



ANNUAL FINANCIAL REPORT

Gibson County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
GIBSON 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

LEE ANN WEST, CPA, CGFM
Audit Manager

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

GIBSON COUNTY, TENNESSEE TABLE OF CONTENTS

	Exhibit	Page(s)
Summary of Audit Findings		5-6
<u>INTRODUCTORY SECTION</u>		7
Gibson County Officials		8
<u>FINANCIAL SECTION</u>		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	24
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
General Fund	C-5	25-26
Other Special Revenue Fund	C-6	27
Highway/Public Works Fund	C-7	28
Fiduciary Funds:		
Statement of Net Position	D-1	29
Statement of Changes in Net Position	D-2	30
Index and Notes to the Financial Statements		31-73
REQUIRED SUPPLEMENTARY INFORMATION:		74
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Employees	E-1	75
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Board of Education	E-2	76
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Employees	E-3	77
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Gibson County Board of Education	E-4	78
Notes to the Required Supplementary Information		79

	Exhibit	Page(s)
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		80
Nonmajor Governmental Funds:		81-82
Combining Balance Sheet	F-1	83-86
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	87-90
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
Solid Waste/Sanitation Fund	F-3	91
Special Purpose Fund	F-4	92
Drug Control Fund	F-5	93
General Debt Service Fund	F-6	94
General Capital Projects Fund	F-7	95
Fiduciary Funds:		96
Combining Statement of Net Position	G-1	97
Combining Statement of Changes in Net Position	G-2	98
Miscellaneous Schedules:		99
Schedule of Changes in Long-term Bonds	H-1	100
Schedule of Long-term Debt Requirements by Year	H-2	101
Schedule of Transfers	H-3	102
Schedule of Salaries and Official Bonds of Principal Officials	H-4	103
Schedule of Detailed Revenues – All Governmental Fund Types	H-5	104-117
Schedule of Detailed Expenditures – All Governmental Fund Types	H-6	118-139
 <u>SINGLE AUDIT SECTION</u>		 140
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		141-143
Auditor's 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 Uniform Guidance		144-147
Schedule of Expenditures of Federal Awards and State Grants		148-149
Summary Schedule of Prior-year Findings		150
Schedule of Findings and Questioned Costs		151-159
Management's Corrective Action Plan		160-167
Best Practice		168

Summary of Audit Findings

Annual Financial Report
Gibson County, Tennessee
For the Year Ended June 30, 2023

Scope

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

Results

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

Our audit resulted in eight findings and recommendations, which we have reviewed with Gibson County management. Detailed findings, recommendations, and management's responses are included in the Findings and Recommendations section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ Gibson County did not comply with the reporting requirements for Provider Relief Funds.
 - ◆ The General and Other Special Revenue funds required material audit adjustments for proper financial statement presentation.
 - ◆ The office had accounting deficiencies.
 - ◆ The Other Special Revenue Fund had a fund deficit at June 30, 2023.
 - ◆ The General Capital Projects Fund had a cash overdraft at June 30, 2023.
 - ◆ The office had deficiencies in budget operations.
-



OFFICE OF TRUSTEE

- ◆ The trustee paid checks that exceeded available funds.
-

OFFICE OF SHERIFF

- ◆ Gibson County Sheriff's Department is currently under investigation.



INTRODUCTORY SECTION

Gibson County Officials

June 30, 2023

Officials

Nelson Cunningham, County Mayor
Brian Coleman, Road Supervisor
Melissa Workman, Trustee
Gary Paschall, Assessor of Property
Joyce Brown, County Clerk
Cynthia Flowers, Circuit and General Sessions Courts Clerk
Katelyn Orgain, Clerk and Master - Trenton
Amanda Brown, Clerk and Master - Humboldt
Barbara Davidson, Register of Deeds
Paul Thomas, Sheriff

Board of County Commissioners

Nelson Cunningham, County Mayor, Chairman	Andrea Knight
Frank Baker	Travis Landrum
Mike Barker	Todd Lawson
John Blankenship	Michael Longmire
Cody Childress	Austin McDaniel
Curt Cochran	Don McEwen
Bobby Cotham	Jeff Morris
Alecia Craig	Lashara Reed
Mark Flake	John Ross
Patterson Freeman	Maigon Shanklin
Jerry Gordon	Robin Summers
Steve Hemann	Jason Tubbs
Larry Kimery	Mark Zarecor

Highway Commission

Nelson Cunningham, County Mayor, Chairman
Jearod Flowers
Roger Hanks
James Hopkins
Andrew Johnson
Buddy Sorrells

Audit Committee

Bill Joyner, Chairman
Ashley Comstock
Michael Longmire

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Gibson County Mayor and
Board of County Commissioners
Gibson 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 unit, each major fund, and the aggregate remaining fund information of Gibson 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 unit, each major fund, and the aggregate remaining fund information of Gibson County, Tennessee, as of June 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General, 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 the Gibson County Emergency Communications District, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gibson County Emergency Communications District, 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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 schedules of changes in the county and Board of Education's net pension liability (asset) and related ratios and schedules of county and Board of Education contributions, 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 Gibson County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial

statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, and 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 22, 2023, on our consideration of Gibson 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 the Gibson 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 Gibson County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 22, 2023

JEM/gc

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Emergency Communications District</u>
<u>ASSETS</u>		
Cash	\$ 1,680	\$ 0
Equity in Pooled Cash and Investments	27,945,808	1,004,959
Accounts Receivable	2,643,155	8,469
Allowance for Uncollectibles	(1,379,034)	0
Due from Other Governments	2,666,793	0
Property Taxes Receivable	10,420,454	0
Allowance for Uncollectible Property Taxes	(131,342)	0
Prepaid Items	0	18,934
Accrued Interest Receivable	0	1,389
Cash Shortage	48,876	0
Net Pension Asset - Gibson County Employees Agent Plan	2,957,631	0
Net Pension Asset - Gibson County Board of Education Agent Plan	353,205	0
Capital Assets:		
Assets Not Depreciated:		
Land	5,313,966	66,400
Construction in Progress	1,714,383	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	12,075,921	221,645
Infrastructure	19,329,945	0
Other Capital Assets	4,484,611	313,280
Total Assets	<u>\$ 88,446,052</u>	<u>\$ 1,635,076</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 121,940	\$ 0
Pension Changes in Experience	1,197,364	117,073
Pension Changes in Investment Earnings	109,923	5,807
Pension Changes in Assumptions	1,475,387	147,871
Pension Contributions After Measurement Date	474,480	70,399
Total Deferred Outflows of Resources	<u>\$ 3,379,094</u>	<u>\$ 341,150</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 135	\$ 1,297
Payroll Deductions Payable	8,900	0
Accrued Interest Payable	24,409	0
Cash Overdraft	107,965	0
Contracts Payable	1,271,730	0
Unearned Revenue	0	28,000
Noncurrent Liabilities:		
Due Within One Year - Debt	845,000	0
Due Within One Year - Other	1,706	0
Due in More Than One Year - Debt	8,703,547	0
Due in More Than One Year - Other	32,436	139,909
Total Liabilities	<u>\$ 10,995,828</u>	<u>\$ 169,206</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Emergency Communications District</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 10,209,407	\$ 0
Pension Changes in Experience	391,909	62,742
Pension Changes in Investment Earnings	1,372	0
Total Deferred Inflows of Resources	<u>\$ 10,602,688</u>	<u>\$ 62,742</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 33,370,279	\$ 601,325
Restricted for:		
General Government	212,529	0
Finance	223,318	0
Administration of Justice	137,137	0
Public Safety	303,034	0
Public Health and Welfare	322,734	0
Social, Cultural, and Recreational Services	34,367	0
Highways/Public Works	289,596	0
Debt Service	103,275	0
Capital Projects	28,683	0
Pensions	3,310,836	0
Unrestricted	<u>31,890,842</u>	<u>1,142,953</u>
Total Net Position	<u>\$ 70,226,630</u>	<u>\$ 1,744,278</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Governmental Total Activities	Unit Emergency Communications District
Primary Government:						
Governmental Activities:						
General Government	\$ 2,113,135	\$ 653,502	\$ 10,115,932	\$ 278,457	\$ 8,934,756	\$ 0
Finance	1,703,076	1,498,129	0	0	(204,947)	0
Administration of Justice	2,385,441	948,695	116,052	0	(1,320,694)	0
Public Safety	8,250,321	930,890	29,610	0	(7,289,821)	0
Public Health and Welfare	5,128,572	3,896,185	396,357	253,207	(582,823)	0
Social, Cultural, and Recreational Services	602,666	23,800	169,569	4,585	(404,712)	0
Agriculture and Natural Resources	353,113	0	0	0	(353,113)	0
Other Resources	959,501	0	0	0	(959,501)	0
Highways	7,333,317	0	3,028,496	2,883,762	(1,421,059)	0
Interest on Long-term Debt	343,103	0	113,970	0	(229,133)	0
Total Primary Government	\$ 29,172,245	\$ 7,951,201	\$ 13,969,986	\$ 3,420,011	\$ (3,831,047)	\$ 0
Component Unit:						
Emergency Communications District	\$ 1,310,046	\$ 1,355,878	\$ 40,000	\$ 0	\$ 0	\$ 85,832
Total Component Unit	\$ 1,310,046	\$ 1,355,878	\$ 40,000	\$ 0	\$ 0	\$ 85,832

(Continued)

Exhibit B

Gibson County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Total Activities	Component Unit Emergency Communications District
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 8,932,311	\$ 0
Property Taxes Levied for Debt Service					862,566	0
Local Option Sales Taxes					1,082,405	0
Wheel Tax					2,295,018	0
Mixed Drink Tax					165,904	0
Business Tax					691,734	0
Other Local Taxes					132,013	0
Grants and Contributions Not Restricted for Specific Programs					1,601,539	0
Unrestricted Investment Income					992,324	19,117
Miscellaneous					10,284	6,500
Total General Revenues					<u>\$ 16,766,098</u>	<u>\$ 25,617</u>
Change in Net Position					\$ 12,935,051	\$ 111,449
Net Position, July 1, 2022					<u>57,291,579</u>	<u>1,632,829</u>
Net Position, June 30, 2023					<u>\$ 70,226,630</u>	<u>\$ 1,744,278</u>

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 1,680	\$ 1,680
Equity in Pooled Cash and Investments	10,061,728	8,940,870	4,710,796	3,957,414	27,670,808
Accounts Receivable	2,620,359	0	11,916	10,880	2,643,155
Allowance for Uncollectibles	(1,379,034)	0	0	0	(1,379,034)
Due from Other Governments	213,091	0	2,190,630	263,072	2,666,793
Due from Other Funds	8,969,768	5,250	0	320,158	9,295,176
Property Taxes Receivable	9,566,903	0	0	853,551	10,420,454
Allowance for Uncollectible Property Taxes	(119,933)	0	0	(11,409)	(131,342)
Cash Shortage	48,876	0	0	0	48,876
Total Assets	<u>\$ 29,981,758</u>	<u>\$ 8,946,120</u>	<u>\$ 6,913,342</u>	<u>\$ 5,395,346</u>	<u>\$ 51,236,566</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 135	\$ 0	\$ 0	\$ 0	\$ 135
Payroll Deductions Payable	8,900	0	0	0	8,900
Cash Overdraft	0	0	0	107,965	107,965
Contracts Payable	0	0	1,271,730	0	1,271,730
Due to Other Funds	48,057	8,965,259	0	6,860	9,020,176
Total Liabilities	<u>\$ 57,092</u>	<u>\$ 8,965,259</u>	<u>\$ 1,271,730</u>	<u>\$ 114,825</u>	<u>\$ 10,408,906</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 9,375,759	\$ 0	\$ 0	\$ 833,648	\$ 10,209,407
Deferred Delinquent Property Taxes	48,174	0	0	5,744	53,918
Other Deferred/Unavailable Revenue	1,054,997	0	323,738	28,683	1,407,418
Total Deferred Inflows of Resources	<u>\$ 10,478,930</u>	<u>\$ 0</u>	<u>\$ 323,738</u>	<u>\$ 868,075</u>	<u>\$ 11,670,743</u>

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	Other Govern- mental Funds	
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 212,529	\$ 0	\$ 0	\$ 0	\$ 212,529
Restricted for Finance	223,318	0	0	0	223,318
Restricted for Administration of Justice	137,137	0	0	0	137,137
Restricted for Public Safety	89,292	0	0	213,742	303,034
Restricted for Public Health and Welfare	117,951	0	0	204,783	322,734
Restricted for Social, Cultural, and Recreational Services	34,367	0	0	0	34,367
Committed:					
Committed for General Government	1,560,198	0	0	168,172	1,728,370
Committed for Public Health and Welfare	0	0	0	122,941	122,941
Committed for Other Operations	164,807	0	0	0	164,807
Committed for Highways/Public Works	0	0	5,317,874	0	5,317,874
Committed for Debt Service	0	0	0	3,262,815	3,262,815
Committed for Capital Projects	0	0	0	439,993	439,993
Unassigned	16,906,137	(19,139)	0	0	16,886,998
Total Fund Balances	\$ 19,445,736	\$ (19,139)	\$ 5,317,874	\$ 4,412,446	\$ 29,156,917
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 29,981,758	\$ 8,946,120	\$ 6,913,342	\$ 5,395,346	\$ 51,236,566

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

Exhibit C-2

Gibson 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)		\$ 29,156,917
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 5,313,966	
Add: construction in progress	1,714,383	
Add: buildings and improvements net of accumulated depreciation	12,075,921	
Add: infrastructure net of accumulated depreciation	19,329,945	
Add: other capital assets net of accumulated depreciation	<u>4,484,611</u>	42,918,826
(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	\$ (8,760,000)	
Add: deferred amount on refunding	121,940	
Less: compensated absences payable	(34,142)	
Less: accrued interest on bonds	(24,409)	
Less: unamortized premium on debt	<u>(788,547)</u>	(9,485,158)
(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	\$ 3,257,154	
Less: deferred inflows of resources related to pensions	<u>(393,281)</u>	2,863,873
(4) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - Gibson County Employees Agent Plan	\$ 2,957,631	
Add: net pension asset - Gibson County Board of Education Agent Plan	<u>353,205</u>	3,310,836
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,461,336</u>
Net position of governmental activities (Exhibit A)		<u>\$ 70,226,630</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor	Total
	General	Other Special Revenue	Highway / Public Works	Funds Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 10,099,526	\$ 0	\$ 3,412,767	\$ 954,787	\$ 14,467,080
Licenses and Permits	127,901	0	0	0	127,901
Fines, Forfeitures, and Penalties	359,538	0	0	34,278	393,816
Charges for Current Services	3,629,152	0	0	93,764	3,722,916
Other Local Revenues	462,144	0	52,987	1,000,031	1,515,162
Fees Received From County Officials	2,327,885	0	0	0	2,327,885
State of Tennessee	2,379,576	0	5,869,381	483,572	8,732,529
Federal Government	14,032	9,548,759	38,132	37,475	9,638,398
Other Governments and Citizens Groups	567,233	0	0	103,514	670,747
Total Revenues	\$ 19,966,987	\$ 9,548,759	\$ 9,373,267	\$ 2,707,421	\$ 41,596,434
<u>Expenditures</u>					
Current:					
General Government	\$ 1,921,276	\$ 0	\$ 0	\$ 12,870	\$ 1,934,146
Finance	1,707,135	0	0	0	1,707,135
Administration of Justice	2,187,532	0	0	0	2,187,532
Public Safety	7,587,808	0	0	1,287,225	8,875,033
Public Health and Welfare	4,620,757	0	0	298,542	4,919,299
Social, Cultural, and Recreational Services	521,399	0	0	36,475	557,874
Agriculture and Natural Resources	329,102	0	0	0	329,102
Other Operations	1,717,405	24,389	0	193,398	1,935,192
Highways	0	0	9,200,278	0	9,200,278
Debt Service:					
Principal on Debt	0	0	0	855,000	855,000
Interest on Debt	0	0	0	335,762	335,762
Other Debt Service	0	0	0	32,169	32,169
Total Expenditures	\$ 20,592,414	\$ 24,389	\$ 9,200,278	\$ 3,051,441	\$ 32,868,522

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Other Special Revenue	Highway / Public Works	Other Govern- mental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ (625,427)	\$ 9,524,370	\$ 172,989	\$ (344,020)	\$ 8,727,912
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 44,581	\$ 0	\$ 48,369	\$ 70,624	\$ 163,574
Transfers In	8,965,259	0	0	926,868	9,892,127
Transfers Out	(909,668)	(8,965,259)	0	(17,200)	(9,892,127)
Total Other Financing Sources (Uses)	\$ 8,100,172	\$ (8,965,259)	\$ 48,369	\$ 980,292	\$ 163,574
Net Change in Fund Balances	\$ 7,474,745	\$ 559,111	\$ 221,358	\$ 636,272	\$ 8,891,486
Fund Balance, July 1, 2022	11,970,991	(578,250)	5,096,516	3,776,174	20,265,431
Fund Balance, June 30, 2023	\$ 19,445,736	\$ (19,139)	\$ 5,317,874	\$ 4,412,446	\$ 29,156,917

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

Exhibit C-4

Gibson 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)		\$ 8,891,486
(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	\$ 5,418,800	
Less: current-year depreciation expense	<u>(2,920,401)</u>	2,498,399
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 1,461,336	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(1,064,444)</u>	396,892
(3) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 855,000	
Add: change in premium on debt issuances	113,970	
Less: change in deferred amount on refunding debt	<u>(10,882)</u>	958,088
(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 accrued interest payable	\$ 3,541	
Change in net pension asset	(4,858,334)	
Change in deferred outflows related to pensions	60,000	
Change in deferred inflows related to pensions	4,985,474	
Change in compensated absences payable	<u>(495)</u>	190,186
Change in net position of governmental activities (Exhibit B)		<u>\$ 12,935,051</u>

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

Exhibit C-5

Gibson 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	\$ 10,099,526	\$ 9,091,449	\$ 9,091,449	\$ 1,008,077
Licenses and Permits	127,901	136,800	136,800	(8,899)
Fines, Forfeitures, and Penalties	359,538	316,450	329,636	29,902
Charges for Current Services	3,629,152	3,304,200	3,304,200	324,952
Other Local Revenues	462,144	421,050	447,218	14,926
Fees Received From County Officials	2,327,885	1,972,000	1,972,000	355,885
State of Tennessee	2,379,576	3,119,779	3,264,486	(884,910)
Federal Government	14,032	239,899	294,350	(280,318)
Other Governments and Citizens Groups	567,233	575,116	575,116	(7,883)
Total Revenues	\$ 19,966,987	\$ 19,176,743	\$ 19,415,255	\$ 551,732
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 59,561	\$ 63,472	\$ 66,972	\$ 7,411
Board of Equalization	2,691	2,691	2,691	0
County Mayor/Executive	230,414	232,511	232,511	2,097
County Attorney	21,735	25,100	25,100	3,365
Election Commission	313,630	336,006	336,006	22,376
Register of Deeds	261,106	246,298	280,616	19,510
Development	92,205	88,845	93,845	1,640
County Buildings	933,276	458,584	991,066	57,790
Preservation of Records	6,658	4,724	6,469	(189)
<u>Finance</u>				
Accounting and Budgeting	114,597	138,700	153,700	39,103
Property Assessor's Office	462,513	444,911	464,680	2,167
County Trustee's Office	359,125	323,464	358,964	(161)
County Clerk's Office	770,900	779,153	781,759	10,859
<u>Administration of Justice</u>				
Circuit Court	497,931	506,653	524,500	26,569
General Sessions Court	293,933	282,590	291,611	(2,322)
Drug Court	39,523	28,528	52,854	13,331
Chancery Court	389,913	387,895	392,267	2,354
Juvenile Court	483,284	501,062	502,548	19,264
District Attorney General	47,222	52,233	52,233	5,011
Other Administration of Justice	397,269	450,157	450,157	52,888
Victim Assistance Programs	38,457	36,500	42,800	4,343
<u>Public Safety</u>				
Sheriff's Department	3,259,121	3,274,548	3,341,932	82,811
Jail	3,550,214	3,257,271	3,481,026	(69,188)
Fire Prevention and Control	384,748	376,536	434,311	49,563
Rural Fire Protection	3,364	0	3,283	(81)
Civil Defense	215,707	213,787	239,049	23,342
Other Emergency Management	21,360	41,387	41,387	20,027
County Coroner/Medical Examiner	76,865	58,000	78,000	1,135
Public Safety Grants Program	76,429	0	71,313	(5,116)
<u>Public Health and Welfare</u>				
Local Health Center	119,001	125,251	125,251	6,250
Rabies and Animal Control	69,899	76,512	78,741	8,842

(Continued)

Exhibit C-5

Gibson 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 (Cont.)</u>				
Ambulance/Emergency Medical Services	\$ 4,014,872	\$ 3,934,965	\$ 4,055,267	\$ 40,395
Alcohol and Drug Programs	68,834	47,688	84,999	16,165
Sanitation Education/Information	55,509	67,227	67,227	11,718
Other Public Health and Welfare	292,642	323,778	384,300	91,658
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	260,329	268,811	267,211	6,882
Libraries	230,319	237,821	242,181	11,862
Parks and Fair Boards	23,127	22,676	23,127	0
Other Social, Cultural, and Recreational	7,624	8,000	8,000	376
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	134,275	158,512	158,512	24,237
Soil Conservation	101,846	111,238	111,238	9,392
Flood Control	92,981	52,500	92,981	0
<u>Other Operations</u>				
Tourism	63,582	59,500	84,725	21,143
Industrial Development	126,667	127,683	130,683	4,016
Other Economic and Community Development	58,683	75,396	75,396	16,713
Airport	158,555	189,214	189,214	30,659
Veterans' Services	57,722	64,670	64,670	6,948
Other Charges	264,074	254,175	254,175	(9,899)
Contributions to Other Agencies	27,500	35,000	35,000	7,500
Employee Benefits	953,074	1,618,857	1,620,857	667,783
COVID-19 Grant #4	7,548	0	0	(7,548)
Total Expenditures	\$ 20,592,414	\$ 20,471,080	\$ 21,947,405	\$ 1,354,991
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (625,427)	\$ (1,294,337)	\$ (2,532,150)	\$ 1,906,723
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 44,581	\$ 0	\$ 29,120	\$ 15,461
Transfers In	8,965,259	8,950,793	8,950,793	14,466
Transfers Out	(909,668)	(275,000)	(914,668)	5,000
Total Other Financing Sources	\$ 8,100,172	\$ 8,675,793	\$ 8,065,245	\$ 34,927
Net Change in Fund Balance				
Fund Balance, July 1, 2022	\$ 11,970,991	\$ 10,163,362	\$ 10,163,362	\$ 1,807,629
Fund Balance, June 30, 2023				
	\$ 19,445,736	\$ 17,544,818	\$ 15,696,457	\$ 3,749,279

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

Exhibit C-6

Gibson 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>				
Federal Government	\$ 9,548,759	\$ 8,950,793	\$ 8,982,793	\$ 565,966
Total Revenues	\$ 9,548,759	\$ 8,950,793	\$ 8,982,793	\$ 565,966
<u>Expenditures</u>				
<u>Other Operations</u>				
American Rescue Plan Act Grant #1	\$ 0	\$ 8,950,793	\$ 7,000	\$ 7,000
American Rescue Plan Act Grant #2	24,389	0	32,000	7,611
Total Expenditures	\$ 24,389	\$ 8,950,793	\$ 39,000	\$ 14,611
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,524,370	\$ 0	\$ 8,943,793	\$ 580,577
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (8,965,259)	\$ 0	\$ (8,965,259)	\$ 0
Total Other Financing Sources	\$ (8,965,259)	\$ 0	\$ (8,965,259)	\$ 0
Net Change in Fund Balance	\$ 559,111	\$ 0	\$ (21,466)	\$ 580,577
Fund Balance, July 1, 2022	(578,250)	4,283,504	4,283,504	(4,861,754)
Fund Balance, June 30, 2023	\$ (19,139)	\$ 4,283,504	\$ 4,262,038	\$ (4,281,177)

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

Exhibit C-7

Gibson 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	\$ 3,412,767	\$ 3,071,004	\$ 3,071,004	\$ 341,763
Charges for Current Services	0	2,000	2,000	(2,000)
Other Local Revenues	52,987	95,287	95,287	(42,300)
State of Tennessee	5,869,381	6,061,441	6,061,441	(192,060)
Federal Government	38,132	10,000	48,132	(10,000)
Total Revenues	<u>\$ 9,373,267</u>	<u>\$ 9,239,732</u>	<u>\$ 9,277,864</u>	<u>\$ 95,403</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 243,861	\$ 262,672	\$ 262,672	\$ 18,811
Highway and Bridge Maintenance	3,521,668	3,653,000	3,691,132	169,464
Operation and Maintenance of Equipment	714,715	1,410,500	1,410,500	695,785
Other Charges	163,421	170,000	170,000	6,579
Employee Benefits	400,642	524,000	524,000	123,358
Capital Outlay	4,155,971	4,633,093	4,769,479	613,508
Total Expenditures	<u>\$ 9,200,278</u>	<u>\$ 10,653,265</u>	<u>\$ 10,827,783</u>	<u>\$ 1,627,505</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 172,989</u>	<u>\$ (1,413,533)</u>	<u>\$ (1,549,919)</u>	<u>\$ 1,722,908</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 48,369	\$ 0	\$ 48,369	\$ 0
Total Other Financing Sources	<u>\$ 48,369</u>	<u>\$ 0</u>	<u>\$ 48,369</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 221,358	\$ (1,413,533)	\$ (1,501,550)	\$ 1,722,908
Fund Balance, July 1, 2022	5,096,516	5,043,596	5,043,596	52,920
Fund Balance, June 30, 2023	<u>\$ 5,317,874</u>	<u>\$ 3,630,063</u>	<u>\$ 3,542,046</u>	<u>\$ 1,775,828</u>

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

Exhibit D-1

Gibson County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2023

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 3,567,248
Equity in Pooled Cash and Investments	87,438
Due from Other Governments	4,029,937
Property Taxes Receivable	17,108,683
Allowance for Uncollectible Property Taxes	<u>(389,347)</u>
Total Assets	<u>\$ 24,403,959</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 4,707,850</u>
Total Liabilities	<u>\$ 4,707,850</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Current Property Taxes	<u>\$ 16,063,313</u>
Total Deferred Inflows of Resources	<u>\$ 16,063,313</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 3,632,796</u>
Total Net Position	<u>\$ 3,632,796</u>

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

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

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 9,550,739
ADA - Educational Funds Collected for Cities	27,826,216
Fines/Fees and Other Collections	16,293,573
District Attorney General Collections	<u>13,911</u>
Total Additions	<u>\$ 53,684,439</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 9,550,739
Payments to City School Systems	27,826,216
Payments to State	5,392,314
Payments to Cities, Individuals, and Others	9,456,029
Payment of District Attorney General Expenses	<u>9,121</u>
Total Deductions	<u>\$ 52,234,419</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 1,450,020
Net Position, July 1, 2022	<u>2,182,776</u>
Net Position, June 30, 2023	<u><u>\$ 3,632,796</u></u>

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

GIBSON COUNTY, TENNESSEE
Index of Notes to the Financial Statements

Note	Page(s)
I. Summary of Significant Accounting Policies	
A. Reporting Entity	32
B. Government-wide and Fund Financial Statements	33
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	33
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	35
2. Receivables and Payables	37
3. Capital Assets	37
4. Deferred Outflows/Inflows of Resources	38
5. Compensated Absences	39
6. Long-term Debt and Long-term Obligations	39
7. Net Position and Fund Balance	40
E. Pension Plan	41
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	41
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	42
III. Stewardship, Compliance, and Accountability	
A. Budgetary Information	42
B. Fund Deficit	42
C. Cash Shortage - Prior Years	43
D. Cash Overdraft	43
E. Expenditures Exceeded Appropriations	43
IV. Detailed Notes on All Funds	
A. Deposits and Investments	43
B. Capital Assets	46
C. Construction Commitments	47
D. Interfund Receivables, Payables, and Transfers	47
E. Long-term Debt	48
F. Long-term Obligations	50
V. Other Information	
A. Risk Management	50
B. Accounting Changes	51
C. Contingent Liabilities	52
D. Change in Administration	52
E. Joint Venture	52
F. Jointly Governed Organizations	53
G. Retirement Commitments	53
H. Purchasing Laws	60
VI. Other Notes – Discretely Presented Gibson County Emergency Communications District	61

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gibson 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 Gibson County:

A. Reporting Entity

Gibson County is a public municipal corporation governed by an elected 25-member board. As required by GAAP, these financial statements present Gibson County (the primary government) and its component unit. The component unit discussed below is included in the county's reporting entity because of the significance of its operational or financial relationship with the county.

Discretely Presented Component Unit – The following entity meets the criteria for a discretely presented component unit of the county. It is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the county.

The Gibson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Gibson County, and the Gibson 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 Gibson County Emergency Communications District issues separate financial statements from those of the county and is published as a separate report. Complete financial statements of the Gibson County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Gibson County Emergency
Communications District
P.O. Box 146
Dyer, TN 38330

Related Organization – The Industrial Development Board of Gibson County is a related organization of Gibson County. The mayors of Gibson County and the cities of Bradford, Dyer, Gibson, Humboldt, Kenton, Medina,

Milan, Rutherford, Trenton, and Yorkville designate one person to serve on the 11-member board. The Gibson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. 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 Gibson County does not have any business-type activities to report. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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.

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 Gibson 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. However, Gibson County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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. 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. Gibson County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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.

Gibson County reports the following major governmental funds:

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

Other Special Revenue Fund – This special revenue fund accounts for the 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, Gibson County reports the following fund types:

Debt Service Fund – The General Debt Service Fund accounts for 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 financial resources to be used for the acquisition or construction of major capital facilities.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Gibson County, special school districts’ share of educational revenues, and restricted revenues held for the benefit of the Office of District Attorney General.

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 Gibson 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. Most income from these pooled investments is assigned to the General Debt Service Fund. Gibson County has 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. Gibson 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 outstanding at the end of the fiscal year is referred to as due to/from other funds.

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.01 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.

3. 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 five years. Such assets are recorded at historical

cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of Gibson County are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Building and Improvements	50
Other Capital Assets	5 - 10
Infrastructure:	
Roads	20
Bridges	15 - 30

4. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for a deferred charge on refunding; pension changes in experience, assumptions, and investment earnings; and employer contributions made to the pension plan after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience and investment earnings, and various

receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

5. Compensated Absences

It is the general policy of Gibson County, with the exception of the highway department, not to allow an employee's unused vacation benefits to be carried over from year to year without the written permission of the employee's supervisor or department head.

It is the county highway department's policy to permit full-time employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from service. Vacation benefits for the highway department are accrued when incurred in the government-wide financial statements for the county.

A liability for vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term

obligations, including compensated absences, are recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Net Position and Fund Balance

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

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

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 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 authorized the county’s budget committee to make assignments for the general government.

Unassigned Fund Balance – the residual classification of the General Fund. 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 Fund. 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 Plan

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 Gibson County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Gibson 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.

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

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.

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

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.

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 and Other General Government funds (special revenue fund), which are not budgeted. All annual appropriations lapse at fiscal year-end.

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, 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 \$19,139 at June 30, 2023. This deficit occurred because personnel had not requested the reimbursement of grant funds on a timely basis. Some grant funds were requested and received subsequent to June 30, 2023; however as of November 8, 2023, the date of the exit conference, a fund deficit of \$5,830 remained.

C. Cash Shortage – Prior Years

On December 1, 2015, an investigative report by the Comptroller’s Division of Investigations, revealed that for the period July 1, 2013, through October 16, 2014, the sheriff’s department had a cash shortage of at least \$109,429 as a result of numerous irregularities. On November 30, 2015, the Gibson County Grand Jury returned indictments on former Sheriff Chuck Arnold and several of his former employees on numerous charges including official misconduct, theft, and forgery. Three employees subsequently pled guilty to various charges and have been ordered to pay restitution totaling \$6,589. On October 21, 2016, the former sheriff and several former employees were ordered to pay restitution totaling \$62,395. County officials continue to pursue collection of the remaining shortage. As of June 30, 2023, the cash shortage outstanding totaled \$48,876.

D. Cash Overdraft

The General Capital Projects Fund had a had a cash overdraft of \$107,965 at June 30, 2023. This cash overdraft resulted from the issuance of checks exceeding cash on deposit with the county trustee. The cash overdraft was liquidated subsequent to June 30, 2023.

E. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in eight of 51 major appropriations categories (the legal level on control) of the General Fund and in one of seven major appropriations of the General Capital Projects Fund by amounts ranging from \$81 to \$69,188. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the General Fund and are expected to be funded by the receipt of grant funds in the General Capital Projects Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Gibson County participates 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.

B. Capital Assets

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

Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 5,313,966	\$ 0	\$ 0	\$ 5,313,966
Construction in Progress	66,819	1,647,564	0	1,714,383
Total Capital Assets Not Depreciated	<u>\$ 5,380,785</u>	<u>\$ 1,647,564</u>	<u>\$ 0</u>	<u>\$ 7,028,349</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 17,804,283	\$ 366,555	\$ 0	\$ 18,170,838
Infrastructure	47,064,868	1,881,405	0	48,946,273
Other Capital Assets	18,352,316	1,523,276	239,261	20,114,853
Total Capital Assets Depreciated	<u>\$ 83,221,467</u>	<u>\$ 3,771,236</u>	<u>\$ 239,261</u>	<u>\$ 87,231,964</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 5,743,129	\$ 351,788	\$ 0	\$ 6,094,917
Infrastructure	28,265,505	1,350,823	0	29,616,328
Other Capital Assets	14,173,191	1,217,790	239,261	15,630,242
Total Accumulated Depreciation	<u>\$ 48,181,825</u>	<u>\$ 2,920,401</u>	<u>\$ 239,261</u>	<u>\$ 51,341,487</u>
Total Capital Assets Depreciated, Net	<u>\$ 35,039,642</u>	<u>\$ 850,835</u>	<u>\$ 0</u>	<u>\$ 35,890,477</u>
Governmental Activities Capital Assets, Net	<u>\$ 40,420,427</u>	<u>\$ 2,498,399</u>	<u>\$ 0</u>	<u>\$ 42,918,826</u>

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

Governmental Activities:

General Government	\$ 145,561
Administration of Justice	82,438
Public Safety	671,021
Public Health and Welfare	322,512
Social, Cultural, and Recreational Services	3,037
Agriculture and Natural Resources	3,484
Other Operations	93,340
Highway/Public Works	<u>1,599,008</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,920,401</u>

Net Investment in Capital Assets

Capital Assets	\$ 42,918,826
Less:	
Outstanding principal of capital debt and other capital borrowings	(8,760,000)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(788,547)</u>
Net Investment in Capital Assets	<u>\$ 33,370,279</u>

C. Construction Commitments

At June 30, 2023, the highway department had uncompleted construction contracts of approximately \$11,797 for bridge construction. Funding for these future expenditures is expected to be received from state grants.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Other Special Revenue	\$ 8,965,259
"	Nonmajor governmental	4,509
Other Special Revenue	General	5,250
Nonmajor governmental	"	317,807
"	Nonmajor governmental	2,351

Receivables in the General Capital Projects Fund totaling \$275,000 were in transit from the General Fund.

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

Interfund Transfers:

Interfund transfers for the year ended June 30, 2023, consisted of the following amounts:

Transfers Out	Transfers In		Purpose
	General Fund	Nonmajor Governmental Fund	
General Fund	\$ 0	\$ 909,668	Capital outlay
Other Special Revenue Fund	8,965,259	0	ARPA funds
Nonmajor Governmental Fund	0	17,200	Capital Outlay
Total	\$ 8,965,259	\$ 926,868	

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

E. Long-term Debt

General Obligation Bonds

Gibson County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation 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 16 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.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-23
General Obligation Bonds - Refunding	1.45 to 5 %	6-1-33	\$ 11,465,000	\$ 8,760,000

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 845,000	\$ 293,900	\$ 1,138,900
2025	855,000	253,150	1,108,150
2026	880,000	212,650	1,092,650
2027	915,000	178,375	1,093,375
2027	935,000	142,237	1,077,237
2029-2033	4,330,000	323,350	4,653,350
Total	\$ 8,760,000	\$ 1,403,662	\$ 10,163,662

There is \$3,262,815 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$174, based on the 2020 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$189, based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds
Balance, July 1, 2022	\$ 9,615,000
Reductions	(855,000)
Balance, June 30, 2023	\$ 8,760,000
Balance Due Within One Year	\$ 845,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 8,760,000
Less: Balance Due Within One Year - Debt	(845,000)
Add: Unamortized Premium on Debt	<u>788,547</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 8,703,547</u>

F. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Compensated Absences</u>
Balance, July 1, 2022	\$ 33,647
Additions	46,064
Reductions	<u>(45,569)</u>
Balance, June 30, 2023	<u>\$ 34,142</u>
Balance Due Within One Year	<u>\$ 1,706</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 34,142
Less: Balance Due Within One Year - Other	<u>(1,706)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 32,436</u>

Compensated absences will be paid from the Highway/Public Works Fund.

V. OTHER INFORMATION

A. Risk Management

Employee Health Insurance

As of July 1, 2022, Gibson 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 (TCA)*, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

Workers' Compensation Insurance

Gibson County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under provisions of Section 29-20-401, *Tennessee Code Annotated*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Liability, Property, and Casualty

The county is exposed to various risks related to general liability, property, and casualty losses. The county participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it 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.

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.

The county attorney and management were not aware of any potential claims that were pending, which would materially affect the county's financial statements.

D. Change in Administration

On August 31, 2022, Tom Witherspoon left the Office of County Mayor and was succeeded by Nelson Cunningham effective September 1, 2022.

E. Joint Venture

The Twenty-eighth Judicial District Drug Task Force (DTF) is participating in a joint venture formed by an interlocal agreement between the district attorney generals of the Twenty-eighth Judicial District, the Twenty-ninth Judicial District, the Thirtieth Judicial District, the Gibson County Sheriff's Department, and the West Tennessee Judicial Violent Crime and Drug Task Force (WTJDTF). The purpose of the entity is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities and highway criminal interdiction. Funds for the operations of the entity come primarily from federal grants, fines, and the forfeiture of assets to the entity. Gibson County made no contributions to the WTJDTF for the year ended June 30, 2023.

Gibson 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 addresses:

Administrative Office:

Office of District Attorney General
Twenty-eighth Judicial District
P.O. Box 145
Trenton, TN 38382

F. Jointly Governed Organizations

The Gibson County Railroad Authority (GCRA) was created by the county in conjunction with Madison County and the cities of Trenton, Humboldt, Dyer, Rutherford, and Kenton. The GCRA's board includes the mayors of Gibson and Madison counties; the city mayors of Trenton, Humboldt, Dyer, Rutherford, and Kenton; and one at-large member from each of these areas. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity.

The West Tennessee Railroad Authority (WTRA) was created by Gibson County in conjunction with the counties of Chester, Madison, McNairy, Obion, and Weakley. The WTRA's board includes the mayors of Chester, Gibson, Madison, McNairy, Obion, and Weakley counties, and one at-large member from each of these areas. However, the counties do not have any ongoing financial interest or responsibility for the entity.

G. Retirement Commitments

Tennessee Consolidated Retirement System (TCRS)

General Information About the Pension Plan

Plan Description. Employees of Gibson County are provided a defined benefit pension plan (Gibson County Employees Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. In addition, certain former county employees are provided a defined benefit pension plan (Gibson County Board of Education Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Gibson County Board of Education Plan is closed to new membership. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Gibson County Employees:

Inactive Employees or Beneficiaries Currently Receiving Benefits	146
Inactive Employees Entitled to But Not Yet Receiving Benefits	267
Active Employees	236
Total	649

Gibson County Board of Education:

Inactive Employees or Beneficiaries Currently Receiving Benefits	29
Inactive Employees Entitled to But Not Yet Receiving Benefits	4
Active Employees	0
Total	33

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. Gibson 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 the Gibson County Employees Plan was \$474,480 based on a rate of four percent of covered payroll. At the measurement date of June 30, 2022, the Gibson County Board of Education Plan was fully funded; therefore, no additional employer contributions will be required. By law, employer contributions are required to be paid. The TCRS may intercept Gibson 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)

Gibson 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
Cost of Living Adjustment	2.125%

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

The actuarial assumptions, used in the June 30, 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 more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical 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 investment 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 weighting 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 Gibson 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)

Gibson County Employees:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2021	\$ 33,814,421	\$ 41,571,026	\$ (7,756,605)
Changes for the Year:			
Service Cost	\$ 959,917	\$ 0	\$ 959,917
Interest	2,292,923	0	2,292,923
Change in Benefit Terms	91,326	0	91,326
Differences Between Expected and Actual Experience	1,346,277	0	1,346,277
Contributions-Employer	0	935,230	(935,230)
Contributions-Employees	0	567,375	(567,375)
Net Investment Income	0	(1,587,845)	1,587,845
Benefit Payments, Including Refunds of Employee Contributions	(1,610,207)	(1,610,207)	0
Administrative Expense	0	(23,291)	23,291
Net Changes	<u>\$ 3,080,236</u>	<u>\$ (1,718,738)</u>	<u>\$ 4,798,974</u>
Balance, June 30, 2022	<u>\$ 36,894,657</u>	<u>\$ 39,852,288</u>	<u>\$ (2,957,631)</u>

Gibson County Board of Education:

	Increase (Decrease)		
	Total	Plan	Net Pension
	Pension Liability (a)	Fiduciary Net Position (b)	Liability (Asset) (a)-(b)
Balance, July 1, 2021	\$ 303,869	\$ 716,434	\$ (412,565)
Changes for the Year:			
Interest	\$ 19,037	\$ 0	\$ 19,037
Changes in Assumptions	13,750	0	13,750
Net Investment Income	0	(26,573)	26,573
Benefit Payments, Including Refunds of Employee Contributions	(43,681)	(43,681)	0
Net Changes	\$ (10,894)	\$ (70,254)	\$ 59,360
Balance, June 30, 2022	\$ 292,975	\$ 646,180	\$ (353,205)

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

	Current		
	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)			
Gibson County Employees	\$ 1,969,379	\$ (2,957,631)	\$ (7,031,478)
Gibson County Board of Education	\$ (337,335)	\$ (353,205)	\$ (367,551)

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, the Gibson County Employee Plan and the Gibson County Board of Education Plan recognized pension expense (negative pension expense) of \$307,555 and (\$19,943), respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Gibson County reported deferred outflows of resources

and deferred inflows of resources related to pensions from the following sources:

Gibson County Employees:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 1,197,364	\$ 391,909
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	109,923	0
Changes in Assumptions	1,475,387	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	<u>474,480</u>	<u>N/A</u>
Total	<u>\$ 3,257,154</u>	<u>\$ 391,909</u>

Gibson County Board of Education:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 0	\$ 1,372
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	<u>N/A</u>	<u>N/A</u>
Total	<u>\$ 0</u>	<u>\$ 1,372</u>

(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.

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:

Gibson County Employees:

Year Ending June 30	Amount
2024	\$ 461,852
2025	493,287
2026	288,471
2027	1,147,155
2028	0
Thereafter	0

Gibson County Board of Education:

Year Ending June 30	Amount
2024	\$ (4,602)
2025	(4,372)
2026	(7,085)
2027	14,687
2028	0
Thereafter	0

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

H. Purchasing Laws

Office of County Mayor

The County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, govern purchasing for the general county government. This act provides for all purchases exceeding \$25,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of Road Supervisor

Chapter 111, Private Acts of 1929, as amended, and Section 54-7-113, *TCA*, (Uniform Road Law), govern purchasing procedures for the highway department. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

VI. **OTHER NOTES – DISCRETELY PRESENTED GIBSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

A. **General Information**

Gibson County Emergency Communications District (District) provides 911 emergency assistance to persons living in Gibson County. The district is a component unit of Gibson County. Accordingly, this financial data is incorporated into the county's financial statements. Board members are appointed by the county mayor. Additionally, any bonded indebtedness by the district is subject to the approval of the Gibson County Commission.

B. **Summary of Significant Accounting Policies**

1. **Basis of Presentation**

The accounts of the district are organized on the basis of funds. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses, as appropriate. The accounts in the financial statements in this report fall under one broad fund category as follows:

Proprietary Funds

Enterprise Funds – Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis can be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

2. **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded 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.

3. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Cash and Cash Equivalents

Cash and cash equivalents, as used in the Statement of Cash Flows, includes demand deposit accounts and certificates of deposit with maturities of three months or less when purchased, in accordance with GASB Statement No. 9.

Accounts Receivable

Accounts receivable represent amounts due from local customers for dispatch services. The district does not have an allowance due to all accounts receivable being fully collectible.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Capital Assets

All capital assets of the district are recorded at original cost, except for donated equipment which is recorded at fair market value. Gains and losses from the sale of capital assets are reflected in operations and the asset accounts and related allowances for depreciation are reduced. Also, depreciation expense on all depreciable items is systematically charged against operations using the straight-line method over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>	<u>Threshold</u>
Equipment	5 - 20	\$ 2,500
Office Equipment	3 - 10	1,000
Furniture and Fixtures	5 - 10	1,000
Vehicles	5	5,000
Building	30	10,000

Compensated Absences

Employees who have completed one to four years of service shall receive eight hours per month of vacation time. Employees who have completed five to nine years of service shall receive ten hours per month of vacation time. Employees who have completed 11-14 years of service shall receive 12 hours per month of vacation time. Employees who have completed 15 years or more of service shall receive 14 hours per month of vacation time.

The employee is limited to accumulating up to two weeks of leave per year to be taken in pay and can carry 80 hours of unused vacation leave at December 31 over to the next calendar year. At June 30, 2023, the liability for accrued leave was \$9,630.

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. All revenues that are not generated from daily operations are defined as non-operating.

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 district has items that qualify for reporting in this category. Accordingly, the items are reported in the Statement of Net Position. These items are for employer contributions made to the pension plan after the measurement date, pension changes in assumptions, pension changes in experience, 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. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The district has items that qualify for reporting in this category. Accordingly, the items are reported in the Statement of Net Position. These items are for pension changes in experience. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the district will fund outlays for a particular purpose from both restricted (e.g., grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the district's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Net Position

In the district's financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of 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.

4. Pension Plans

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 district's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the districts fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement 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 Retirement Plan of TCRS. Investments are reported at fair value.

C. Revenues

Revenues are derived from telephone customers and wireless charges from cellular phone fees in the area served by the district. The State of Tennessee remits to the district a base amount of these revenues.

D. Risk Management

It is the policy of the district to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property damage, and theft. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. It is also insured against possible loss related to acts of district key officers or directors by official statutory bonds carried by the district. The district has had no insurance settlements in excess of insurance coverage during the past three years.

E. Capital Assets

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

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 66,400	\$ 0	\$ 0	\$ 66,400
Capital Assets Depreciated:				
Buildings and Improvements	\$ 774,696	\$ 0	\$ 0	\$ 774,696
Office Equipment	108,798	0	0	108,798
Communications Equipment	1,216,753	42,686	0	1,259,439
Furniture and Fixtures	16,153	0	0	16,153
Vehicles	18,427	0	0	18,427
Total Capital Assets Depreciated:	\$ 2,134,827	\$ 42,686	\$ 0	\$ 2,177,513
Less: Accumulated Depreciation For:				
Buildings and Improvements	\$ 529,703	\$ 23,348	\$ 0	\$ 553,051
Office Equipment	105,458	621	0	106,079
Communications Equipment	882,387	73,246	0	955,633
Furniture and Fixtures	6,507	2,891	0	9,398
Vehicles	18,427	0	0	18,427
Total Accumulated Depreciation	\$ 1,542,482	\$ 100,106	\$ 0	\$ 1,642,588
Capital Assets, Net	\$ 658,745	\$ (57,420)	\$ 0	\$ 601,325

Depreciation expense of \$100,106 was recorded by the district. In addition to the above capital asset purchases, additional small equipment purchases of \$52,000 were made in the current year. These purchases were below the districts capitalization thresholds.

F. Unearned Revenue

The district received \$700,000 from Gibson County in May 2001, which represented advance payments of dispatch fees for the period May 2001 through April 2026. Revenue of \$2,333 will be recognized each month during the life of the contract.

G. Pension Plan

Plan Description

Employees of the Gibson County Emergency Communications District are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/BoardandGovernance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	4
Inactive Employees Entitled to But Not Yet Receiving Benefits	20
Active Employees	<u>13</u>
Total	<u><u>37</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees of the district do not contribute any percentage of their salary. The district 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, employer contributions for Gibson County Emergency Communications District were \$70,399 based on a rate of 12.46 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Gibson County Emergency Communications District's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

The Gibson County Emergency Communications District's net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 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 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 more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical 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 weighting 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 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 the district 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	\$ 1,754,274	\$ 1,843,585	\$ (89,311)
Changes for the year:			
Service Cost	\$ 37,441	\$ 0	\$ 37,441
Interest	119,001	0	119,001
Differences Between Expected and Actual Experience	9,710	0	9,710
Contributions-Employer	0	69,857	(69,857)
Net Investment Income	0	(70,742)	70,742
Benefit Payments, Including Refunds of Employee Contributions	(57,487)	(57,487)	0
Administrative Expense	0	(1,220)	1,220
Net Changes	\$ 108,665	\$ (59,592)	\$ 168,257
Balance, June 30, 2022	\$ 1,862,939	\$ 1,783,993	\$ 78,946

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of the district calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1%	Current Discount Rate	1%
Gibson County Emergency Communications District	Decrease 5.75%	6.75%	Increase 7.75%

Net Pension Liability (Asset) \$ 362,325 \$ 78,946 \$ (148,702)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the district recognized pension expense (negative pension expense) of \$68,516.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the district 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
Differences Between Expected and Actual Experience	\$ 117,073	\$ 62,742
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,807	0
Changes in Assumptions	147,871	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	70,399	N/A
Total	<u>\$ 341,150</u>	<u>\$ 62,742</u>

(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.

Amounts reported as deferred outflows of resources, with the exception of contributions after 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	\$ 38,296
2025	42,595
2026	8,541
2027	58,167
2028	29,599
Thereafter	30,813

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

H. **Stewardship, Compliance, and Accountability**

By its nature as a local government unit, the district is subject to various federal, state, and local laws and contractual regulations. An analysis of the district's compliance with significant laws and regulations and demonstration of its stewardship over the district resources follows.

1. **Deposits and Investments**

The district's investment policies are governed by state statute. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit and savings accounts. The district has no policy that further limits allowable investments. At June 30, 2023, investments consisted entirely of certificates of deposit with original maturities greater than three months at a local bank.

For deposits and investments, custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. The district does not have a policy regarding custodial credit risk for deposits. Collateral is required per state statutes for demand deposits and certificates of deposit at 105 percent of all amounts not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of Tennessee and its subdivisions. As of June 30, 2023, the district's deposits were not exposed to custodial credit risk due to being insured by FDIC insurance and collateralized by the State Bank Collateral Pool.

2. **Budget Appropriations**

In accordance with State law, the board of the district must adopt and operate under an annual budget. Criteria for the information required in the annual adopted budget are detailed in Section 7-86-120, *Tennessee Code Annotated*. However, for financial reporting purposes it

is only necessary to present budgetary revenues and expenses compared to actual. All purchases must be made within the limits of the approved budget. Expenses must be presented at the legal level of control, which is defined to be at the line-item level.

The district's expenses were within appropriations at the line-item level in all material respects. There were six line-items with expenses greater than appropriations at immaterial amounts.

I. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Long-term Obligations

The district's long-term obligations are comprised entirely of compensated absences (payroll-related liabilities deemed other long-term liabilities) since the district has no long-term debt (such as bonds, notes, and loans).

	Beginning Balance <u>7/1/22</u>	Additions	Retirements	Ending Balance <u>6/30/23</u>	Due Within <u>One Year</u>
Compensated Absences	<u>\$9,630</u>	\$0	\$0	<u>\$9,630</u>	<u>\$9,630</u>

The other-long term liabilities noted above will be increased as employees accumulate unused vacation time and will be reduced as the employees use the vacation time or when the full amount accumulated for an employee is paid out upon termination of the employee's employment. Further information is provided in Note VI.B.3.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 639,578	\$ 619,501	\$ 636,715	\$ 718,592	\$ 776,976	\$ 763,917	\$ 815,721	\$ 833,993	\$ 959,917
Interest	1,687,432	1,695,891	1,752,633	1,877,560	1,932,026	1,984,565	2,079,590	2,209,112	2,292,923
Change in Benefit Terms	0	0	0	0	0	0	0	0	91,326
Differences Between Actual and Expected Experience	(965,043)	(275,449)	561,196	(381,954)	(732,139)	(99,407)	300,852	(620,042)	1,346,277
Changes in Assumptions	0	0	0	687,012	0	0	0	2,458,977	0
Benefit Payments, Including Refunds of Employee Contributions	(1,045,803)	(1,412,416)	(1,188,777)	(1,544,678)	(1,145,492)	(1,332,779)	(1,447,596)	(1,408,261)	(1,610,207)
Net Change in Total Pension Liability	\$ 316,164	\$ 627,527	\$ 1,761,767	\$ 1,356,532	\$ 831,371	\$ 1,316,296	\$ 1,748,567	\$ 3,473,779	\$ 3,080,236
Total Pension Liability, Beginning	22,382,418	22,698,582	23,326,109	25,087,876	26,444,408	27,275,779	28,592,075	30,340,642	33,814,421
Total Pension Liability, Ending (a)	\$ 22,698,582	\$ 23,326,109	\$ 25,087,876	\$ 26,444,408	\$ 27,275,779	\$ 28,592,075	\$ 30,340,642	\$ 33,814,421	\$ 36,894,657
Plan Fiduciary Net Position									
Contributions - Employer	\$ 481,899	\$ 503,674	\$ 546,710	\$ 766,654	\$ 777,187	\$ 808,498	\$ 849,502	\$ 861,936	\$ 935,230
Contributions - Employee	408,490	403,585	438,069	465,208	471,800	490,734	515,621	523,167	567,375
Net Investment Income	3,437,699	733,633	641,505	2,782,339	2,258,449	2,195,037	1,566,563	8,529,456	(1,587,845)
Benefit Payments, Including Refunds of Employee Contributions	(1,045,803)	(1,412,416)	(1,188,777)	(1,544,678)	(1,145,492)	(1,332,779)	(1,447,596)	(1,408,261)	(1,610,207)
Administrative Expense	(8,836)	(10,992)	(17,966)	(20,815)	(22,886)	(21,447)	(21,261)	(21,493)	(23,291)
Other	0	0	67,964	0	0	0	(23,691)	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,273,449	\$ 217,484	\$ 487,505	\$ 2,448,708	\$ 2,339,058	\$ 2,140,043	\$ 1,439,138	\$ 8,484,805	\$ (1,718,738)
Plan Fiduciary Net Position, Beginning	20,740,836	24,014,285	24,231,769	24,719,274	27,167,982	29,507,040	31,647,083	33,086,221	41,571,026
Plan Fiduciary Net Position, Ending (b)	\$ 24,014,285	\$ 24,231,769	\$ 24,719,274	\$ 27,167,982	\$ 29,507,040	\$ 31,647,083	\$ 33,086,221	\$ 41,571,026	\$ 39,852,288
Net Pension Liability (Asset), Ending (a - b)	\$ (1,315,703)	\$ (905,660)	\$ 368,602	\$ (723,574)	\$ (2,231,261)	\$ (3,055,008)	\$ (2,745,579)	\$ (7,756,605)	\$ (2,957,631)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.80%	103.88%	98.53%	102.74%	108.18%	110.68%	109.05%	122.94%	108.02%
Covered Payroll	\$ 7,624,991	\$ 8,071,700	\$ 8,761,372	\$ 9,304,054	\$ 9,431,889	\$ 9,811,876	\$ 10,309,497	\$ 10,460,384	\$ 11,344,373
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(17.26)%	(11.22)%	4.21%	(7.78)%	(23.66)%	(31.14)%	(26.63)%	(74.15)%	(26.07)%

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 1,488	\$ 666	\$ 652	\$ 659	\$ 619	\$ 610	\$ 372	\$ 0	\$ 0
Interest	46,796	41,117	33,691	30,581	30,005	28,754	25,100	22,858	19,037
Differences Between Actual and Expected Experience	(50,633)	(73,404)	(13,231)	7,546	5,270	(28,800)	(9,562)	(563)	0
Changes in Assumptions	0	0	0	22,464	0	0	0	(11,620)	13,750
Benefit Payments, Including Refunds of Employee Contributions	(78,924)	(66,177)	(68,563)	(56,609)	(53,581)	(52,705)	(48,737)	(44,187)	(43,681)
Net Change in Total Pension Liability	\$ (81,273)	\$ (97,798)	\$ (47,451)	\$ 4,641	\$ (17,687)	\$ (52,141)	\$ (32,827)	\$ (33,512)	\$ (10,894)
Total Pension Liability, Beginning	661,917	580,644	482,846	435,395	440,036	422,349	370,208	337,381	303,869
Total Pension Liability, Ending (a)	\$ 580,644	\$ 482,846	\$ 435,395	\$ 440,036	\$ 422,349	\$ 370,208	\$ 337,381	\$ 303,869	\$ 292,975
Plan Fiduciary Net Position									
Contributions - Employer	\$ 98,988	\$ 70,246	\$ 70,246	\$ 72,662	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Investment Income	70,164	15,611	13,933	62,109	49,098	43,741	29,379	151,449	(26,573)
Benefit Payments, Including Refunds of Employee Contributions	(78,924)	(66,177)	(68,563)	(56,609)	(53,581)	(52,705)	(48,737)	(44,187)	(43,681)
Administrative Expense	(32)	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	23,691	0	0
Net Change in Plan Fiduciary Net Position	\$ 90,196	\$ 19,680	\$ 15,616	\$ 78,162	\$ (4,483)	\$ (8,964)	\$ 4,333	\$ 107,262	\$ (70,254)
Plan Fiduciary Net Position, Beginning	414,632	504,828	524,508	540,124	618,286	613,803	604,839	609,172	716,434
Plan Fiduciary Net Position, Ending (b)	\$ 504,828	\$ 524,508	\$ 540,124	\$ 618,286	\$ 613,803	\$ 604,839	\$ 609,172	\$ 716,434	\$ 646,180
Net Pension Liability (Asset), Ending (a - b)	\$ 75,816	\$ (41,662)	\$ (104,729)	\$ (178,250)	\$ (191,454)	\$ (234,631)	\$ (271,791)	\$ (412,565)	\$ (353,205)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.94%	108.63%	124.05%	140.51%	145.33%	163.38%	180.56%	235.77%	220.56%
Covered Payroll	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Pension Liability (Asset) as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Exhibit E-3

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 481,899	\$ 503,674	\$ 546,710	\$ 580,573	\$ 777,187	\$ 808,498	\$ 540,217	\$ 550,216	\$ 124,788	\$ 306,043
Less: Contributions in Relation to the Actuarially Determined Contribution	(481,899)	(503,674)	(546,710)	(766,654)	(777,187)	(808,498)	(849,502)	(861,936)	(935,230)	(474,480)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (186,081)	\$ 0	\$ 0	\$ (309,285)	\$ (311,720)	\$ (810,442)	\$ (168,437)
Covered Payroll	\$ 7,624,991	\$ 8,071,700	\$ 8,761,372	\$ 9,304,054	\$ 9,431,889	\$ 9,811,876	\$ 10,309,497	\$ 10,460,384	\$ 11,344,373	\$ 11,862,135
Contributions as a Percentage of Covered Payroll	6.32%	6.24%	6.24%	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%	4.00%

Exhibit E-4

Gibson County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Gibson County Board of Education
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 98,988	\$ 70,246	\$ 70,246	\$ 72,662	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Less: Contributions in Relation to the Actuarially Determined Contribution	(98,988)	(70,246)	(70,246)	(72,662)	0	0	0	0	0	0
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: At June 30, 2017, the Gibson County Board of Education Plan was fully funded; therefore, no additional employer contributions were required.

GIBSON 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 July 1, 2021, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Gibson County and Gibson County Board of Education Employees:

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

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Gibson County’s waste tire operations.

Special Purpose Fund – The Special Purpose Fund is used to account for revenue received from the State Direct Appropriations Grant.

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

Other General Government Fund – The Other General Government Fund is used to account for revenues received from opioid settlements.

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.

Debt Service Fund

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

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

Capital Projects Fund

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

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

Exhibit F-1

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

	Special Revenue Funds					Total
	Solid Waste / Sanitation	Special Purpose	Drug Control	Other General Government	Constitutional Officers - Fees	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	1,680	\$ 1,680
Equity in Pooled Cash and Investments	112,061	168,172	213,742	202,432	0	696,407
Accounts Receivable	10,880	0	0	0	0	10,880
Due from Other Governments	0	0	0	0	0	0
Due from Other Funds	0	0	0	2,351	0	2,351
Property Taxes Receivable	0	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0	0
Total Assets	\$ 122,941	\$ 168,172	\$ 213,742	\$ 204,783	\$ 1,680	\$ 711,318
<u>LIABILITIES</u>						
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Due to Other Funds	0	0	0	0	1,680	1,680
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,680	\$ 1,680
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Deferred Delinquent Property Taxes	0	0	0	0	0	0
Other Deferred/Unavailable Revenue	0	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit F-1

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

	Special Revenue Funds					Total
	Solid Waste / Sanitation	Special Purpose	Drug Control	Other General Government	Constitutional Officers - Fees	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 0	\$ 213,742	\$ 0	\$ 0	\$ 213,742
Restricted for Public Health and Welfare	0	0	0	204,783	0	204,783
Committed:						
Committed for General Government	0	168,172	0	0	0	168,172
Committed for Public Health and Welfare	122,941	0	0	0	0	122,941
Committed for Debt Service	0	0	0	0	0	0
Committed for Capital Projects	0	0	0	0	0	0
Total Fund Balances	\$ 122,941	\$ 168,172	\$ 213,742	\$ 204,783	\$ 0	\$ 709,638
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 122,941	\$ 168,172	\$ 213,742	\$ 204,783	\$ 1,680	\$ 711,318

(Continued)

Exhibit F-1

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

	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 1,680
Equity in Pooled Cash and Investments	3,261,007	0	3,957,414
Accounts Receivable	0	0	10,880
Due from Other Governments	1,409	261,663	263,072
Due from Other Funds	0	317,807	320,158
Property Taxes Receivable	853,551	0	853,551
Allowance for Uncollectible Property Taxes	(11,409)	0	(11,409)
Total Assets	<u>\$ 4,104,558</u>	<u>\$ 579,470</u>	<u>\$ 5,395,346</u>
<u>LIABILITIES</u>			
Cash Overdraft	\$ 0	\$ 107,965	\$ 107,965
Due to Other Funds	2,351	2,829	6,860
Total Liabilities	<u>\$ 2,351</u>	<u>\$ 110,794</u>	<u>\$ 114,825</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 833,648	\$ 0	\$ 833,648
Deferred Delinquent Property Taxes	5,744	0	5,744
Other Deferred/Unavailable Revenue	0	28,683	28,683
Total Deferred Inflows of Resources	<u>\$ 839,392</u>	<u>\$ 28,683</u>	<u>\$ 868,075</u>

(Continued)

Exhibit F-1

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

<u>FUND BALANCES</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	General Debt Service	General Capital Projects	
Restricted:			
Restricted for Public Safety	\$ 0	\$ 0	\$ 213,742
Restricted for Public Health and Welfare	0	0	204,783
Committed:			
Committed for General Government	0	0	168,172
Committed for Public Health and Welfare	0	0	122,941
Committed for Debt Service	3,262,815	0	3,262,815
Committed for Capital Projects	0	439,993	439,993
Total Fund Balances	<u>\$ 3,262,815</u>	<u>\$ 439,993</u>	<u>\$ 4,412,446</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,104,558</u>	<u>\$ 579,470</u>	<u>\$ 5,395,346</u>

Exhibit F-2

Gibson 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
	Solid Waste / Sanitation	Special Purpose	Drug Control	Other General Government	Total	General Debt Service
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	954,787
Fines, Forfeitures, and Penalties	0	0	34,278	0	34,278	0
Charges for Current Services	93,764	0	0	0	93,764	0
Other Local Revenues	1,467	0	0	2,351	3,818	989,973
State of Tennessee	0	0	0	202,432	202,432	365
Federal Government	0	0	0	0	0	0
Other Governments and Citizens Groups	0	0	103,514	0	103,514	0
Total Revenues	\$ 95,231	\$ 0	\$ 137,792	\$ 204,783	\$ 437,806	\$ 1,945,125
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 12,870	\$ 0	\$ 0	\$ 12,870	\$ 0
Public Safety	0	0	81,443	0	81,443	0
Public Health and Welfare	79,192	0	0	0	79,192	0
Social, Cultural, and Recreational Services	0	0	0	0	0	0
Other Operations	0	0	0	0	0	0
Debt Service:						
Principal on Debt	0	0	0	0	0	855,000
Interest on Debt	0	0	0	0	0	335,762
Other Debt Service	0	0	0	0	0	32,169
Total Expenditures	\$ 79,192	\$ 12,870	\$ 81,443	\$ 0	\$ 173,505	\$ 1,222,931

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Debt Service
	Solid Waste / Sanitation	Special Purpose	Drug Control	Other General Government	Total	General Debt Service
Excess (Deficiency) of Revenues Over Expenditures	\$ 16,039	\$ (12,870)	\$ 56,349	\$ 204,783	\$ 264,301	\$ 722,194
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	(17,200)	0	(17,200)	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ (17,200)	\$ 0	\$ (17,200)	\$ 0
Net Change in Fund Balances	\$ 16,039	\$ (12,870)	\$ 39,149	\$ 204,783	\$ 247,101	\$ 722,194
Fund Balance, July 1, 2022	106,902	181,042	174,593	0	462,537	2,540,621
Fund Balance, June 30, 2023	\$ 122,941	\$ 168,172	\$ 213,742	\$ 204,783	\$ 709,638	\$ 3,262,815

(Continued)

Exhibit F-2

Gibson 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	\$ 0	\$ 954,787
Fines, Forfeitures, and Penalties	0	34,278
Charges for Current Services	0	93,764
Other Local Revenues	6,240	1,000,031
State of Tennessee	280,775	483,572
Federal Government	37,475	37,475
Other Governments and Citizens Groups	0	103,514
Total Revenues	<u>\$ 324,490</u>	<u>\$ 2,707,421</u>
<u>Expenditures</u>		
Current:		
General Government	\$ 0	\$ 12,870
Public Safety	1,205,782	1,287,225
Public Health and Welfare	219,350	298,542
Social, Cultural, and Recreational Services	36,475	36,475
Other Operations	193,398	193,398
Debt Service:		
Principal on Debt	0	855,000
Interest on Debt	0	335,762
Other Debt Service	0	32,169
Total Expenditures	<u>\$ 1,655,005</u>	<u>\$ 3,051,441</u>

(Continued)

Exhibit F-2

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

	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	General Capital Projects	
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,330,515)	\$ (344,020)
<u>Other Financing Sources (Uses)</u>		
Insurance Recovery	\$ 70,624	\$ 70,624
Transfers In	926,868	926,868
Transfers Out	0	(17,200)
Total Other Financing Sources (Uses)	<u>\$ 997,492</u>	<u>\$ 980,292</u>
Net Change in Fund Balances	\$ (333,023)	\$ 636,272
Fund Balance, July 1, 2022	773,016	3,776,174
Fund Balance, June 30, 2023	<u>\$ 439,993</u>	<u>\$ 4,412,446</u>

Exhibit F-3

Gibson County, Tennessee
Schedule 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>				
Charges for Current Services	\$ 93,764	\$ 69,000	\$ 69,000	\$ 24,764
Other Local Revenues	1,467	500	500	967
Total Revenues	<u>\$ 95,231</u>	<u>\$ 69,500</u>	<u>\$ 69,500</u>	<u>\$ 25,731</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 23,908	\$ 23,193	\$ 24,193	\$ 285
Other Waste Disposal	55,284	47,833	57,833	2,549
Total Expenditures	<u>\$ 79,192</u>	<u>\$ 71,026</u>	<u>\$ 82,026</u>	<u>\$ 2,834</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 16,039</u>	<u>\$ (1,526)</u>	<u>\$ (12,526)</u>	<u>\$ 28,565</u>
Net Change in Fund Balance	\$ 16,039	\$ (1,526)	\$ (12,526)	\$ 28,565
Fund Balance, July 1, 2022	<u>106,902</u>	<u>91,390</u>	<u>91,390</u>	<u>15,512</u>
Fund Balance, June 30, 2023	<u>\$ 122,941</u>	<u>\$ 89,864</u>	<u>\$ 78,864</u>	<u>\$ 44,077</u>

Exhibit F-4

Gibson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 12,870	\$ 0	\$ 12,870	\$ 0
Total Expenditures	\$ 12,870	\$ 0	\$ 12,870	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (12,870)	\$ 0	\$ (12,870)	\$ 0
Net Change in Fund Balance	\$ (12,870)	\$ 0	\$ (12,870)	\$ 0
Fund Balance, July 1, 2022	181,042	181,042	181,042	0
Fund Balance, June 30, 2023	\$ 168,172	\$ 181,042	\$ 168,172	\$ 0

Exhibit F-5

Gibson 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	\$ 34,278	\$ 37,835	\$ 37,835	\$ (3,557)
Other Governments and Citizens Groups	103,514	80,000	80,000	23,514
Total Revenues	<u>\$ 137,792</u>	<u>\$ 117,835</u>	<u>\$ 117,835</u>	<u>\$ 19,957</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 81,443	\$ 39,814	\$ 90,336	\$ 8,893
Total Expenditures	<u>\$ 81,443</u>	<u>\$ 39,814</u>	<u>\$ 90,336</u>	<u>\$ 8,893</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 56,349</u>	<u>\$ 78,021</u>	<u>\$ 27,499</u>	<u>\$ 28,850</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (17,200)	\$ 0	\$ (17,200)	\$ 0
Total Other Financing Sources	<u>\$ (17,200)</u>	<u>\$ 0</u>	<u>\$ (17,200)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 39,149	\$ 78,021	\$ 10,299	\$ 28,850
Fund Balance, July 1, 2022	<u>174,593</u>	<u>72,548</u>	<u>72,548</u>	<u>102,045</u>
Fund Balance, June 30, 2023	<u><u>\$ 213,742</u></u>	<u><u>\$ 150,569</u></u>	<u><u>\$ 82,847</u></u>	<u><u>\$ 130,895</u></u>

Exhibit F-6

Gibson 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	\$ 954,787	\$ 1,051,605	\$ 1,051,605	\$ (96,818)
Other Local Revenues	989,973	420,000	420,000	569,973
State of Tennessee	365	20,000	20,000	(19,635)
Total Revenues	<u>\$ 1,945,125</u>	<u>\$ 1,491,605</u>	<u>\$ 1,491,605</u>	<u>\$ 453,520</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 855,000	\$ 855,000	\$ 855,000	\$ 0
<u>Interest on Debt</u>				
General Government	335,762	335,762	335,762	0
<u>Other Debt Service</u>				
General Government	32,169	33,832	33,832	1,663
Total Expenditures	<u>\$ 1,222,931</u>	<u>\$ 1,224,594</u>	<u>\$ 1,224,594</u>	<u>\$ 1,663</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 722,194</u>	<u>\$ 267,011</u>	<u>\$ 267,011</u>	<u>\$ 455,183</u>
Net Change in Fund Balance	\$ 722,194	\$ 267,011	\$ 267,011	\$ 455,183
Fund Balance, July 1, 2022	<u>2,540,621</u>	<u>2,247,259</u>	<u>2,247,259</u>	<u>293,362</u>
Fund Balance, June 30, 2023	<u>\$ 3,262,815</u>	<u>\$ 2,514,270</u>	<u>\$ 2,514,270</u>	<u>\$ 748,545</u>

Exhibit F-7

Gibson 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>				
Other Local Revenues	\$ 6,240	\$ 0	\$ 0	\$ 6,240
State of Tennessee	280,775	0	211,700	69,075
Federal Government	37,475	0	471,003	(433,528)
Total Revenues	<u>\$ 324,490</u>	<u>\$ 0</u>	<u>\$ 682,703</u>	<u>\$ (358,213)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 592,764	\$ 0	\$ 593,068	\$ 304
Jail	162,500	0	162,500	0
Fire Prevention and Control	450,518	75,000	468,803	18,285
<u>Public Health and Welfare</u>				
Ambulance/Emergency Medical Services	219,350	200,000	270,624	51,274
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	36,475	0	35,960	(515)
<u>Other Operations</u>				
Other Economic and Community Development	108,000	0	108,000	0
Airport	85,398	0	202,200	116,802
Total Expenditures	<u>\$ 1,655,005</u>	<u>\$ 275,000</u>	<u>\$ 1,841,155</u>	<u>\$ 186,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,330,515)</u>	<u>\$ (275,000)</u>	<u>\$ (1,158,452)</u>	<u>\$ (172,063)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 70,624	\$ 0	\$ 70,624	\$ 0
Transfers In	926,868	275,000	938,868	(12,000)
Total Other Financing Sources	<u>\$ 997,492</u>	<u>\$ 275,000</u>	<u>\$ 1,009,492</u>	<u>\$ (12,000)</u>
Net Change in Fund Balance	\$ (333,023)	\$ 0	\$ (148,960)	\$ (184,063)
Fund Balance, July 1, 2022	<u>773,016</u>	<u>248,816</u>	<u>248,816</u>	<u>524,200</u>
Fund Balance, June 30, 2023	<u>\$ 439,993</u>	<u>\$ 248,816</u>	<u>\$ 99,856</u>	<u>\$ 340,137</u>

Custodial Funds

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

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.

Special School District Fund – The Special School District Fund is used to account for property taxes collected for the five school districts of Gibson County and the districts' shares of education revenues collected by the county, which must be apportioned among the various school systems on an average daily attendance basis. These collections are remitted to the districts 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 in Trenton, clerk and master in Humboldt, register of deeds, and sheriff. Such collections include amounts due the state, cities, litigants, heirs, and others.

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

Exhibit G-1

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

	Custodial Funds				
	Cities - Sales Tax	Special School District	Constitu- tional Officers - Custodial	District Attorney General	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 3,567,248	\$ 0	\$ 3,567,248
Equity in Pooled Cash and Investments	0	22,952	0	64,486	87,438
Due from Other Governments	1,940,163	2,088,712	0	1,062	4,029,937
Property Taxes Receivable	0	17,108,683	0	0	17,108,683
Allowance for Uncollectible Property Taxes	0	(389,347)	0	0	(389,347)
Total Assets	<u>\$ 1,940,163</u>	<u>\$ 18,831,000</u>	<u>\$ 3,567,248</u>	<u>\$ 65,548</u>	<u>\$ 24,403,959</u>
<u>LIABILITIES</u>					
Due to Other Taxing Units	\$ 1,940,163	\$ 2,767,687	\$ 0	\$ 0	\$ 4,707,850
Total Liabilities	<u>\$ 1,940,163</u>	<u>\$ 2,767,687</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,707,850</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 16,063,313	\$ 0	\$ 0	\$ 16,063,313
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 16,063,313</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,063,313</u>
<u>NET POSITION</u>					
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 3,567,248	\$ 65,548	\$ 3,632,796
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,567,248</u>	<u>\$ 65,548</u>	<u>\$ 3,632,796</u>

Exhibit G-2

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

	Custodial Funds				
	Cities - Sales Tax	Special School District	Constitu - tional Officers - Custodial	District Attorney General	Total
<u>Additions</u>					
Sales Tax Collections for Other Governments	\$ 9,550,739	\$ 0	\$ 0	\$ 0	\$ 9,550,739
ADA - Educational Funds Collected for Cities	0	27,826,216	0	0	27,826,216
Fines/Fees and Other Collections	0	0	16,293,573	0	16,293,573
District Attorney General Collections	0	0	0	13,911	13,911
Total Additions	\$ 9,550,739	\$ 27,826,216	\$ 16,293,573	\$ 13,911	\$ 53,684,439
<u>Deductions</u>					
Payment of Sales Tax Collections for Other Governments	\$ 9,550,739	\$ 0	\$ 0	\$ 0	\$ 9,550,739
Payments to City School Systems	0	27,826,216	0	0	27,826,216
Payments to State	0	0	5,392,314	0	5,392,314
Payments to Cities, Individuals, and Others	0	0	9,456,029	0	9,456,029
Payment of District Attorney General Expenses	0	0	0	9,121	9,121
Total Deductions	\$ 9,550,739	\$ 27,826,216	\$ 14,848,343	\$ 9,121	\$ 52,234,419
Change in Net Position	\$ 0	\$ 0	\$ 1,445,230	\$ 4,790	\$ 1,450,020
Net Position July 1, 2022	0	0	2,122,018	60,758	2,182,776
Net Position June 30, 2023	\$ 0	\$ 0	\$ 3,567,248	\$ 65,548	\$ 3,632,796

MISCELLANEOUS SCHEDULES

Exhibit H-1

Gibson County, Tennessee
Schedule of Changes in Long-term Bonds
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
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
General Obligation Refunding Bonds, Series 2017	\$ 4,290,000	1.45 to 2.65 %	10-18-17	6-1-33	\$ 4,035,000	\$ 25,000	\$ 4,010,000
General Obligation Refunding Bonds, Series 2020	7,175,000	2 to 5	6-30-20	6-1-30	5,580,000	830,000	4,750,000
Total Bonds Payable					<u>\$ 9,615,000</u>	<u>\$ 855,000</u>	<u>\$ 8,760,000</u>

Exhibit H-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 845,000	\$ 293,900	\$ 1,138,900
2025	855,000	253,150	1,108,150
2026	880,000	212,650	1,092,650
2027	915,000	178,375	1,093,375
2028	935,000	142,237	1,077,237
2029	900,000	105,300	1,005,300
2030	880,000	86,300	966,300
2031	850,000	65,025	915,025
2032	850,000	44,200	894,200
2033	850,000	22,525	872,525
Total	<u>\$ 8,760,000</u>	<u>\$ 1,403,662</u>	<u>\$ 10,163,662</u>

Exhibit H-3

Gibson County, Tennessee
Schedule of Transfers
For the Year Ended June 30, 2023

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
General	General Capital Projects	Capital outlay	\$ 909,668
Drug Control	"	"	17,200
Other Special Revenue	General	ARPA funds	<u>8,965,259</u>
Total Transfers			<u>\$ 9,892,127</u>

Gibson County, Tennessee
 Schedule of Salaries and Official Bonds of Principal Officials
 For the Year Ended June 30, 2023

Official	Authorization	Bond	Surety
County Mayor - Tom Witherspoon (7/1/22 - 8/31/22)	Section 8-24-102, TCA	\$	(1) Local Government Property and Casualty Fund
Base salary/Total Compensation		<u>\$ 20,579</u>	
County Mayor - Nelson Cunningham (9/1/22 - 6/30/23)			
Base salary/Total Compensation		<u>\$ 102,892</u>	(1) Local Government Property and Casualty Fund
Total County Mayor compensation		<u>\$ 123,471</u>	
Road Supervisor	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary/Total compensation		<u>\$ 106,901</u>	
Trustee	Section 8-24-102, TCA	1,555,835	RLI Insurance Company
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Assessor of Property	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
County Clerk	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Clerk and Master - Trenton	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Clerk and Master - Humboldt	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Register of Deeds	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 97,183	
Certified public administrator supplement		<u>1,000</u>	
Total compensation		<u>\$ 98,183</u>	
Sheriff	Section 8-24-102, TCA		(1) Local Government Property and Casualty Fund
Base salary		\$ 106,901	
Superintendent of workhouse		10,690	
Law enforcement training supplement		<u>800</u>	
Total compensation		<u>\$ 118,391</u>	
Employee Blanket Bond:			
Employee Fidelity - County Departments		400,000	Local Government Property and Casualty Fund

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

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 8,537,689	\$ 0	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	192,751	0	0	0	0
Trustee's Collections - Bankruptcy	5,305	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	141,147	0	0	0	0
Interest and Penalty	40,752	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	80,229	0	0	0	0
Payments in-Lieu-of Taxes - Other	85,111	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	0
Hotel/Motel Tax	88,278	0	0	0	0
Wheel Tax	0	0	0	0	0
Litigation Tax - General	106,844	0	0	0	0
Litigation Tax - Special Purpose	13,452	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	691,734	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	64,312	0	0	0	0
Wholesale Beer Tax	51,922	0	0	0	0
Total Local Taxes	\$ 10,099,526	\$ 0	\$ 0	\$ 0	0
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Animal Vaccination	\$ 8,607	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	51,909	0	0	0	0

(Continued)

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 499	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	66,886	0	0	0	0
Total Licenses and Permits	\$ 127,901	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 5,307	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	20,336	0	0	0	0
Drug Control Fines	840	0	4,116	0	0
Drug Court Fees	1,028	0	0	0	0
Jail Fees	1,601	0	0	0	0
DUI Treatment Fines	760	0	0	0	0
Data Entry Fee - Circuit Court	821	0	0	0	0
Courtroom Security Fee	51	0	0	0	0
Victims Assistance Assessments	2,806	0	0	0	0
<u>General Sessions Court</u>					
Fines	16,167	0	0	0	0
Officers Costs	42,069	0	0	0	0
Game and Fish Fines	61	0	0	0	0
Drug Control Fines	964	0	3,959	0	0
Drug Court Fees	6,058	0	0	0	0
Jail Fees	5,929	0	0	0	0
DUI Treatment Fines	5,324	0	0	0	0
Data Entry Fee - General Sessions Court	9,321	0	0	0	0
Courtroom Security Fee	2,043	0	0	0	0
Victims Assistance Assessments	11,912	0	0	0	0

(Continued)

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Juvenile Court</u>					
Fines	\$ 25,948	\$ 0	\$ 0	\$ 0	0
Officers Costs	19,029	0	0	0	0
Drug Control Fines	1,009	0	2,059	0	0
Data Entry Fee - Juvenile Court	3,484	0	0	0	0
Courtroom Security Fee	1,259	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	4,079	0	0	0	0
Data Entry Fee - Chancery Court	5,688	0	0	0	0
Courtroom Security Fee	205	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	5,247	0	0	0	0
Officers Costs	50,217	0	138	0	0
Drug Control Fines	6,215	0	18,473	0	0
Drug Court Fees	10,471	0	0	0	0
Jail Fees	16,747	0	0	0	0
DUI Treatment Fines	5,832	0	0	0	0
<u>Judicial District Drug Program</u>					
Data Entry Fee - Other Courts	7,832	0	0	0	0
Courtroom Security Fee	2,625	0	0	0	0
Victims Assistance Assessments	33,208	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	5,400	0	5,533	0	0
Other Fines, Forfeitures, and Penalties	21,645	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 359,538	\$ 0	\$ 34,278	\$ 0	0

(Continued)

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Tipping Fees	\$ 0	\$ 45,024	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal	0	48,740	0	0	0
Patient Charges	3,432,551	0	0	0	0
Work Release Charges for Board	7,900	0	0	0	0
Other General Service Charges	225	0	0	0	0
Service Charges	17,196	0	0	0	0
<u>Fees</u>					
Airport Fees	94,006	0	0	0	0
Recreation Fees	740	0	0	0	0
Copy Fees	7	0	0	0	0
Library Fees	5,664	0	0	0	0
Greenbelt Late Application Fee	200	0	0	0	0
Additional Fees - Titling and Registration	34,336	0	0	0	0
Data Processing Fee - Register	15,648	0	0	0	0
Data Processing Fee - Sheriff	9,728	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,701	0	0	0	0
Data Processing Fee - County Clerk	1,185	0	0	0	0
Vehicle Registration Reinstatement Fees	4,065	0	0	0	0
Total Charges for Current Services	\$ 3,629,152	\$ 93,764	\$ 0	\$ 0	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 2,351	\$ 0
Lease/Rentals	122,142	0	0	0	0
Sale of Materials and Supplies	181,738	0	0	0	0

(Continued)

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Commissary Sales	\$ 123,528	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Recycled Materials	19	1,467	0	0	0
Sale of Animals/Livestock	2,710	0	0	0	0
Miscellaneous Refunds	521	0	0	0	0
<u>Nonrecurring Items</u>					
Sale of Equipment	0	0	0	0	0
Sale of Property	10	0	0	0	0
Damages Recovered from Individuals	3,333	0	0	0	0
Contributions and Gifts	21,478	0	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	6,665	0	0	0	0
Total Other Local Revenues	\$ 462,144	\$ 1,467	\$ 0	\$ 2,351	\$ 0
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 613,726	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	70,108	0	0	0	0
General Sessions Court Clerk	162,419	0	0	0	0
Clerk and Master	145,155	0	0	0	0
Register	229,264	0	0	0	0
Sheriff	29,707	0	0	0	0
Trustee	867,731	0	0	0	0
Other Officials	209,775	0	0	0	0
Total Fees Received From County Officials	\$ 2,327,885	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit H-5

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

	General	Special Revenue Funds			
		Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Airport Maintenance Program	\$ 11,213	\$ 0	\$ 0	\$ 0	0
Aging Programs	128,319	0	0	0	0
Other General Government Grants	48,528	0	0	0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	29,600	0	0	0	0
Drug Control Grants	67,524	0	0	0	0
Other Public Safety Grants	10	0	0	0	0
<u>Health and Welfare Grants</u>					
Health Department Programs	276,026	0	0	0	0
<u>Public Works Grants</u>					
Bridge Program	0	0	0	0	0
Litter Program	24,380	0	0	0	0
Other Public Works Grants	1,007	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	0
Beer Tax	19,200	0	0	0	0
Vehicle Certificate of Title Fees	11,422	0	0	0	0
Alcoholic Beverage Tax	134,942	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	202,432	0
State Revenue Sharing - T.V.A.	1,053,356	0	0	0	0
State Revenue Sharing - Telecommunications	23,275	0	0	0	0
State Shared Sports Gaming Privilege Tax	31,545	0	0	0	0
Contracted Prisoner Boarding	492,854	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0

(Continued)

Exhibit H-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Other Special Revenue
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
Registrar's Salary Supplement	\$ 18,955	\$ 0	\$ 0	\$ 0	\$ 0
Other State Grants	4,585	0	0	0	0
Other State Revenues	2,835	0	0	0	0
Total State of Tennessee	\$ 2,379,576	\$ 0	\$ 0	\$ 202,432	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
American Rescue Plan Act Grant #1	0	0	0	0	9,543,509
American Rescue Plan Act Grant #2	0	0	0	0	5,250
Other Federal through State	7,140	0	0	0	0
<u>Direct Federal Revenue</u>					
COVID-19 Grant H	3,592	0	0	0	0
Other Direct Federal Revenue	3,300	0	0	0	0
Total Federal Government	\$ 14,032	\$ 0	\$ 0	\$ 0	\$ 9,548,759
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 41,250	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	430,249	0	103,514	0	0
<u>Citizens Groups</u>					
Donations	133	0	0	0	0
<u>Other</u>					
Opioid Settlement Funds - Past Remediation	95,601	0	0	0	0
Total Other Governments and Citizens Groups	\$ 567,233	\$ 0	\$ 103,514	\$ 0	\$ 0
Total	\$ 19,966,987	\$ 95,231	\$ 137,792	\$ 204,783	\$ 9,548,759

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 0	\$ 816,022	\$ 0	\$ 9,353,711
Trustee's Collections - Prior Year	0	22,991	0	215,742
Trustee's Collections - Bankruptcy	0	648	0	5,953
Circuit Clerk/Clerk and Master Collections - Prior Years	0	16,551	0	157,698
Interest and Penalty	0	4,602	0	45,354
Payments in-Lieu-of Taxes - Local Utilities	0	8,079	0	88,308
Payments in-Lieu-of Taxes - Other	0	8,130	0	93,241
<u>County Local Option Taxes</u>				
Local Option Sales Tax	1,085,593	0	0	1,085,593
Hotel/Motel Tax	0	0	0	88,278
Wheel Tax	2,295,018	0	0	2,295,018
Litigation Tax - General	0	0	0	106,844
Litigation Tax - Special Purpose	0	1,504	0	14,956
Litigation Tax - Jail, Workhouse, or Courthouse	0	44,104	0	44,104
Business Tax	0	0	0	691,734
<u>Statutory Local Taxes</u>				
Bank Excise Tax	32,156	32,156	0	128,624
Wholesale Beer Tax	0	0	0	51,922
Total Local Taxes	\$ 3,412,767	\$ 954,787	\$ 0	\$ 14,467,080
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Animal Vaccination	\$ 0	\$ 0	\$ 0	\$ 8,607
Cable TV Franchise	0	0	0	51,909

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Licenses and Permits (Cont.)</u>				
<u>Permits</u>				
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 499
Building Permits	0	0	0	66,886
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 127,901
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$ 0	\$ 0	\$ 0	\$ 5,307
Officers Costs	0	0	0	20,336
Drug Control Fines	0	0	0	4,956
Drug Court Fees	0	0	0	1,028
Jail Fees	0	0	0	1,601
DUI Treatment Fines	0	0	0	760
Data Entry Fee - Circuit Court	0	0	0	821
Courtroom Security Fee	0	0	0	51
Victims Assistance Assessments	0	0	0	2,806
<u>General Sessions Court</u>				
Fines	0	0	0	16,167
Officers Costs	0	0	0	42,069
Game and Fish Fines	0	0	0	61
Drug Control Fines	0	0	0	4,923
Drug Court Fees	0	0	0	6,058
Jail Fees	0	0	0	5,929
DUI Treatment Fines	0	0	0	5,324
Data Entry Fee - General Sessions Court	0	0	0	9,321
Courtroom Security Fee	0	0	0	2,043
Victims Assistance Assessments	0	0	0	11,912

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>Juvenile Court</u>				
Fines	\$ 0	\$ 0	\$ 0	\$ 25,948
Officers Costs	0	0	0	19,029
Drug Control Fines	0	0	0	3,068
Data Entry Fee - Juvenile Court	0	0	0	3,484
Courtroom Security Fee	0	0	0	1,259
<u>Chancery Court</u>				
Officers Costs	0	0	0	4,079
Data Entry Fee - Chancery Court	0	0	0	5,688
Courtroom Security Fee	0	0	0	205
<u>Other Courts - In-county</u>				
Fines	0	0	0	5,247
Officers Costs	0	0	0	50,355
Drug Control Fines	0	0	0	24,688
Drug Court Fees	0	0	0	10,471
Jail Fees	0	0	0	16,747
DUI Treatment Fines	0	0	0	5,832
<u>Judicial District Drug Program</u>				
Data Entry Fee - Other Courts	0	0	0	7,832
Courtroom Security Fee	0	0	0	2,625
Victims Assistance Assessments	0	0	0	33,208
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	10,933
Other Fines, Forfeitures, and Penalties	0	0	0	21,645
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 393,816

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 45,024
Surcharge - Waste Tire Disposal	0	0	0	48,740
Patient Charges	0	0	0	3,432,551
Work Release Charges for Board	0	0	0	7,900
Other General Service Charges	0	0	0	225
Service Charges	0	0	0	17,196
<u>Fees</u>				
Airport Fees	0	0	0	94,006
Recreation Fees	0	0	0	740
Copy Fees	0	0	0	7
Library Fees	0	0	0	5,664
Greenbelt Late Application Fee	0	0	0	200
Additional Fees - Titling and Registration	0	0	0	34,336
Data Processing Fee - Register	0	0	0	15,648
Data Processing Fee - Sheriff	0	0	0	9,728
Sexual Offender Registration Fee - Sheriff	0	0	0	5,701
Data Processing Fee - County Clerk	0	0	0	1,185
Vehicle Registration Reinstatement Fees	0	0	0	4,065
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 3,722,916
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 989,973	\$ 0	\$ 992,324
Lease/Rentals	0	0	0	122,142
Sale of Materials and Supplies	43,624	0	0	225,362

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Other Local Revenues (Cont.)</u>				
<u>Recurring Items (Cont.)</u>				
Commissary Sales	\$ 0	\$ 0	\$ 0	\$ 123,528
Sale of Recycled Materials	0	0	0	1,486
Sale of Animals/Livestock	0	0	0	2,710
Miscellaneous Refunds	3,523	0	6,240	10,284
<u>Nonrecurring Items</u>				
Sale of Equipment	900	0	0	900
Sale of Property	0	0	0	10
Damages Recovered from Individuals	4,940	0	0	8,273
Contributions and Gifts	0	0	0	21,478
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	0	6,665
Total Other Local Revenues	\$ 52,987	\$ 989,973	\$ 6,240	\$ 1,515,162
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 613,726
Circuit Court Clerk	0	0	0	70,108
General Sessions Court Clerk	0	0	0	162,419
Clerk and Master	0	0	0	145,155
Register	0	0	0	229,264
Sheriff	0	0	0	29,707
Trustee	0	0	0	867,731
Other Officials	0	0	0	209,775
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 2,327,885

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Airport Maintenance Program	\$ 0	\$ 0	\$ 0	\$ 11,213
Aging Programs	0	0	0	128,319
Other General Government Grants	0	0	0	48,528
<u>Public Safety Grants</u>				
Law Enforcement Training Programs	0	0	0	29,600
Drug Control Grants	0	0	0	67,524
Other Public Safety Grants	0	0	0	10
<u>Health and Welfare Grants</u>				
Health Department Programs	0	0	0	276,026
<u>Public Works Grants</u>				
Bridge Program	2,742,719	0	0	2,742,719
Litter Program	0	0	0	24,380
Other Public Works Grants	0	0	0	1,007
<u>Other State Revenues</u>				
Income Tax	0	365	0	365
Beer Tax	0	0	0	19,200
Vehicle Certificate of Title Fees	0	0	0	11,422
Alcoholic Beverage Tax	0	0	0	134,942
Opioid Settlement Funds - TN Abatement Council	0	0	0	202,432
State Revenue Sharing - T.V.A.	0	0	0	1,053,356
State Revenue Sharing - Telecommunications	0	0	0	23,275
State Shared Sports Gaming Privilege Tax	0	0	0	31,545
Contracted Prisoner Boarding	0	0	0	492,854
Gasoline and Motor Fuel Tax	2,990,338	0	0	2,990,338
Petroleum Special Tax	33,413	0	0	33,413

(Continued)

Exhibit H-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
Registrar's Salary Supplement	\$ 0	\$ 0	\$ 0	\$ 18,955
Other State Grants	0	0	280,775	285,360
Other State Revenues	102,911	0	0	105,746
Total State of Tennessee	<u>\$ 5,869,381</u>	<u>\$ 365</u>	<u>\$ 280,775</u>	<u>\$ 8,732,529</u>
<u>Federal Government</u>				
<u>Federal Through State</u>				
Disaster Relief	\$ 38,132	\$ 0	\$ 0	\$ 38,132
American Rescue Plan Act Grant #1	0	0	0	9,543,509
American Rescue Plan Act Grant #2	0	0	0	5,250
Other Federal through State	0	0	37,475	44,615
<u>Direct Federal Revenue</u>				
COVID-19 Grant H	0	0	0	3,592
Other Direct Federal Revenue	0	0	0	3,300
Total Federal Government	<u>\$ 38,132</u>	<u>\$ 0</u>	<u>\$ 37,475</u>	<u>\$ 9,638,398</u>
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 0	\$ 0	\$ 0	\$ 41,250
Contracted Services	0	0	0	533,763
<u>Citizens Groups</u>				
Donations	0	0	0	133
<u>Other</u>				
Opioid Settlement Funds - Past Remediation	0	0	0	95,601
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 670,747</u>
Total	<u>\$ 9,373,267</u>	<u>\$ 1,945,125</u>	<u>\$ 324,490</u>	<u>\$ 41,596,434</u>

Exhibit H-6

Gibson 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	\$	30,850	
Other Per Diem and Fees		800	
Social Security		1,962	
Employer Medicare		459	
Audit Services		21,180	
Dues and Memberships		400	
Legal Notices, Recording, and Court Costs		3,056	
Travel		670	
Office Supplies		184	
Total County Commission			\$ 59,561

Board of Equalization

Board and Committee Members Fees	\$	2,500	
Social Security		155	
Employer Medicare		36	
Total Board of Equalization			2,691

County Mayor/Executive

County Official/Administrative Officer	\$	123,471	
Deputy(ies)		51,262	
Educational Incentive - Other County Employees		2,000	
Social Security		10,797	
Pensions		7,070	
Employee and Dependent Insurance		13,507	
Employer Medicare		2,525	
Communication		1,527	
Dues and Memberships		4,983	
Legal Notices, Recording, and Court Costs		1,294	
Maintenance Agreements		1,543	
Maintenance and Repair Services - Equipment		55	
Postal Charges		963	
Printing, Stationery, and Forms		360	
Travel		3,898	
Office Supplies		3,438	
Liability Insurance		892	
Workers' Compensation Insurance		64	
In Service/Staff Development		765	
Total County Mayor/Executive			230,414

County Attorney

Legal Services	\$	21,735	
Total County Attorney			21,735

Election Commission

County Official/Administrative Officer	\$	87,465	
Deputy(ies)		33,072	
Part-time Personnel		9,652	

(Continued)

Exhibit H-6

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Board and Committee Members Fees	\$	2,280	
Election Workers		78,509	
Social Security		8,233	
Pensions		4,822	
Employer Medicare		1,926	
Contracts with Private Agencies		20,363	
Legal Notices, Recording, and Court Costs		23,622	
Maintenance Agreements		19,951	
Maintenance and Repair Services - Equipment		277	
Maintenance and Repair Services - Office Equipment		376	
Postal Charges		3,148	
Printing, Stationery, and Forms		3,457	
Travel		289	
Office Supplies		2,772	
Building and Contents Insurance		1,194	
Liability Insurance		5,428	
Workers' Compensation Insurance		221	
In Service/Staff Development		790	
Data Processing Equipment		5,783	
Total Election Commission			\$ 313,630

Register of Deeds

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		69,829	
Educational Incentive - Official/Admin Officer		1,000	
Social Security		10,120	
Pensions		6,720	
Employee and Dependent Insurance		21,772	
Employer Medicare		2,367	
Dues and Memberships		980	
Maintenance Agreements		9,898	
Maintenance and Repair Services - Office Equipment		59	
Postal Charges		953	
Printing, Stationery, and Forms		1,178	
Travel		1,500	
Data Processing Supplies		1,377	
Office Supplies		468	
Liability Insurance		1,071	
Workers' Compensation Insurance		113	
In Service/Staff Development		200	
Office Equipment		34,318	
Total Register of Deeds			261,106

Development

Communication	\$	1,094	
Contracts with Government Agencies		79,295	
Contracts with Private Agencies		8,652	

(Continued)

Exhibit H-6

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Legal Notices, Recording, and Court Costs	\$	180	
Maintenance and Repair Services - Office Equipment		390	
Postal Charges		287	
Printing, Stationery, and Forms		100	
Travel		2,083	
Office Supplies		124	
Total Development			\$ 92,205

County Buildings

Supervisor/Director	\$	44,096	
Custodial Personnel		64,091	
Part-time Personnel		13,905	
Social Security		6,526	
Pensions		4,327	
Employee and Dependent Insurance		17,221	
Employer Medicare		1,526	
Communication		21,379	
Laundry Service		2,236	
Maintenance Agreements		11,921	
Maintenance and Repair Services - Buildings		585,355	
Maintenance and Repair Services - Equipment		28,255	
Maintenance and Repair Services - Vehicles		125	
Permits		175	
Custodial Supplies		10,483	
Food Supplies		60	
Gasoline		2,440	
Natural Gas		8,514	
Office Supplies		716	
Utilities		59,332	
Building and Contents Insurance		32,023	
Liability Insurance		1,428	
Vehicle and Equipment Insurance		800	
Workers' Compensation Insurance		2,204	
Heating and Air Conditioning Equipment		13,845	
Maintenance Equipment		293	
Total County Buildings			933,276

Preservation of Records

Natural Gas	\$	1,247	
Utilities		4,419	
Building and Contents Insurance		992	
Total Preservation of Records			6,658

Finance

Accounting and Budgeting

Supervisor/Director	\$	60,873	
Educational Incentive - Other County Employees		2,437	

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Social Security	\$	3,840	
Pensions		2,218	
Employer Medicare		898	
Communication		820	
Contracts with Private Agencies		20,475	
Data Processing Services		22,850	
Travel		72	
Workers' Compensation Insurance		114	
Total Accounting and Budgeting			\$ 114,597

Property Assessor's Office

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		192,960	
Part-time Personnel		13,803	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		5,000	
Social Security		18,201	
Pensions		11,846	
Employee and Dependent Insurance		39,443	
Employer Medicare		4,257	
Data Processing Services		25,406	
Dues and Memberships		2,950	
Legal Notices, Recording, and Court Costs		164	
Maintenance Agreements		1,526	
Maintenance and Repair Services - Office Equipment		370	
Postal Charges		3,780	
Printing, Stationery, and Forms		1,413	
Travel		12,520	
Other Contracted Services		22,740	
Office Supplies		3,155	
Liability Insurance		2,856	
Workers' Compensation Insurance		245	
In Service/Staff Development		1,035	
Data Processing Equipment		660	
Total Property Assessor's Office			462,513

County Trustee's Office

County Official/Administrative Officer	\$	97,183
Deputy(ies)		125,230
Part-time Personnel		9,108
Educational Incentive - Official/Admin Officer		1,000
Educational Incentive - Other County Employees		3,000
Social Security		13,884
Pensions		9,054
Employee and Dependent Insurance		18,578
Employer Medicare		3,247
Communication		949

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Dues and Memberships	\$	1,173	
Legal Notices, Recording, and Court Costs		42	
Maintenance Agreements		33,212	
Postal Charges		10,246	
Printing, Stationery, and Forms		7,970	
Travel		129	
Office Supplies		6,315	
Liability Insurance		17,104	
Workers' Compensation Insurance		157	
In Service/Staff Development		550	
Data Processing Equipment		994	
Total County Trustee's Office			\$ 359,125

County Clerk's Office

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		443,317	
Part-time Personnel		25,693	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		2,000	
Social Security		33,188	
Pensions		21,740	
Employee and Dependent Insurance		47,504	
Employer Medicare		7,762	
Dues and Memberships		2,185	
Maintenance Agreements		24,880	
Postal Charges		33,470	
Printing, Stationery, and Forms		3,779	
Rentals		7,183	
Travel		1,731	
Other Contracted Services		215	
Library Books/Media		447	
Office Supplies		9,431	
Liability Insurance		4,997	
Workers' Compensation Insurance		589	
Data Processing Equipment		2,606	
Total County Clerk's Office			770,900

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	97,183
Deputy(ies)		250,506
Salary Supplements		1,830
Educational Incentive - Official/Admin Officer		1,000
Educational Incentive - Other County Employees		1,000
Jury and Witness Expense		14,827
Social Security		21,091
Pensions		14,061

(Continued)

Exhibit H-6

Gibson 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	\$	21,132	
Employer Medicare		4,933	
Contracts with Private Agencies		1,160	
Dues and Memberships		1,035	
Legal Notices, Recording, and Court Costs		520	
Maintenance Agreements		16,902	
Maintenance and Repair Services - Office Equipment		3,605	
Postal Charges		4,320	
Printing, Stationery, and Forms		1,048	
Travel		1,334	
Data Processing Supplies		1,262	
Natural Gas		2,089	
Office Supplies		5,498	
Utilities		13,380	
Building and Contents Insurance		2,326	
Liability Insurance		2,499	
Workers' Compensation Insurance		317	
In Service/Staff Development		225	
Other Equipment		12,848	
Total Circuit Court			\$ 497,931

General Sessions Court

Judge(s)	\$	184,359	
Supervisor/Director		41,568	
Educational Assistants		2,400	
Social Security		13,516	
Pensions		9,095	
Employee and Dependent Insurance		4,739	
Employer Medicare		3,161	
Communication		40	
Dues and Memberships		610	
Rentals		1,902	
Travel		4,042	
Office Supplies		7,049	
Building and Contents Insurance		2,326	
Liability Insurance		714	
Workers' Compensation Insurance		58	
In Service/Staff Development		2,449	
Other Charges		9,884	
Data Processing Equipment		6,021	
Total General Sessions Court			293,933

Drug Court

Supervisor/Director	\$	31,176	
Part-time Personnel		2,756	
Social Security		2,104	
Pensions		1,247	

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court (Cont.)

Employee and Dependent Insurance	\$	366	
Employer Medicare		492	
Drugs and Medical Supplies		237	
Workers' Compensation Insurance		31	
Other Charges		1,114	
Total Drug Court			\$ 39,523

Chancery Court

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		176,690	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		5,020	
Social Security		16,502	
Pensions		11,196	
Employee and Dependent Insurance		25,912	
Employer Medicare		3,859	
Data Processing Services		14,875	
Dues and Memberships		1,369	
Maintenance Agreements		1,490	
Postal Charges		1,000	
Rentals		3,394	
Travel		39	
Natural Gas		1,742	
Office Supplies		7,293	
Utilities		11,241	
Building and Contents Insurance		3,045	
Liability Insurance		2,142	
Workers' Compensation Insurance		349	
In Service/Staff Development		300	
Data Processing Equipment		1,890	
Office Equipment		2,382	
Total Chancery Court			389,913

Juvenile Court

Judge(s)	\$	164,346
Youth Service Officer(s)		59,420
Part-time Personnel		26,169
Other Salaries and Wages		105,815
Social Security		20,997
Pensions		13,183
Employee and Dependent Insurance		27,587
Employer Medicare		4,911
Communication		1,500
Dues and Memberships		740
Maintenance Agreements		9,964
Maintenance and Repair Services - Office Equipment		970
Postal Charges		155

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Travel	\$	3,200	
Other Contracted Services		6,458	
Natural Gas		1,740	
Office Supplies		5,578	
Utilities		13,141	
Building and Contents Insurance		15,033	
Liability Insurance		2,142	
Workers' Compensation Insurance		235	
Total Juvenile Court			\$ 483,284

District Attorney General

Other Salaries and Wages	\$	42,000	
Social Security		2,530	
Pensions		1,680	
Employee and Dependent Insurance		9	
Employer Medicare		592	
Liability Insurance		357	
Workers' Compensation Insurance		54	
Total District Attorney General			47,222

Other Administration of Justice

County Official/Administrative Officer	\$	97,183	
Deputy(ies)		182,321	
Salary Supplements		1,425	
Educational Incentive - Official/Admin Officer		1,000	
Educational Incentive - Other County Employees		1,000	
Jury and Witness Expense		12,267	
Social Security		16,912	
Pensions		11,315	
Employee and Dependent Insurance		8,660	
Employer Medicare		3,955	
Communication		1,634	
Dues and Memberships		1,035	
Maintenance Agreements		31,383	
Postal Charges		2,511	
Printing, Stationery, and Forms		1,664	
Rentals		13,879	
Travel		45	
Office Supplies		6,542	
Building and Contents Insurance		194	
Liability Insurance		1,785	
Workers' Compensation Insurance		359	
In Service/Staff Development		200	
Total Other Administration of Justice			397,269

Victim Assistance Programs

Contributions	\$	38,457	
Total Victim Assistance Programs			38,457

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	117,591	
Assistant(s)		63,384	
Deputy(ies)		1,218,872	
Youth Service Officer(s)		318,051	
Salary Supplements		27,200	
Clerical Personnel		182,056	
Part-time Personnel		3,072	
Educational Incentive - Other County Employees		3,000	
Overtime Pay		98,092	
Other Salaries and Wages		262,387	
Social Security		137,672	
Pensions		90,892	
Employee and Dependent Insurance		142,433	
Employer Medicare		32,197	
Communication		2,775	
Contracts with Government Agencies		15,458	
Contracts with Private Agencies		8,520	
Maintenance and Repair Services - Buildings		7,729	
Maintenance and Repair Services - Vehicles		116,218	
Postal Charges		4,710	
Printing, Stationery, and Forms		3,305	
Travel		8,426	
Gasoline		171,282	
Law Enforcement Supplies		7,289	
Office Supplies		7,414	
Uniforms		19,434	
Building and Contents Insurance		101	
Liability Insurance		90,985	
Refunds		5,535	
Vehicle and Equipment Insurance		36,363	
Workers' Compensation Insurance		32,668	
In Service/Staff Development		10,693	
Data Processing Equipment		7,257	
Law Enforcement Equipment		6,060	
Total Sheriff's Department			\$ 3,259,121

Jail

Guards	\$	1,447,606
Overtime Pay		86,687
Social Security		92,594
Pensions		61,227
Employee and Dependent Insurance		119,343
Employer Medicare		21,655
Maintenance Agreements		19,376
Maintenance and Repair Services - Buildings		37,326
Medical and Dental Services		801,553
Custodial Supplies		31,148

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Food Supplies	\$	261,121	
Natural Gas		34,771	
Office Supplies		12,780	
Uniforms		13,780	
Utilities		257,647	
Building and Contents Insurance		53,322	
Liability Insurance		74,608	
Workers' Compensation Insurance		27,184	
Other Charges		61,894	
Law Enforcement Equipment		34,592	
Total Jail			\$ 3,550,214

Fire Prevention and Control

Supervisor/Director	\$	51,497	
Part-time Personnel		777	
Other Salaries and Wages		84,707	
Social Security		7,971	
Pensions		5,211	
Employee and Dependent Insurance		9,414	
Employer Medicare		1,864	
Communication		8,910	
Contracts with Government Agencies		6,975	
Contracts with Private Agencies		13,482	
Dues and Memberships		761	
Legal Notices, Recording, and Court Costs		2,208	
Licenses		20	
Maintenance and Repair Services - Buildings		2,629	
Maintenance and Repair Services - Equipment		13,141	
Maintenance and Repair Services - Vehicles		21,601	
Travel		262	
Diesel Fuel		12,150	
Food Supplies		686	
Gasoline		6,688	
Natural Gas		6,984	
Office Supplies		2,775	
Uniforms		505	
Utilities		20,235	
Other Supplies and Materials		8,765	
Building and Contents Insurance		3,644	
Liability Insurance		8,068	
Vehicle and Equipment Insurance		51,829	
Workers' Compensation Insurance		10,918	
In Service/Staff Development		18,359	
Communication Equipment		1,368	
Other Equipment		344	
Total Fire Prevention and Control			384,748

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Safety (Cont.)

Rural Fire Protection

Part-time Personnel	\$	3,125	
Social Security		194	
Employer Medicare		45	
Total Rural Fire Protection			\$ 3,364

Civil Defense

Supervisor/Director	\$	52,590	
Other Salaries and Wages		62,515	
Social Security		6,925	
Pensions		4,600	
Employee and Dependent Insurance		13,409	
Employer Medicare		1,620	
Communication		9,622	
Dues and Memberships		320	
Maintenance and Repair Services - Buildings		3,931	
Maintenance and Repair Services - Equipment		7,515	
Postal Charges		250	
Travel		3,428	
Food Supplies		270	
Gasoline		2,727	
Natural Gas		4,269	
Office Supplies		2,424	
Uniforms		364	
Utilities		21,933	
Building and Contents Insurance		6,123	
Liability Insurance		714	
Vehicle and Equipment Insurance		4,715	
Workers' Compensation Insurance		236	
Communication Equipment		2,000	
Data Processing Equipment		365	
Office Equipment		330	
Other Equipment		2,512	
Total Civil Defense			215,707

Other Emergency Management

Communication Equipment	\$	21,360	
Total Other Emergency Management			21,360

County Coroner/Medical Examiner

Contracts with Government Agencies	\$	54,600	
Contracts with Private Agencies		20,465	
Pauper Burials		1,800	
Total County Coroner/Medical Examiner			76,865

Public Safety Grants Program

Part-time Personnel	\$	67,621	
Other Salaries and Wages		3,293	

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Safety (Cont.)

Public Safety Grants Program (Cont.)

Social Security	\$	4,363	
Pensions		132	
Employer Medicare		1,020	
Total Public Safety Grants Program			\$ 76,429

Public Health and Welfare

Local Health Center

Communication	\$	389	
Contracts with Government Agencies		51,649	
Dues and Memberships		601	
Janitorial Services		31,255	
Maintenance Agreements		559	
Postal Charges		554	
Custodial Supplies		4,853	
Drugs and Medical Supplies		408	
Natural Gas		1,578	
Office Supplies		2,754	
Utilities		18,549	
Building and Contents Insurance		5,852	
Total Local Health Center			119,001

Rabies and Animal Control

Supervisor/Director	\$	35,268	
Part-time Personnel		7,069	
Social Security		2,625	
Pensions		1,411	
Employer Medicare		614	
Advertising		250	
Communication		1,077	
Contracts with Private Agencies		1,730	
Legal Notices, Recording, and Court Costs		848	
Maintenance and Repair Services - Equipment		166	
Travel		3,710	
Animal Food and Supplies		2,723	
Natural Gas		1,710	
Office Supplies		280	
Utilities		7,899	
Building and Contents Insurance		281	
Liability Insurance		357	
Refunds		100	
Workers' Compensation Insurance		382	
Building Improvements		361	
Other Equipment		1,038	
Total Rabies and Animal Control			69,899

Ambulance/Emergency Medical Services

Assistant(s)	\$	71,748	
--------------	----	--------	--

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Supervisor/Director	\$	72,758	
Equipment Operators		1,472,502	
Part-time Personnel		127,323	
Overtime Pay		873,910	
Other Salaries and Wages		45,580	
Social Security		160,644	
Pensions		100,191	
Employee and Dependent Insurance		137,867	
Employer Medicare		37,570	
Communication		5,501	
Contracts with Government Agencies		38,220	
Contracts with Private Agencies		54,496	
Data Processing Services		101,940	
Dues and Memberships		674	
Laundry Service		9,350	
Legal Notices, Recording, and Court Costs		187	
Licenses		2,770	
Maintenance and Repair Services - Buildings		3,065	
Maintenance and Repair Services - Equipment		20,068	
Maintenance and Repair Services - Vehicles		113,597	
Postal Charges		99	
Rentals		14,985	
Travel		2,229	
Diesel Fuel		190,056	
Drugs and Medical Supplies		135,802	
Food Supplies		727	
Gasoline		4,783	
Natural Gas		1,450	
Office Supplies		4,331	
Uniforms		6,698	
Utilities		10,819	
Other Supplies and Materials		23,950	
Building and Contents Insurance		566	
Liability Insurance		19,989	
Vehicle and Equipment Insurance		27,085	
Workers' Compensation Insurance		120,457	
In Service/Staff Development		455	
Furniture and Fixtures		430	
Total Ambulance/Emergency Medical Services			\$ 4,014,872

Alcohol and Drug Programs

Guidance Personnel	\$	37,827
Social Security		2,277
Pensions		1,200
Employee and Dependent Insurance		283
Employer Medicare		533
Medical and Dental Services		6,387

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs (Cont.)

Travel	\$	9,789	
Office Supplies		10,486	
Workers' Compensation Insurance		52	
Total Alcohol and Drug Programs			\$ 68,834

Sanitation Education/Information

Supervisor/Director	\$	39,971	
Social Security		2,393	
Pensions		1,599	
Employee and Dependent Insurance		9,463	
Employer Medicare		560	
Other Supplies and Materials		471	
Liability Insurance		357	
Workers' Compensation Insurance		695	
Total Sanitation Education/Information			55,509

Other Public Health and Welfare

Social Workers	\$	51,112	
Medical Personnel		70,730	
Other Salaries and Wages		118,995	
Social Security		14,531	
Pensions		9,634	
Employee and Dependent Insurance		7,391	
Employer Medicare		3,398	
Maintenance and Repair Services - Equipment		1,182	
Travel		8,532	
Liability Insurance		2,251	
Workers' Compensation Insurance		4,683	
Criminal Investigation of Applicants - TBI		203	
Total Other Public Health and Welfare			292,642

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$	33,861
Supervisor/Director		46,604
Part-time Personnel		71,950
Educational Incentive - Official/Admin Officer		1,000
Social Security		9,316
Pensions		3,258
Employee and Dependent Insurance		14,325
Employer Medicare		2,179
Communication		4,899
Contracts with Government Agencies		5,935
Contracts with Private Agencies		880
Dues and Memberships		505
Legal Notices, Recording, and Court Costs		470
Licenses		930

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Maintenance Agreements	\$	2,220	
Maintenance and Repair Services - Buildings		1,438	
Maintenance and Repair Services - Office Equipment		80	
Maintenance and Repair Services - Vehicles		3,480	
Postal Charges		803	
Rentals		4,500	
Travel		6,877	
Other Contracted Services		75	
Food Preparation Supplies		596	
Food Supplies		12,097	
Gasoline		1,958	
Natural Gas		1,098	
Office Supplies		1,827	
Utilities		7,283	
Other Supplies and Materials		9,023	
Building and Contents Insurance		122	
Liability Insurance		2,856	
Vehicle and Equipment Insurance		1,632	
Workers' Compensation Insurance		2,587	
In Service/Staff Development		375	
Criminal Investigation of Applicants - TBI		100	
Other Equipment		3,190	
Total Senior Citizens Assistance	\$		260,329

Libraries

Assistant(s)	\$	46,833	
Supervisor/Director		41,027	
Librarians		24,399	
Part-time Personnel		16,198	
Social Security		7,108	
Pensions		4,491	
Employee and Dependent Insurance		14,404	
Employer Medicare		1,662	
Communication		7,190	
Contracts with Other Public Agencies		17,000	
Maintenance Agreements		1,279	
Postal Charges		164	
Travel		516	
Instructional Supplies and Materials		4,493	
Library Books/Media		17,538	
Natural Gas		1,936	
Periodicals		331	
Utilities		6,232	
Other Supplies and Materials		3,424	
Building and Contents Insurance		2,637	
Liability Insurance		2,499	
Workers' Compensation Insurance		158	
Other Equipment		8,800	
Total Libraries			230,319

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards

Maintenance and Repair Services - Buildings	\$	6,500	
Natural Gas		1,500	
Utilities		12,400	
Building and Contents Insurance		<u>2,727</u>	
Total Parks and Fair Boards	\$		23,127

Other Social, Cultural, and Recreational

Other Supplies and Materials	\$	<u>7,624</u>	
Total Other Social, Cultural, and Recreational			7,624

Agriculture and Natural Resources

Agricultural Extension Service

Contracts with Government Agencies	\$	130,669	
Building and Contents Insurance		2,818	
Vehicle and Equipment Insurance		148	
In Service/Staff Development		<u>640</u>	
Total Agricultural Extension Service			134,275

Soil Conservation

Secretary(ies)	\$	38,408	
Clerical Personnel		45,324	
Social Security		5,013	
Pensions		3,349	
Employee and Dependent Insurance		1,389	
Employer Medicare		1,173	
Communication		259	
Maintenance and Repair Services - Equipment		499	
Maintenance and Repair Services - Office Equipment		237	
Postal Charges		300	
Travel		999	
Office Supplies		495	
Other Supplies and Materials		174	
Building and Contents Insurance		2,818	
Liability Insurance		714	
Vehicle and Equipment Insurance		111	
Workers' Compensation Insurance		<u>584</u>	
Total Soil Conservation			101,846

Flood Control

Contracts with Government Agencies	\$	<u>92,981</u>	
Total Flood Control			92,981

Other Operations

Tourism

Advertising	\$	2,175	
Contributions		60,832	
Utilities		<u>575</u>	
Total Tourism			63,582

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Other Operations (Cont.)

Industrial Development

Supervisor/Director	\$	84,334	
Social Security		5,126	
Pensions		3,373	
Employee and Dependent Insurance		907	
Employer Medicare		1,199	
Advertising		3,650	
Dues and Memberships		1,656	
Travel		23,449	
Other Supplies and Materials		1,619	
Liability Insurance		357	
Workers' Compensation Insurance		997	
Total Industrial Development			\$ 126,667

Other Economic and Community Development

Part-time Personnel	\$	40,000	
Social Security		2,480	
Employer Medicare		580	
Contracts with Other Public Agencies		1,000	
Contributions		12,250	
Travel		2,373	
Total Other Economic and Community Development			58,683

Airport

Attendants	\$	36,166	
Part-time Personnel		4,777	
Social Security		2,464	
Pensions		1,447	
Employee and Dependent Insurance		1,053	
Employer Medicare		576	
Communication		1,533	
Dues and Memberships		325	
Legal Notices, Recording, and Court Costs		1,820	
Maintenance and Repair Services - Buildings		6,935	
Maintenance and Repair Services - Equipment		11,341	
Postal Charges		180	
Travel		2,684	
Remittance of Revenue Collected		3,808	
Permits		550	
Diesel Fuel		29,104	
Gasoline		35,873	
Office Supplies		687	
Utilities		5,253	
Building and Contents Insurance		6,037	
Liability Insurance		4,920	
Vehicle and Equipment Insurance		21	
Workers' Compensation Insurance		1,001	
Total Airport			158,555

(Continued)

Exhibit H-6

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

Supervisor/Director	\$	34,751	
Part-time Personnel		11,440	
Social Security		2,864	
Employer Medicare		670	
Dues and Memberships		60	
Maintenance Agreements		1,699	
Travel		654	
Office Supplies		3,052	
Liability Insurance		714	
Workers' Compensation Insurance		426	
Data Processing Equipment		910	
Office Equipment		482	
Total Veterans' Services			\$ 57,722

Other Charges

Bank Charges	\$	422	
Evaluation and Testing		3,982	
Liability Insurance		7,393	
Trustee's Commission		249,170	
Other Charges		3,107	
Total Other Charges			264,074

Contributions to Other Agencies

Contributions	\$	27,500	
Total Contributions to Other Agencies			27,500

Employee Benefits

Bonus Payments	\$	5,934	
Social Security		239	
Pensions		157	
Employee and Dependent Insurance		934,338	
Life Insurance		8,963	
Unemployment Compensation		2,613	
Employer Medicare		56	
Workers' Compensation Insurance		660	
Fines, Assessments, and Penalties		114	
Total Employee Benefits			953,074

COVID-19 Grant #4

Communication	\$	881	
Office Supplies		414	
Utilities		6,253	
Total COVID-19 Grant #4			7,548

Total General Fund \$ 20,592,414

(Continued)

Exhibit H-6

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

<u>Solid Waste/Sanitation Fund</u>			
<u>Public Health and Welfare</u>			
<u>Sanitation Management</u>			
Supervisor/Director	\$	17,087	
Social Security		1,009	
Pensions		684	
Employee and Dependent Insurance		106	
Employer Medicare		236	
Communication		520	
Contracts with Private Agencies		3,835	
Travel		107	
Office Supplies		12	
Building and Contents Insurance		138	
Liability Insurance		174	
Total Sanitation Management			\$ 23,908
<u>Other Waste Disposal</u>			
Contracts with Private Agencies	\$	54,437	
Trustee's Commission		847	
Total Other Waste Disposal			<u>55,284</u>
Total Solid Waste/Sanitation Fund			\$ 79,192
<u>Special Purpose Fund</u>			
<u>General Government</u>			
<u>County Buildings</u>			
Communication Equipment	\$	12,870	
Total County Buildings			<u>\$ 12,870</u>
Total Special Purpose Fund			12,870
<u>Drug Control Fund</u>			
<u>Public Safety</u>			
<u>Drug Enforcement</u>			
Animal Food and Supplies	\$	2,456	
Other Supplies and Materials		2,279	
Refunds		800	
Trustee's Commission		341	
Other Charges		1,748	
Law Enforcement Equipment		13,917	
Motor Vehicles		59,902	
Total Drug Enforcement			<u>\$ 81,443</u>
Total Drug Control Fund			81,443
<u>Other Special Revenue Fund</u>			
<u>Other Operations</u>			
<u>American Rescue Plan Act Grant #2</u>			
Maintenance and Repair Services - Buildings	\$	24,389	
Total American Rescue Plan Act Grant #2			<u>\$ 24,389</u>
Total Other Special Revenue Fund			24,389

(Continued)

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	106,901	
Accountants/Bookkeepers		69,980	
Board and Committee Members Fees		6,000	
Communication		3,394	
Data Processing Services		14,540	
Dues and Memberships		6,467	
Evaluation and Testing		2,474	
Janitorial Services		2,500	
Legal Notices, Recording, and Court Costs		1,307	
Maintenance and Repair Services - Office Equipment		2,795	
Postal Charges		1,189	
Printing, Stationery, and Forms		602	
Travel		2,500	
Drugs and Medical Supplies		276	
Electricity		11,284	
Natural Gas		784	
Office Supplies		3,500	
Water and Sewer		3,410	
In Service/Staff Development		349	
Other Charges		3,609	
Total Administration			\$ 243,861

Highway and Bridge Maintenance

Foremen	\$	244,765	
Equipment Operators		369,030	
Laborers		301,745	
Contracts with Private Agencies		552,342	
Rentals		3,124	
Asphalt - Liquid		707,598	
Concrete		91	
Crushed Stone		897,070	
Fertilizer, Lime, and Seed		738	
Pipe		341,969	
Road Signs		8,993	
Small Tools		2,161	
Wood Products		88,650	
Other Supplies and Materials		3,392	
Total Highway and Bridge Maintenance			3,521,668

Operation and Maintenance of Equipment

Mechanic(s)	\$	161,075	
Maintenance and Repair Services - Buildings		3,272	
Maintenance and Repair Services - Equipment		46,038	
Diesel Fuel		220,394	
Equipment and Machinery Parts		134,563	
Garage Supplies		10,291	
Gasoline		40,872	

(Continued)

Exhibit H-6

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Lubricants	\$	17,093	
Small Tools		1,706	
Tires and Tubes		73,186	
Other Supplies and Materials		597	
Office Equipment		5,628	
Total Operation and Maintenance of Equipment	\$		714,715

Other Charges

Liability Insurance	\$	59,946	
Trustee's Commission		64,425	
Workers' Compensation Insurance		39,050	
Total Other Charges			163,421

Employee Benefits

Social Security	\$	74,602	
Pensions		48,223	
Employee and Dependent Insurance		256,848	
Life Insurance		1,350	
Unemployment Compensation		2,841	
Employer Medicare		16,778	
Total Employee Benefits			400,642

Capital Outlay

Engineering Services	\$	392	
Bridge Construction		2,645,750	
Highway Construction		1,388,017	
Highway Equipment		121,812	
Total Capital Outlay			4,155,971

Total Highway/Public Works Fund \$ 9,200,278

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	855,000	
Total General Government	\$		855,000

Interest on Debt

General Government

Interest on Bonds	\$	335,762	
Total General Government			335,762

Other Debt Service

General Government

Bank Charges	\$	4,050	
Trustee's Commission		28,119	
Total General Government			32,169

Total General Debt Service Fund 1,222,931

(Continued)

Exhibit H-6

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

<u>General Capital Projects Fund</u>		
<u>Public Safety</u>		
<u>Sheriff's Department</u>		
Motor Vehicles	\$ 592,764	
Total Sheriff's Department		\$ 592,764
<u>Jail</u>		
Other Equipment	\$ 162,500	
Total Jail		162,500
<u>Fire Prevention and Control</u>		
Motor Vehicles	\$ 150,000	
Other Equipment	300,518	
Total Fire Prevention and Control		450,518
<u>Public Health and Welfare</u>		
<u>Ambulance/Emergency Medical Services</u>		
Motor Vehicles	\$ 219,350	
Total Ambulance/Emergency Medical Services		219,350
<u>Social, Cultural, and Recreational Services</u>		
<u>Senior Citizens Assistance</u>		
Motor Vehicles	\$ 36,475	
Total Senior Citizens Assistance		36,475
<u>Other Operations</u>		
<u>Other Economic and Community Development</u>		
Site Development	\$ 108,000	
Total Other Economic and Community Development		108,000
<u>Airport</u>		
Airport Improvement	\$ 85,398	
Total Airport		85,398
Total General Capital Projects Fund		\$ 1,655,005
Total Governmental Funds - Primary Government		<u>\$ 32,868,522</u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

Gibson County Mayor and
Board of County Commissioners
Gibson 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 unit, each major fund, and the aggregate remaining fund information of Gibson County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Gibson County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 22, 2023. Our report includes a reference to other auditors who audited the financial statements of the Gibson County Emergency Communications District, as described in our report on Gibson 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 Gibson 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 Gibson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Gibson 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 Findings and Recommendations, we identified certain deficiencies in internal control that we consider to be a material weakness 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 Findings and Recommendations, to be a material weakness: 2023-002.

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 deficiencies, described in the accompanying Findings and Recommendations, to be significant deficiencies: 2023-003(C), 2023-004, 2023-005.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gibson 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 Findings and Recommendations as items: 2023-001, 2023-003(A,B), 2023-006, 2023-007, 2023-008.

Gibson County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Gibson County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Gibson 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 Gibson 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 22, 2023

JEM/gc



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

Gibson County Mayor and
Board of County Commissioners
Gibson 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 Gibson 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 Gibson County's major federal programs for the year ended June 30, 2023. Gibson 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, Gibson 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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 Gibson 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and is described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-009. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Gibson County's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Gibson County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Gibson County is responsible for preparing a corrective action plan to address each noncompliance audit finding included in our auditor's report in accordance with the Uniform Guidance. Gibson County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the corrective action plan.

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 unit, each major fund, and the aggregate remaining fund information of Gibson County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Gibson County's basic financial statements. We issued our report thereon dated November 22, 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 22, 2023

JEM/gc

Gibson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)
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 Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-75799-00	\$ 26,986
Direct Program:			
Long-term Standing Agreements for Storage, Transportation, and Lease	10.999	N/A	70,551
Total U.S. Department of Agriculture			<u>\$ 97,537</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	(5)	\$ 37,475 (7)
COVID 19 - Airport Improvement Program	20.106	40100-22520	8,842 (7)
Total U.S. Department of Transportation			<u>\$ 46,317</u>
U.S. Department of Treasury:			
Direct Program:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 9,543,509
Total U.S. Department of Treasury			<u>\$ 9,543,509</u>
U.S. Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(6)	\$ 4,360
Total U.S. Institute of Museum and Library Services			<u>\$ 4,360</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2018 HAVA Election Security Grants	90.404	(6)	\$ 7,140
Total U.S. Election Assistance Commission			<u>\$ 7,140</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation			
	93.041	(6)	\$ 150
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			
	93.043	(6)	1,900
Aging Cluster: (4)			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			
	93.044	(6)	60,852
Passed-through State Department of Health:			
Family Planning Services			
	93.217	GG-23-75799-00	4,107
Health Center Program Cluster: (4)			
Consolidated Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)			
	93.224	GG-23-75799-00	79,429
Maternal and Child Health Services Block Grant to the States			
	93.994	GG-23-75799-00	10,048
Total U.S. Department of Health and Human Services			<u>\$ 156,486</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance	97.036	34101-0000035738	\$ 38,132
Total U.S. Department of Homeland Security			<u>\$ 38,132</u>
Total Expenditures of Federal Grants			<u>\$ 9,893,481</u>

(Continued)

Gibson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)

<u>State Grants:</u>	Federal Assistance Listing Number	Contract Number	Expenditures
Volunteer Firefighter Equipment and Training Grant Program - State Department of Commerce and Insurance	N/A	(6)	\$ 50,775
Victims of Crime Act - State Department of Finance and Administration	N/A	(6)	48,528
Preventative Health and Human Services Grant - State Department of Health	N/A	GG-22-71044-00	155,456
Homemaker and Personal Care Services - State Department of Human Services	N/A	(6)	50,517
State Commission on Aging and Disability - Tennessee Commission on Aging and Disability	N/A	(6)	5,000
Tennessee Certified Recovery Court Program - State Department of Mental Health Substance Abuse Services	N/A	(6)	67,524
Tourism Enhancement Program - State Department of Tourist Development	N/A	(6)	225
Airport Maintenance Program - State Department of Transportation	N/A	(6)	11,213
Litter Program - State Department of Transportation	N/A	(6)	24,380
Opioid Settlement Funds - Tennessee Abatement Council	N/A	(6)	202,432
Transition to Voting Systems Grant - Tennessee Secretary of State	N/A	(6)	230,000
Economic Development Partnership Funding - Tennessee Valley Authority	N/A	(6)	1,007
Total State Grants			\$ 847,057

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) Gibson County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Aging Cluster total \$60,852; Health Center Program Cluster total \$79,429.
- (5) AERO-22-384-00: \$16,465; AERO-22-398-00: \$18,030; AERO-22-231-00: \$2,980.
- (6) Information not available.
- (7) Total for FAL. No. 20.106 is \$46,317.

Gibson 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 Gibson 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
-------------	-------------	----------------	------------------	------------	----------------

OFFICE OF COUNTY MAYOR

2022	147	2022-001	Appropriations exceeded estimated available funding in the Special Purpose Fund.	N/A	Corrected
------	-----	----------	----------------------------------------------------------------------------------	-----	-----------

OFFICE OF ROAD SUPERVISOR

2022	147	2022-002	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
------	-----	----------	----------------------------------------------------------------------------------------------------------------	-----	-----------

OFFICE OF CLERK AND MASTER - HUMBOLDT

2022	148	2022-003	The office had deficiencies in computer system backup procedures.	N/A	Corrected
------	-----	----------	-------------------------------------------------------------------	-----	-----------

Prior-year Federal Awards Findings

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

GIBSON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Gibson 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)? **YES**
7. Identification of major federal programs:
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)
8. Dollar threshold used to distinguish between type A and Type B Programs: **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATED 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 COUNTY MAYOR

FINDING 2023-001

GIBSON COUNTY DID NOT COMPLY WITH THE REPORTING REQUIREMENTS FOR PROVIDER RELIEF FUNDS

(Noncompliance Under *Government Auditing Standards* and OMB Uniform Guidance)

During the 2019-2020 audit year, Gibson County received \$109,463 in Provider Relief Funds (PRF) (FAL No. 93.498) from the U.S. Department of Health and Human Services, which is administered by the Health Resources and Services Administration (HRSA). Subsequently, Gibson County failed to submit the required report on the uses of the PRF funds to HRSA by the reporting deadline of September 30, 2021. As a result, Gibson County was notified on January 20, 2023, that they were in noncompliance with the reporting requirements for the PRF funds, and that they would be required to return \$109,463 in grant funds unless they disputed the information and provided an explanation within 60 days of the notice. The county failed to respond to the notice and must repay the grant funds. As of the date of our audit report, \$109,463 had been withheld by the U.S. Department of Treasury from other grants due the county to satisfy this obligation. This finding was a result of a lack of management oversight and the failure to comply with the grant guidance.

RECOMMENDATION

Gibson County should implement procedures to ensure compliance with all grant requirements.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. The grant was originally received prior to my administration; however, we did receive notice of the reporting noncompliance in January 2023 and failed to respond. In the future, we will work to ensure compliance with all grant funds and reporting will be done in a timely manner.

FINDING 2023-002

THE GENERAL AND OTHER SPECIAL REVENUE FUNDS REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

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

At June 30, 2023, certain general ledger account balances in the General and Other Special Revenue funds were not materially correct, and audit adjustments for cash with trustee, accounts receivable, accounts payable, encumbrances, and restricted accounts totaling \$9,088,032 and \$8,970,509, respectively, were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Gibson County 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 department 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

Gibson County should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. We will work to ensure that accounting records are accurate at year-end and the proper accruals have been posted.

FINDING 2023-003

THE OFFICE HAD ACCOUNTING DEFICIENCIES

(A. and B.– Noncompliance Under *Government Auditing Standards*; C. - Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies exist due to a lack of management oversight, a lack of understanding of internal controls, and the failure to follow state statutes.

- A. Accounting records were not closed and available for audit by August 31, 2023, 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. The accounting records were closed and made available for audit on September 25, 2023. Additionally, monthly accounting records were not maintained on a current basis, and these records were as many as five months behind throughout the audit period. 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 and budgetary controls, and increases the risk that errors will not be discovered and corrected timely.

- B. Some funds were not deposited within three days of collection as required by Section 5-8-207, *Tennessee Code Annotated*. During the year, eight checks for grant funds were held from 4 to 11 business days after the checks were received before being deposited with the county trustee. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation.
- C. In addition to the delays noted in Part B. of this finding, there were also five instances in which checks for grant funds had not been deposited with the county trustee. These amounts were requested for reimbursement by the county, disbursed by the grantor during January 2023 through April 2023, and documented as received by county personnel. The check amounts ranged from \$1,590 to \$19,351. When auditors brought this to the finance director's attention on October 27, 2023, she was able to locate two of the checks. As of November 8, 2023, the date of the exit conference, the finance director had not deposited the two checks she found with the county trustee. The other three checks, totaling \$11,920, are still unaccounted for as of December 19, 2023.

RECOMMENDATION

Management should ensure all accounting records for the fiscal year ended June 30 are available for audit by the following August 31, as required by state statute. Accounting records should be properly closed and maintained throughout the year. To strengthen internal controls over cash collections and deposits, the office should deposit funds with the county trustee within three days of collection, as required by state statute. The bookkeeper should take steps to locate the remaining missing checks for grant funds and promptly deposit them with the county trustee.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. Going forward, accounting records will be closed by August 31st following the fiscal year end and all applicable funds will be deposited within three days with the county trustee. We will work to locate the missing grant checks and to get them deposited promptly with the county trustee.

FINDING 2023-004

THE OTHER SPECIAL REVENUE FUND HAD A FUND DEFICIT AT JUNE 30, 2023

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

The Other Special Revenue Fund had a fund deficit of \$19,139 at June 30, 2023. This deficit occurred because personnel had not requested the reimbursement of grant funds on a timely basis. Sound business practices dictate that expenditures should be held within available

funds and requests for grant reimbursements be made on a current basis. Some grant funds were requested and received subsequent to June 30, 2023; however as of November 8, 2023, the date of the exit conference, a fund deficit of \$5,830 remained.

RECOMMENDATION

Requests for reimbursements from grant funds should be made on a timely basis. Officials should ensure that adequate funding is provided to prevent the recurrence of a fund deficit.

MANAGEMENT’S RESPONSE – COUNTY MAYOR

I concur with the finding. Grant reimbursements will be requested on a timely basis.

FINDING 2023-005

THE GENERAL CAPITAL PROJECTS FUND HAD A CASH OVERDRAFT AT JUNE 30, 2023

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

The General Capital Projects Fund had a cash overdraft of \$107,965 at June 30, 2023. The cash overdraft resulted from the issuance of checks exceeding cash on deposit with the county trustee. Sound business practices dictate that disbursements be held within available funds. The cash overdraft was liquidated subsequent to June 30, 2023.

RECOMMENDATION

The county mayor should not issue checks exceeding cash on deposit with the county trustee.

MANAGEMENT’S RESPONSE – COUNTY MAYOR

I concur with the finding. We will monitor balances more closely to ensure checks are not issued that exceed cash on deposit with the county trustee.

FINDING 2023-006

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

(Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations. These deficiencies exist because of management’s failure to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures; and management’s failure to provide sufficient oversight.

- A. Expenditures exceeded appropriations approved by the county commission in eight of 51 major appropriations categories (the legal level on control) of the General Fund and in one of seven major appropriations of the General Capital Projects Fund by amounts ranging from \$81 to \$69,188.

- B. Salaries exceeded appropriations in four of 116 salary line-items in the General Fund by amounts ranging from \$1,437 to \$4,625. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each official, employee, or agent of the county will not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

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 of 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 – COUNTY MAYOR

I concur with the finding. We will monitor the budget more closely to prevent expenditures from exceeding appropriations.

OFFICE OF TRUSTEE

FINDING 2023-007

**THE TRUSTEE PAID CHECKS THAT EXCEEDED
AVAILABLE FUNDS**
(Noncompliance Under *Government Auditing Standards*)

The trustee paid checks issued from the General Capital Projects funds that exceeded available cash balances on deposit by \$106,375 at June 30, 2023. Section 8-11-104(5), *Tennessee Code Annotated*, prohibits the trustee from paying a check if sufficient funds are not available. Paying checks that exceed available cash is the result of a lack of management oversight and the failure to properly monitor the checking system. This deficiency exists because the county mayor issued checks that exceeded cash on deposit with the trustee, and the trustee honored the checks.

RECOMMENDATION

The trustee should not pay checks that exceed available cash as required by state statute.

MANAGEMENT’S RESPONSE – TRUSTEE

On March 31, 2023, an email was sent to the finance director with directions on how to ensure capital purchases are budgeted and amended and on how to transfer amounts between funds by writing checks to actually move money in the Trustee’s Office. This email provided a total amount to be transferred which is part of the \$106,375. On July 3, 2023, the trustee’s bookkeeper called the finance director advising her that the General Capital Projects Fund

was in the red due to a check not being written to cover the overdraft. The finance director stated it would be July 5th before she could take care of this due to personnel in the accounts payable department being out of the office. The trustee's bookkeeper (bookkeeper) had multiple phone conversations asking for a check to cover the overdraft. By July 17, 2023, the overdraft had increased to \$334,985, and the bookkeeper sent an email to the finance director, who responded that she would bring some checks to the office that day. On July 21, 2023, the office still had not received any checks to cover the overdraft. The finance director does not work under my direction; therefore, this has caused issues for my office continually. On multiple occasions checks have been written and mailed from the Mayor's Office before we know the fund will be in the red. In July, I informed the county mayor of the issues my office was having. Since then, all correspondence has been in writing.

OFFICE OF SHERIFF

FINDING 2023-008

**GIBSON COUNTY SHERIFF'S DEPARTMENT IS
CURRENTLY UNDER INVESTIGATION**
(Noncompliance under *Government Auditing Standards*)

The Gibson County Sheriff's Department is currently under investigation by the state Comptroller's Division of Investigations. Findings, if any, resulting from this investigation will be included in a subsequent report.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A finding and recommendation, as a result of our audit of federal awards of Gibson County, Tennessee, for the year ended June 30, 2023, is presented below. Our audit followed 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).

We reviewed this finding and recommendation with federal program management to provide an opportunity for their response. Responses and/or corrective action plans for all findings, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan section of this report.

Findings relating specifically to the audit of the financial statements of Gibson County, Tennessee, are separately presented under Part II, Findings Relating to the Financial Statements.

FINDING 2023-009

GIBSON COUNTY DID NOT COMPLY WITH THE REPORTING REQUIREMENTS FOR PROVIDER RELIEF FUNDS

(Noncompliance Under *Government Auditing Standards* and OMB Uniform Guidance)

Entity	Gibson County, Tennessee – Mayor's Office
Repeat Finding Number	N/A
Assistance Listings #	93.498
Assistance Listings Title	Provider Relief Fund
Federal Agency	Department of Health and Human Services
State Pass-Through Agency	N/A
Grant/Contract No.	N/A
Federal Award Year	2020
Finding Type	Noncompliance – 93.498
Compliance Requirement	Reporting
Known Questioned Costs	\$109,463

During the 2019-2020 audit year, Gibson County received \$109,463 in Provider Relief Funds (PRF) (FAL No. 93.498) from the U.S. Department of Health and Human Services, which is administered by the Health Resources and Services Administration (HRSA). Subsequently, Gibson County failed to submit the required report on the uses of the PRF funds to HRSA by the reporting deadline of September 30, 2021. As a result, Gibson County was notified on January 20, 2023, that they were in noncompliance with the reporting requirements for the PRF funds and that they would be required to return \$109,463 in grant funds unless they disputed the information and provided an explanation within 60 days of the notice. The county failed to respond to the notice and must repay the grant funds. As of the date of our audit report, \$109,463 had been withheld by the U.S. Department of Treasury from other grants due the county to satisfy this obligation. This finding was a result of a lack of management oversight and the failure to comply with the grant guidance.

RECOMMENDATION

Gibson County should implement procedures to ensure compliance with all grant requirements.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. The grant was originally received prior to my administration; however, we did receive notice of the reporting noncompliance in January 2023 and failed to respond. In the future, we will work to ensure compliance with all grant funds and reporting will be done in a timely manner.

Gibson 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
----------------	------------------	------------------------------------

OFFICE OF COUNTY MAYOR

2023-001	Gibson County did not comply with the reporting requirements for Provider Relief Funds.	161
2023-002	The General and Other Special Revenue funds required material audit adjustments for proper financial statement presentation.	162
2023-003	The office had accounting deficiencies.	163
2023-004	The Other Special Revenue Fund had a fund deficit at June 30, 2023.	164
2023-005	The General Capital Projects Fund had a cash overdraft at June 30, 2023.	165
2023-006	The office had deficiencies in budget operations.	166

OFFICE OF TRUSTEE

2023-007	The trustee paid checks that exceeded available funds.	167
----------	--------------------------------------------------------	-----

FEDERAL AWARD FINDING - OFFICE OF COUNTY MAYOR

2023-009	Gibson County did not comply with the reporting requirements for Provider Relief Funds.	161
----------	-----------------------------------------------------------------------------------------	-----

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

GIBSON COUNTY DID NOT COMPLY WITH THE
REPORTING REQUIREMENTS FOR PROVIDER
RELIEF FUNDS

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor

Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
Immediately

Repeat Finding:
No

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

Planned Corrective Action:
In the future, special attention will be paid to the requirements for all grant funds received. Reporting will be done on a timely basis to prevent this from happening in the future.


Nelson Cunningham, County Mayor

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

THE GENERAL AND OTHER SPECIAL REVENUE
FUNDS REQUIRED MATERIAL AUDIT ADJUSTMENTS
FOR PROPER FINANCIAL STATEMENT
PRESENTATION

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor

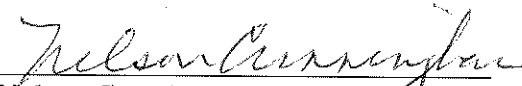
Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:
The bookkeeper will post the proper accruals at year-end to ensure that the financial statements are materially correct.


Nelson Cunningham, County Mayor

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

THE OFFICE HAD ACCOUNTING DEFICIENCIES

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor


Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:
Accounting records will be closed by August 31st following the fiscal year end and all applicable funds will be deposited within three days with the county trustee. We will work to locate the missing grant checks and to get them deposited promptly with the county trustee.


Nelson Cunningham, County Mayor

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

**THE OTHER SPECIAL REVENUE FUND HAD A FUND
DEFICIT AT JUNE 30, 2023**

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor

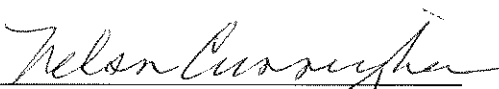
Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:
Grant reimbursements will be requested on a timely basis to prevent future fund deficits from occurring.


Nelson Cunningham, County Mayor

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

**THE GENERAL CAPITAL PROJECTS FUND HAD A
CASH OVERDRAFT AT JUNE 30, 2023**

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor

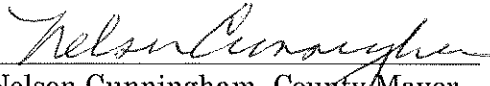
Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:
We will monitor balances more closely to ensure checks are not issued that exceed cash on deposit with the county trustee.


Nelson Cunningham, County Mayor

Nelson Cunningham
County Mayor



Telephone: 731-855-7613
Trenton, TN 38382

GIBSON COUNTY COURTHOUSE

Corrective Action Plan

FINDING

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

Response and Corrective Action Plan Prepared by:
Nelson Cunningham, County Mayor

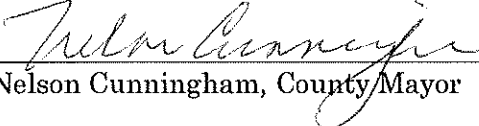
Person Responsible for Implementing the Corrective Action:
Nelson Cunningham, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:
We will monitor the budget more closely to prevent expenditures from exceeding appropriations.


Nelson Cunningham, County Mayor

GIBSON COUNTY TRUSTEE OFFICE
Melissa Workman, Trustee



Corrective Action Plan

FINDING

THE TRUSTEE PAID CHECKS THAT EXCEEDED
AVAILABLE FUNDS

Response and Corrective Action Plan Prepared by:
Melissa Workman, Trustee

Person Responsible for Implementing the Corrective Action:
Melissa Workman, Trustee

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

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

Planned Corrective Action:

I concur with the finding. We will work with the County Mayor's Office to ensure checks do not exceed cash on deposit with the Trustee.

Signature:

Melissa Workman 11/9/23

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 Gibson County.

GIBSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Gibson 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. 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.