
Other Charges	\$	35,729	
Total Sheriff's Department			\$ 35,729
<u>Drug Enforcement</u>			
Confidential Drug Enforcement Payments	\$	10,000	
Total Drug Enforcement			10,000
<u>Other Operations</u>			
<u>Other Charges</u>			
Trustee's Commission	\$	405	
Total Other Charges			405
<u>Support Services</u>			
<u>Other Student Support</u>			
Other Supplies and Materials	\$	3,487	
Total Other Student Support			3,487
Total Drug Control Fund			49,621

(Continued)

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

Other Special Revenue Fund

Other Operations

American Rescue Plan Act Grant #1

Other Salaries and Wages	\$	320,142	
Social Security		19,849	
Pensions		10,786	
Unemployment Compensation		276	
Employer Medicare		4,642	
Contributions		13,900	
Other Charges		1,024,469	
Total American Rescue Plan Act Grant #1			\$ 1,394,064

Total Other Special Revenue Fund \$ 1,394,064

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	158,200	
Total County Trustee's Office			\$ 158,200

Total Constitutional Officers - Fees Fund 158,200

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	94,122	
Secretary(ies)		32,364	
Board and Committee Members Fees		600	
Communication		5,175	
Data Processing Services		15,474	
Dues and Memberships		3,645	
Legal Notices, Recording, and Court Costs		297	
Postal Charges		242	
Printing, Stationery, and Forms		675	
Travel		457	
Electricity		4,618	
Natural Gas		4,535	
Office Supplies		2,202	
Water and Sewer		437	
Total Administration			\$ 164,843

Highway and Bridge Maintenance

Equipment Operators	\$	62,720	
Truck Drivers		81,647	
Laborers		303,584	
Rentals		1,025	
Other Contracted Services		226,272	
Asphalt - Liquid		549,473	
Concrete		36,473	
Crushed Stone		129,371	

(Continued)

Exhibit I-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Pipe - Metal	\$	84,922	
Structural Steel		7,193	
Uniforms		5,858	
Wood Products		1,050	
Other Supplies and Materials		2,093	
Total Highway and Bridge Maintenance			\$ 1,491,681

Operation and Maintenance of Equipment

Mechanic(s)	\$	38,628	
Maintenance and Repair Services - Equipment		12,330	
Diesel Fuel		104,176	
Equipment and Machinery Parts		82,398	
Garage Supplies		10,305	
Gasoline		26,813	
Lubricants		2,927	
Small Tools		3,720	
Tires and Tubes		34,074	
Total Operation and Maintenance of Equipment			315,371

Quarry Operations

Equipment Operators	\$	55,838	
Maintenance and Repair Services - Equipment		2,466	
Electricity		7,816	
Equipment and Machinery Parts		21,322	
In Service/Staff Development		2,165	
Fines, Assessments, and Penalties		1,335	
Total Quarry Operations			90,942

Other Charges

Liability Insurance	\$	52,677	
Trustee's Commission		26,580	
Workers' Compensation Insurance		53,965	
Other Charges		21	
Total Other Charges			133,243

Employee Benefits

Social Security	\$	50,817	
Pensions		34,427	
Employee and Dependent Insurance		180,261	
Unemployment Compensation		9,301	
Total Employee Benefits			274,806

Capital Outlay

Highway Equipment	\$	254,323	
Motor Vehicles		94,900	
State Aid Projects		1,364,072	
Total Capital Outlay			<u>1,713,295</u>

Total Highway/Public Works Fund \$ 4,184,181

(Continued)

Exhibit I-8

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

<u>General Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>General Government</u>		
Principal on Bonds	\$ 600,000	
Total General Government		\$ 600,000
<u>Education</u>		
Principal on Bonds	\$ 200,000	
Principal on Notes	300,000	
Total Education		500,000
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Bonds	\$ 43,675	
Total General Government		43,675
<u>Education</u>		
Interest on Bonds	\$ 41,950	
Interest on Notes	15,500	
Total Education		57,450
<u>Other Debt Service</u>		
<u>General Government</u>		
Trustee's Commission	\$ 13,841	
Other Debt Service	1,000	
Total General Government		14,841
<u>Education</u>		
Other Debt Service	\$ 2,123	
Total Education		2,123
Total General Debt Service Fund		\$ 1,218,089
<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Trustee's Commission	\$ 9,587	
Other Construction	39,869	
Total General Administration Projects		\$ 49,456
<u>Public Safety Projects</u>		
Matching Share	\$ 70,000	
Other Contracted Services	14,300	
Building Improvements	10,000	
Motor Vehicles	313,893	
Other Equipment	4,909	
Total Public Safety Projects		413,102
<u>Public Health and Welfare Projects</u>		
Solid Waste Equipment	\$ 119,127	
Other Construction	73,270	
Total Public Health and Welfare Projects		192,397
Total General Capital Projects Fund		654,955
Total Governmental Funds - Primary Government		<u>\$ 24,074,848</u>

Exhibit I-9

DeKalb County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented DeKalb County School Department  
For the Year Ended June 30, 2023

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 8,618,178	
Career Ladder Program	12,000	
Homebound Teachers	23,944	
Educational Assistants	243,196	
Other Salaries and Wages	195,936	
Certified Substitute Teachers	25,180	
Non-certified Substitute Teachers	131,058	
Social Security	525,813	
Pensions	720,675	
Medical Insurance	1,218,440	
Dental Insurance	79,843	
Unemployment Compensation	2,919	
Employer Medicare	120,835	
Retirement - Hybrid Stabilization	22,655	
Other Contracted Services	4,028	
Instructional Supplies and Materials	93,654	
Textbooks - Bound	67,060	
Software	43,455	
Fee Waivers	7,148	
Other Charges	10,724	
Regular Instruction Equipment	23,685	
Total Regular Instruction Program		\$ 12,190,426

Alternative Instruction Program

Teachers	\$ 70,305	
Educational Assistants	23,640	
Social Security	5,255	
Pensions	7,389	
Medical Insurance	12,771	
Dental Insurance	548	
Unemployment Compensation	25	
Employer Medicare	1,229	
Total Alternative Instruction Program		121,162

Special Education Program

Teachers	\$ 1,470,830
Career Ladder Program	1,000
Homebound Teachers	35,915
Educational Assistants	244,713
Other Salaries and Wages	76,634
Certified Substitute Teachers	5,392
Non-certified Substitute Teachers	13,963
Social Security	104,414
Pensions	141,320
Medical Insurance	246,594
Dental Insurance	14,267

(Continued)



Exhibit I-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Unemployment Compensation	\$	470	
Employer Medicare		24,420	
Retirement - Hybrid Stabilization		5,506	
Lease Payments		12,408	
Instructional Supplies and Materials		4,153	
Other Supplies and Materials		7,793	
Special Education Equipment		1,993	
Total Special Education Program			\$ 2,411,785

Career and Technical Education Program

Teachers	\$	571,216	
Career Ladder Program		1,000	
Other Salaries and Wages		53,954	
Certified Substitute Teachers		595	
Non-certified Substitute Teachers		8,424	
Social Security		36,676	
Pensions		51,663	
Medical Insurance		74,189	
Dental Insurance		5,414	
Unemployment Compensation		140	
Employer Medicare		8,577	
Retirement - Hybrid Stabilization		594	
Instructional Supplies and Materials		52,795	
Vocational Instruction Equipment		872,901	
Other Equipment		75,821	
Total Career and Technical Education Program			1,813,959

Support Services

Attendance

Supervisor/Director	\$	68,615	
Career Ladder Program		1,000	
Clerical Personnel		40,419	
Social Security		6,439	
Pensions		8,236	
Medical Insurance		10,133	
Dental Insurance		548	
Unemployment Compensation		25	
Employer Medicare		1,506	
Other Contracted Services		15,238	
Other Supplies and Materials		740	
In Service/Staff Development		1,733	
Total Attendance			154,632

Health Services

Medical Personnel	\$	272,166	
Social Security		14,990	

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Pensions	\$	23,185	
Medical Insurance		45,762	
Dental Insurance		2,194	
Unemployment Compensation		64	
Employer Medicare		3,506	
Retirement - Hybrid Stabilization		364	
Other Contracted Services		15,000	
Drugs and Medical Supplies		2,061	
Other Supplies and Materials		5,905	
In Service/Staff Development		526	
Other Equipment		6,842	
Total Health Services			\$ 392,565

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		387,483	
Other Salaries and Wages		4,660	
Social Security		22,407	
Pensions		34,011	
Medical Insurance		42,327	
Dental Insurance		3,290	
Unemployment Compensation		76	
Employer Medicare		5,240	
Contracts with Government Agencies		128,828	
Evaluation and Testing		6,956	
Total Other Student Support			636,278

Regular Instruction Program

Supervisor/Director	\$	164,133	
Career Ladder Program		2,000	
Librarians		317,440	
Educational Assistants		31,481	
Social Security		30,227	
Pensions		43,145	
Medical Insurance		42,719	
Dental Insurance		3,839	
Unemployment Compensation		89	
Employer Medicare		7,069	
Retirement - Hybrid Stabilization		454	
Travel		749	
Food Supplies		19,765	
Library Books/Media		16,340	
Other Supplies and Materials		91	
In Service/Staff Development		1,461	
Total Regular Instruction Program			681,002

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	67,563	
Medical Personnel		50,469	
Speech Pathologist		56,688	
Other Salaries and Wages		58,530	
Social Security		14,054	
Pensions		17,561	
Medical Insurance		10,633	
Dental Insurance		1,097	
Unemployment Compensation		76	
Employer Medicare		3,287	
Retirement - Hybrid Stabilization		646	
Postal Charges		277	
Travel		2,894	
Other Contracted Services		280,924	
Other Supplies and Materials		1,781	
In Service/Staff Development		7,282	
Total Special Education Program			\$ 573,762

Technology

Supervisor/Director	\$	45,338	
Instructional Computer Personnel		101,768	
Social Security		8,096	
Pensions		6,744	
Medical Insurance		27,441	
Unemployment Compensation		32	
Employer Medicare		1,893	
Communication		1,000	
Maintenance and Repair Services - Equipment		11,220	
Internet Connectivity		110,770	
Other Contracted Services		1,500	
Cabling		11,003	
In Service/Staff Development		30	
Other Charges		16,480	
Total Technology			343,315

Other Programs

Supervisor/Director	\$	56,603	
Clerical Personnel		8,773	
Social Security		4,084	
Pensions		3,062	
Unemployment Compensation		19	
Employer Medicare		917	
On-behalf Payments to OPEB		54,938	
Travel		179	
Other Contracted Services		1,789	
Other Supplies and Materials		21,547	
In Service/Staff Development		2,362	
Total Other Programs			154,273

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Board and Committee Members Fees	\$	11,100	
Social Security		688	
Employer Medicare		161	
Audit Services		6,000	
Dues and Memberships		12,618	
Legal Services		4,731	
Maintenance and Repair Services - Records		9,680	
Other Contracted Services		1,020	
Liability Insurance		55,219	
Trustee's Commission		98,651	
Workers' Compensation Insurance		201,471	
In Service/Staff Development		2,227	
Refund to Applicant for Criminal Investigation		4,194	
Other Charges		12,940	
Total Board of Education	\$		420,700

Director of Schools

County Official/Administrative Officer	\$	100,000	
Career Ladder Program		1,000	
Social Security		5,919	
Pensions		8,777	
Medical Insurance		8,056	
Dental Insurance		548	
Unemployment Compensation		13	
Employer Medicare		1,384	
Communication		18,206	
Dues and Memberships		3,092	
Postal Charges		2,688	
In Service/Staff Development		2,140	
Other Charges		1,025	
Total Director of Schools			152,848

Office of the Principal

Principals	\$	399,224	
Career Ladder Program		1,000	
Assistant Principals		394,649	
Secretary(ies)		350,234	
Social Security		63,050	
Pensions		86,608	
Medical Insurance		192,388	
Dental Insurance		6,032	
Unemployment Compensation		292	
Employer Medicare		14,746	
Retirement - Hybrid Stabilization		431	
Communication		18,500	
Dues and Memberships		6,000	

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Travel	\$	1,493	
Other Contracted Services		6,685	
Administration Equipment		1,072	
Total Office of the Principal			\$ 1,542,404

Fiscal Services

Accountants/Bookkeepers	\$	78,088	
Secretary(ies)		41,480	
Social Security		6,172	
Pensions		6,469	
Medical Insurance		27,448	
Unemployment Compensation		38	
Employer Medicare		1,444	
Lease Payments		3,722	
Travel		173	
Other Contracted Services		30,767	
Data Processing Supplies		2,351	
Office Supplies		1,775	
In Service/Staff Development		1,698	
Other Charges		277	
Administration Equipment		2,423	
Total Fiscal Services			204,325

Operation of Plant

Other Contracted Services	\$	514,612	
Electricity		581,518	
Natural Gas		99,954	
Water and Sewer		77,882	
Other Supplies and Materials		35,360	
Boiler Insurance		2,825	
Building and Contents Insurance		128,689	
Other Charges		1,275	
Total Operation of Plant			1,442,115

Maintenance of Plant

Supervisor/Director	\$	56,587	
Maintenance Personnel		104,975	
Other Salaries and Wages		5,128	
Social Security		9,491	
Pensions		8,921	
Medical Insurance		29,375	
Unemployment Compensation		51	
Employer Medicare		2,220	
Travel		199	
Other Contracted Services		19,714	
Other Supplies and Materials		99,104	

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Administration Equipment	\$	34,440	
Maintenance Equipment		<u>9,477</u>	
Total Maintenance of Plant	\$		379,682

Transportation

Supervisor/Director	\$	38,526	
Mechanic(s)		71,645	
Bus Drivers		691,443	
Other Salaries and Wages		116,643	
Social Security		51,537	
Pensions		43,941	
Medical Insurance		43,199	
Unemployment Compensation		533	
Employer Medicare		12,756	
Contracts with Other School Systems		3,075	
Lease Payments		721	
Maintenance and Repair Services - Vehicles		722	
Travel		169	
Other Contracted Services		20,564	
Diesel Fuel		194,491	
Equipment and Machinery Parts		514	
Garage Supplies		118	
Gasoline		15,561	
Lubricants		15,286	
Tires and Tubes		12,581	
Vehicle Parts		104,512	
Other Supplies and Materials		10,770	
Vehicle and Equipment Insurance		32,172	
In Service/Staff Development		636	
Other Charges		3,535	
Transportation Equipment		<u>241,305</u>	
Total Transportation			1,726,955

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	6,540	
Teachers		123,285	
Educational Assistants		7,888	
Other Salaries and Wages		4,005	
Social Security		8,787	
Pensions		11,494	
Employer Medicare		2,055	
Retirement - Hybrid Stabilization		216	
Other Contracted Services		319	
Instructional Supplies and Materials		2,229	
Other Supplies and Materials		<u>1,285</u>	
Total Community Services			168,103

(Continued)

Exhibit I-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Teachers	\$	264,644	
Educational Assistants		110,984	
Certified Substitute Teachers		128	
Non-certified Substitute Teachers		5,226	
Social Security		21,757	
Pensions		28,070	
Medical Insurance		46,582	
Dental Insurance		2,742	
Unemployment Compensation		127	
Employer Medicare		5,088	
Retirement - Hybrid Stabilization		727	
Communication		1,796	
Food Supplies		1,820	
Instructional Supplies and Materials		3,333	
Other Supplies and Materials		3,150	
Total Early Childhood Education			\$ 496,174

Capital Outlay

Regular Capital Outlay

Architects	\$	12,000	
Building Improvements		246,559	
Other Capital Outlay		721,902	
Total Regular Capital Outlay			980,461

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	140,000	
Total Education			140,000

Total General Purpose School Fund \$ 27,126,926

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	573,229	
Educational Assistants		39,745	
Other Salaries and Wages		164,346	
Certified Substitute Teachers		745	
Non-certified Substitute Teachers		5,250	
Social Security		43,722	
Pensions		61,249	
Medical Insurance		91,599	
Dental Insurance		5,758	
Unemployment Compensation		267	
Employer Medicare		10,238	
Instructional Supplies and Materials		190,745	

(Continued)

Exhibit I-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Software	\$	304,554	
Other Supplies and Materials		10,915	
Regular Instruction Equipment		325,900	
Total Regular Instruction Program			\$ 1,828,262

Special Education Program

Teachers	\$	140,205	
Educational Assistants		436,659	
Other Salaries and Wages		3,700	
Certified Substitute Teachers		241	
Non-certified Substitute Teachers		7,215	
Social Security		30,695	
Pensions		35,180	
Medical Insurance		119,470	
Dental Insurance		548	
Unemployment Compensation		394	
Employer Medicare		7,412	
Instructional Supplies and Materials		23,606	
Software		20,582	
Other Supplies and Materials		26,786	
Total Special Education Program			852,693

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	877	
Instructional Supplies and Materials		27,851	
Other Supplies and Materials		9,625	
Vocational Instruction Equipment		61,650	
Total Career and Technical Education Program			100,003

Support Services

Health Services

Medical Personnel	\$	17,920	
Social Security		1,111	
Pensions		1,295	
Employer Medicare		260	
Other Supplies and Materials		2,728	
Other Charges		316	
Total Health Services			23,630

Other Student Support

Bus Drivers	\$	220	
Other Salaries and Wages		90,128	
Social Security		5,402	
Pensions		5,716	
Medical Insurance		5,382	
Unemployment Compensation		76	

(Continued)



Exhibit I-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Employer Medicare	\$	1,263	
Communication		13,946	
Travel		10,827	
Software		15,000	
Other Supplies and Materials		374	
In Service/Staff Development		5,385	
Other Charges		6,416	
Total Other Student Support	\$		160,135

Regular Instruction Program

Supervisor/Director	\$	113,720	
Clerical Personnel		9,000	
Other Salaries and Wages		101,118	
Social Security		13,220	
Pensions		18,802	
Medical Insurance		15,716	
Dental Insurance		1,097	
Unemployment Compensation		13	
Employer Medicare		3,092	
Travel		930	
Other Contracted Services		106,500	
Other Supplies and Materials		1,616	
In Service/Staff Development		141,362	
Other Charges		1,221	
Total Regular Instruction Program			527,407

Special Education Program

Psychological Personnel	\$	55,438	
Secretary(ies)		41,480	
Social Security		5,664	
Pensions		6,607	
Medical Insurance		12,594	
Dental Insurance		548	
Unemployment Compensation		51	
Employer Medicare		1,325	
Evaluation and Testing		115	
Travel		728	
Other Contracted Services		27,754	
Other Equipment		949	
Total Special Education Program			153,253

Career and Technical Education Program

In Service/Staff Development	\$	2,278	
Total Career and Technical Education Program			2,278

(Continued)

Exhibit I-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Fiscal Services

Other Contracted Services	\$ 46,200	
Total Fiscal Services		\$ 46,200

Operation of Plant

Plant Operation Equipment	\$ 1,180,557	
Total Operation of Plant		1,180,557

Transportation

Bus Drivers	\$ 580	
Social Security	36	
Pensions	31	
Employer Medicare	8	
Total Transportation		655

Operation of Non-Instructional Services

Food Service

Other Salaries and Wages	\$ 20,582	
Social Security	1,276	
Pensions	963	
Employer Medicare	298	
Food Supplies	11,510	
Other Supplies and Materials	6,970	
Total Food Service		41,599

Community Services

Supervisor/Director	\$ 17,000	
Teachers	140,818	
Other Salaries and Wages	28,850	
Social Security	11,573	
Pensions	14,539	
Unemployment Compensation	127	
Employer Medicare	2,707	
Food Supplies	547	
Instructional Supplies and Materials	10,221	
Total Community Services		226,382

Total School Federal Projects Fund		\$ 5,143,054
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Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 58,556	
Accountants/Bookkeepers	41,480	
Cafeteria Personnel	625,776	
Other Salaries and Wages	2,500	
Social Security	39,976	

(Continued)

Exhibit I-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Pensions	\$	34,603	
Medical Insurance		123,771	
Unemployment Compensation		406	
Employer Medicare		9,576	
Communication		2,628	
Maintenance and Repair Services - Equipment		14,423	
Travel		2,657	
Other Contracted Services		9,430	
Food Supplies		1,024,222	
USDA - Commodities		167,620	
Other Supplies and Materials		102,849	
In Service/Staff Development		6,558	
Other Charges		5,908	
Food Service Equipment		72,707	
Total Food Service			\$ 2,345,646

Total Central Cafeteria Fund \$ 2,345,646

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	884,821	
Total Community Services			\$ 884,821

Total Internal School Fund 884,821

Total Governmental Funds - DeKalb County School Department \$ 35,500,447

# 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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise DeKalb County's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 9, 2023. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the DeKalb County School Department (a discretely presented component unit) as described in our report on DeKalb 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 DeKalb 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 DeKalb County's internal control. Accordingly, we do not express an opinion on the effectiveness of DeKalb County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a material weakness: 2023-001.

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. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a significant deficiency: 2023-003(A).

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether DeKalb County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2023-002, 2023-003(B), 2023-004, and 2023-005.

### **DeKalb County's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on DeKalb County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. DeKalb County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **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 DeKalb 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

November 9, 2023

JEM/tg



JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

DeKalb County Mayor and  
Board of County Commissioners  
DeKalb 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 DeKalb County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of DeKalb County's major federal programs for the year ended June 30, 2023. DeKalb 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, DeKalb County complied, in all material respects, with the 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, 2023.

***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 DeKalb 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 DeKalb 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, statutes, regulations, rules and provisions of contracts or grant agreements applicable to DeKalb County's 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 DeKalb 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 DeKalb 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 DeKalb 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 DeKalb 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 DeKalb County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



## **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

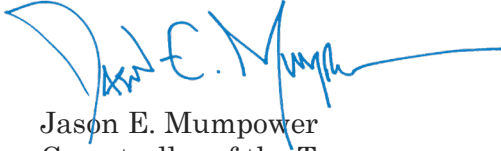
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise DeKalb County's basic financial statements. We issued our report thereon dated November 9, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 9, 2023

JEM/tg

DeKalb County, Tennessee, and the DeKalb County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (9)  
For the Year-Ended June 30, 2023

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	\$ 508,447 (6)
National School Lunch Program	10.555	N/A	1,358,609 (5)(7)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,135
Passed-through State Department of Agriculture:			
Child Nutrition Cluster (4):			
Rebate of Storage and Distribution Fees	10.555	N/A	12,118 (5)
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	167,620 (5)
Total U.S. Department of Agriculture			<u>\$ 2,049,929</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
Home Investment Partnership Program	14.239	(3)	\$ 237,062
Total U.S. Department of Housing and Urban Development			<u>\$ 237,062</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 1,830,258
Total U.S. Department of the Treasury			<u>\$ 1,830,258</u>
U.S. National Foundation on the Arts and the Humanities:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(3)	\$ 2,837
Total U.S. National Foundation on the Arts and the Humanities			<u>\$ 2,837</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 856,315
Migrant Education State Grant Programs	84.011		2,039
Special Education Cluster (4):			
Special Education - Grants to States	84.027	N/A	832,004 (5)
COVID 19 - Special Education - Grants to States	84.027	N/A	101,277 (5)
Special Education - Preschool Grants	84.173	N/A	22,066 (5)
COVID 19 - Special Education - Preschool Grants	84.173	N/A	6,410 (5)
Career and Technical Education - Basic Grants to States	84.048	N/A	117,942
Twenty-first Century Community Learning Centers	84.287	N/A	235,141
Rural Education	84.358	N/A	117,326
Supporting Effective Instruction State Grants	84.367	N/A	25,843
COVID 19 - Comprehensive Literacy Development	84.371	N/A	108,974
Student Support and Academic Enrichment Program	84.424	N/A	42,113
COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund - Literacy Teacher Training Stipend	84.425B	N/A	23,000 (5)
COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	1,941,091 (5)
COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	717,299 (5)
COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	2,972 (5)
Direct Program:			
Impact Aid	84.041		162,566
Total U.S. Department of Education			<u>\$ 5,314,378</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2018 HAVA Election Security Grants	90.404	(3)	\$ 21,288
Total U.S. Election Assistance Commission			<u>\$ 21,288</u>
U.S. Department of Health and Human Services:			
Passed-through Upper Cumberland Development District:			
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	N/A	\$ 2,500
Aging Cluster (4):			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Citizens	93.044	N/A	10,006
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	N/A	5,968

(Continued)

DeKalb County, Tennessee, and the DeKalb County School Department  
 Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (9) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services (Cont.):			
Passed-through State Department of Health:			
Immunization Cooperative Agreements	93.268	N/A	\$ 65,130
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	259,167
Passed-through State Department of Mental Health and Substance Abuse Services:			
Opioid STR	93.788	N/A	50,129
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	94,861
Mental Health Disaster Assistance and Emergency Mental Health	93.982	N/A	18,069
Total U.S. Department of Health and Human Services			<u>\$ 505,830</u>
Total Expenditures of Federal Grants			<u>\$ 9,961,582</u>

State Grants		Contract Number	
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Volunteer Firefighter Equipment and Training Program - State Department of Commerce and Insurance	N/A	(3)	19,810
Training Equipment Grant - Tennessee Corrections Institute	N/A	(3)	8,386
Coordinated School Health - State Department of Education	N/A	(3)	467,766
Early Childhood Education - State Department of Education	N/A	(3)	222,898
Innovative School Models - State Department of Education	N/A	(3)	41,634
Lottery For Education Afterschool Programs (LEAPs) - State Department of Education	N/A	(3)	67,780
Safe Schools Act - State Department of Education	N/A	(3)	168,492
Summer Learning Camp - State Department of Education	N/A	(3)	99,584
Summer Learning Transportation - State Department of Education	N/A	(3)	913,697
Supporting Postsecondary Access in Rural Counties (SPARC) - Tennessee Higher Education Commission	N/A	(3)	102,000
Addiction Recovery Program for the Tennessee Certified Recovery Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(3)	20,000
Assistance for County Election Commissions for Transition to VVPAT - Tennessee Secretary of State	N/A	(3)	149,620
Tennessee Certified Recovery Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(3)	130,434
Local Health Services - State Department of Health	N/A	(3)	55,324
Litter Program - State Department of Transportation	N/A	(3)	110,925
Aging Program - Upper Cumberland Development District	N/A	(3)	8,125
Tourism Enhancement Grant Program - State Department of Tourism Development	N/A	(3)	34,091
Total State Grants			<u>\$ 2,629,566</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) DeKalb 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 \$2,046,794; Special Education Cluster total \$961,757; Aging Program Cluster total \$15,974.
- (5) Total for FAL No. 10.555 is \$1,538,347; Total for FAL No. 84.027 is \$933,281; Total for FAL No. 84.173 is \$28,476; Total for FAL No. 84.425 is \$2,684,362.
- (6) School Breakfast Program \$498,264; Seamless Summer Option (Breakfast) \$10,183.
- (7) National School Lunch \$1,228,245; Seamless Summer Option (Lunch) \$16,363; After School Snack Program \$25,978; Supply Chain Assistance Grant \$88,023.
- (8) No amounts (\$0) were passed-through to subrecipients
- (9) CONSOLIDATED ADMINISTRATION

Program Title	FAL Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 64,389
Migrant Education State Grant Program	84.011	797
Rural Education	84.358	15,977
English Language Acquisition State Grants	84.365	412
Supporting Effective Instruction State Grant	84.367	22,900
Student Support and Academic Enrichment Program	84.424	1,176
Total amounts consolidated for administration purposes		<u>\$ 105,651</u>

DeKalb County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2023

*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 DeKalb County, Tennessee, for the year ended June 30, 2023.

***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 MAYOR**

2022	204	2022-001	Questionable fuel charges totaling at least \$2,801 were made by the county landfill department.	N/A	Corrected
2022	206	2022-002	The office did not maintain adequate controls over fuel cards.	N/A	Corrected

***Prior-year Federal Awards Findings***

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

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**DEKALB COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2023**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of DeKalb County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **YES**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
  - \* Assistance Listing Number: 84.010 Title I Grants to Local Education Agencies
  - \* Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

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

### **OFFICE OF ROAD SUPERVISOR**

#### **FINDING 2023-001**

#### **THE HIGHWAY/PUBLIC WORKS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION**

(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2023, certain revenue and expenditure account balances reflected in the accounting records of the Highway/Public Works Fund were not materially correct, and audit adjustments totaling \$1,112,428 were required for the financial statements to be materially correct at year-end. During the year examined, highway department personnel posted five separate journal entries that erroneously reduced revenue and expenditures that had been posted to record the transactions of a state-aid bridge project. The effect of these entries was to eliminate all transactions of the bridge project and understate both revenues and expenditures in the fund financial statements by \$1,112,428. Generally accepted accounting principles require the highway department to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

#### **RECOMMENDATION**

The highway department should have appropriate processes in place to ensure its accounting records and subsequent financial statements are materially correct.

#### **MANAGEMENT'S RESPONSE – ROAD SUPERVISOR**

I concur with this finding.

---

FINDING 2023-002

**EXPENDITURES EXCEEDED APPROPRIATIONS**  
(Noncompliance Under *Government Auditing Standards*)

Expenditures exceeded appropriations in the Capital Outlay major appropriation category (the legal level of control) of the Highway/Public Works Fund by \$273,970. Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.”

RECOMMENDATION

Expenditures should be held within appropriations approved by the county commission.

MANAGEMENT’S RESPONSE – ROAD SUPERVISOR

I concur with this finding.

---

FINDING 2023-003

**THE OFFICE HAD DEFICIENCIES IN THE ADMINISTRATION OF ACCRUED LEAVE RECORDS**  
(A. - Internal Control – Significant Deficiency Under *Government Auditing Standards*, B. – Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies related to the administration of accrued leave records. These deficiencies exist due to a lack of management oversight and the failure to comply with state statute.

- A. Accrued leave records for the highway department contained numerous errors. Beginning balances did not always agree with the prior period ending balances. In some instances, records indicated that employees used leave amounts that were in excess of what was accrued, and in other instances, employees had not earned time recorded when it appeared that they likely should have. The failure to make accurate calculations and maintain accurate balances weakens internal control over the payroll process and increases the risks of improper payments.
  
- B. Subsidiary accrued leave accounting records were not closed and available for audit by August 31, 2022, as required by Section 9-2-102, *Tennessee Code Annotated*. This statute provides that records should be available for audit no later than two months after the close of the June 30 fiscal year-end. The accounting records for the department’s accrued leave were made available to auditors on September 8, 2023. The failure to maintain accounting records on a current basis diminishes the usefulness of the financial records as a management tool, results in the loss of accounting controls, and increases the risk that errors will not be discovered and corrected in a timely manner.



RECOMMENDATION

Balances of accrued leave should be properly recorded in compliance with local policy and regularly reviewed for accuracy, and any noted errors should be corrected promptly. Management should close its subsidiary accrued leave accounting records and have those records available for audit by the following August 31.

MANAGEMENT’S RESPONSE – ROAD SUPERVISOR

I concur with this finding.

---

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2023-004

**THE SCHOOL DEPARTMENT VIOLATED STATE STATUTES IN THE ADMINISTRATION OF A STADIUM BLEACHERS CONSTRUCTION PROJECT**  
(Noncompliance Under *Government Auditing Standards*)

During the year, the school department completed a stadium bleachers construction project totaling \$585,410. Our examination revealed violations of state statutes in the administration of this project.

- A. The department did not employ a registered architect or engineer to design plans, specifications, or estimates for the project. Section 62-2-107, *Tennessee Code Annotated (TCA)*, requires a registered architect or engineer to be employed whenever construction projects are estimated to exceed \$50,000.
  
- B. Competitive bids were not solicited for some of the construction materials used for the project. Purchasing procedures for the county are governed by a private act which requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000. The school department purchased the materials for the bleachers through Sourcewell, a national purchasing cooperative. Section 12-3-1205, *TCA*, allows governments to make purchases through cooperatives; however, Section 12-3-1205(b)(4)(B), *TCA*, specifically prohibits the purchase of certain items, including construction materials, through cooperative agreements.

RECOMMENDATION

The school department should follow state statutes governing all construction projects and the purchases of construction materials.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

I disagree with this finding.

## AUDITOR'S COMMENT

The Director of Schools states above that he disagrees with the finding and includes a comment in the corrective action plan that he thought they could use purchasing cooperatives. As pointed out in the finding, Section 12-3-1205, *TCA*, allows governments to make purchases through cooperatives; however, Section 12-3-1205(b)(4)(B), *TCA*, specifically prohibits the purchase of certain items, including construction materials, through cooperative agreements.

---

## FINDING 2023-005

### **AMOUNTS WITHHELD FROM CONTRACTOR PAYMENTS WERE NOT DEPOSITED INTO AN ESCROW ACCOUNT** (Noncompliance Under *Government Auditing Standards*)

The school department did not deposit amounts withheld from contractor payments into an escrow account related to a construction contract for the installation of HVAC systems at various school gyms totaling \$1,193,733. Section 66-34-104, *Tennessee Code Annotated*, requires that funds withheld from contractor payments be deposited into an escrow account with a third-party for contracts of \$500,000 or more. This deficiency is the result of a lack of management oversight and could result in the loss of interest earnings for the contractor.

## RECOMMENDATION

Amounts withheld from contractor payments on contracts of \$500,000 or more should be deposited into an escrow account in compliance with state statute.

## MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding.

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

There were no findings and questioned costs related to federal awards for the year ended June 30, 2023.

**DeKalb County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2023**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF ROAD SUPERVISOR**

2023-001	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	197
2023-002	Expenditures exceeded appropriations.	198
2023-003	The office had deficiencies in the administration of accrued leave records.	199

**OFFICE OF DIRECTOR OF SCHOOLS**

2023-004	The school department violated state statues in the administration of a stadium bleachers construction project.	200
2023-005	Amounts withheld from contractor payments were not deposited into an escrow account.	201

DeKalb Highway Department  
720 Smith Rd  
Smithville Tn 37166

**Corrective Action Plan**

**FINDING: THE HIGHWAY/PUBLIC WORKS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION**

**Response and Corrective Action Plan Prepared by:**

Danny Hale Road Supervisor

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

Danny Hale Road Supervisor

**Anticipated Completion Date of Corrective Action:**

Date 11/8/2023

**Repeat Finding:**

No

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

First time for finding

**Planned Corrective Action:**

We will properly post revenue and expenditures from this point forward

DeKalb Highway Department  
720 Smith Rd  
Smithville Tn 37166

*Corrective Action Plan*

**FINDING: EXPENDITURES EXCEEDED APPROPRIATIONS**

**Response and Corrective Action Plan Prepared by:**  
Danny Hale Road Supervisor

**Person Responsible for Implementing the Corrective Action:**  
Danny Hale Road Supervisor

**Anticipated Completion Date of Corrective Action:**  
Date 11/8/2023

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
First time for this finding

**Planned Corrective Action:**  
We will do a budget amendment from now own.

DeKalb Highway Department  
720 Smith Rd  
Smithville Tn 37166

**Corrective Action Plan**

**FINDING: THE OFFICE HAD DEFICIENCIES IN THE  
ADMINISTRATION OF ACCRUED LEAVE RECORDS**

**Response and Corrective Action Plan Prepared by:**  
Danny Hale Road Supervisor

**Person Responsible for Implementing the Corrective Action:**  
Danny Hale Road Supervisor  
**Anticipated Completion Date of Corrective Action:**  
Date 11/8/2023

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
First time finding

**Planned Corrective Action:**  
We will get help from Ctas cleaning this up.



**DeKalb County  
Board of Education**

*Wiring students to learn, achieve, and succeed*

*Patrick M. Cripps  
Director of Schools*

**Board Members**

*Shaun Tubbs, Chairman  
Jim Beshearse, Vice Chairman  
Jamie Cripps  
Eric Ervin  
Alan Hayes  
Jason Miller  
Danny Parkerson*

**Corrective Action Plan**

**FINDING: THE SCHOOL DEPARTMENT VIOLATED STATE STATUES IN THE ADMINISTRATION OF A STADIUM BLEACHERS CONSTRUCTION PROJECT**

**Response and Corrective Action Plan Prepared by:**

Patrick Cripps, Director of Schools

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

Patrick Cripps, Director of Schools

**Anticipated Completion Date of Corrective Action:**

Immediately

**Repeat Finding:**

No

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

We were under the impression we could use cooperative bidding consortiums.

**Planned Corrective Action:**

We will bid future construction projects.





DeKalb County  
Board of Education

*Wiring students to learn, achieve, and succeed*

*Patrick M. Cripps  
Director of Schools*

**Board Members**

*Shaun Tubbs, Chairman  
Jim Beshearse, Vice Chairman  
Jamie Cripps  
Eric Ervin  
Alan Hayes  
Jason Miller  
Danny Parkerson*

**Corrective Action Plan**

**FINDING: AMOUNTS WITHHELD FROM CONTRACTOR PAYMENTS  
WERE NOT DEPOSITED INTO AN ESCROW ACCOUNT**

**Response and Corrective Action Plan Prepared by:**

Patrick Cripps, Director of Schools

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

Patrick Cripps, Director of Schools

**Anticipated Completion Date of Corrective Action:**

Immediately

**Repeat Finding:**

No

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

This was ESSER funds, we were not able to get the money until invoiced and money drawn down.

**Planned Corrective Action:**

When we have big projects, money will be placed in the proper ESCROW account.

## **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 DeKalb County.

### **DEKALB COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

DeKalb 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 DeKalb 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.