



ANNUAL FINANCIAL REPORT

Tipton County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
TIPTON 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.

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICES OF COUNTY EXECUTIVE AND DIRECTOR OF PUBLIC WORKS

- ◆ Tipton County had deficiencies in reporting wages to the Tennessee Consolidated Retirement System.
-

OFFICE OF COUNTY EXECUTIVE

- ◆ Competitive bids were not solicited for the purchase of inmate food.
-

OFFICE OF DIRECTOR OF PUBLIC WORKS

- ◆ Purchase orders were not always issued properly.
-



OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Deficiencies were noted with the purchase of pizza ovens, equipment, and supplies.
- ◆ Purchase orders were not always issued properly.



INTRODUCTORY SECTION

Tipton County Officials
June 30, 2023

Officials

Jeff Huffman, County Executive
Shannon Reed, Director of Public Works
Dr. John Combs, Director of Schools
Kristie Maxwell, Trustee
Rose Cousar, Assessor of Property
Mary Gaither, County Clerk
Mike Forbess, Circuit, General Sessions, and Juvenile Courts Clerk
Gina Smith, Clerk and Master
Claudia Peeler, Register of Deeds
Shannon Beasley, Sheriff
Walter Thomas Bailey, Budget and Accounts Director

Board of County Commissioners

Jeff Huffman, County Executive, Chairman	John Anthony Mashburn
Walker Adams	Jonathan Murphy
James Adkins	Michael Naifeh
Sheila Barlow	Randy Roe
Brad Case	Michelle Smith
David Copeland	James Lamont Sneed
Courtney Fee	Glenn Turner
Justin Gangaware	Cecil Watson
Brett Giannini	Rusty Wooten
Richard Kelley	

Highway Commission

James Adkins, Chairman	Jonathan Murphy
Brad Case	Randy Roe
Justin Gangaware	Cecil Watson
Brett Giannini	Rusty Wooten
John Mashburn	

Board of Education

Marty Burlison, Chairman	Ben Kirk
Isaiah Davidson	Matt McCann
Loretta Eubanks	Laurie McClerkin
Alvis Ferrell	Farrel Vincent
Jason Jenkins	

Audit Committee

Walker Adams, Chairman
Courtney Fee
Cecil Watson

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Tipton County Executive and
Board of County Commissioners
Tipton County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of June 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General, Other General Government, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Tipton County School Department (a discretely presented component unit), which represent two percent, 2.2 percent, and 3.5 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Tipton County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tipton 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 Tipton 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 Tipton 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 Tipton County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

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

America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Tipton County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2023, on our consideration of Tipton 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 Tipton 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 Tipton County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 9, 2023

JEM/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Unit Tipton County School Department
<u>ASSETS</u>		
Cash	\$ 50,574	\$ 1,805,656
Equity in Pooled Cash and Investments	45,411,369	24,804,090
Accounts Receivable	294,160	56,694
Due from Other Governments	2,268,604	5,718,893
Property Taxes Receivable	16,958,198	10,126,009
Allowance for Uncollectible Property Taxes	(353,514)	(230,429)
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	902,987
Net Pension Asset - Agent Plan	2,030,027	1,777,938
Net Pension Asset - Teacher Retirement Plan	0	184,496
Net Pension Asset - Teacher Legacy Pension Plan	0	13,471,404
Capital Assets Not Depreciated:		
Land	4,826,800	3,631,433
Construction in Progress	0	417,843
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	4,375,523	21,339,531
Infrastructure	12,601,418	29,227
Other Capital Assets	4,091,244	6,336,884
Right-to-Use Assets	0	1,390,959
Total Assets	<u>\$ 92,554,403</u>	<u>\$ 91,763,615</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 931,312	\$ 3,041,746
Pension Changes in Investment Earnings	100,376	376,420
Pension Changes in Assumptions	1,845,405	10,271,557
Pension Changes in Proportion	0	190,839
Pension Contributions after Measurement Date	637,179	3,912,767
OPEB Changes in Experience	6,498	776,058
OPEB Changes in Assumptions	146,450	2,018,853
OPEB Changes in Proportion	0	327,346
OPEB Contributions after Measurement Date	20,104	356,421
Total Deferred Outflows of Resources	<u>\$ 3,687,324</u>	<u>\$ 21,272,007</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 2,500	\$ 0
Payroll Deductions Payable	212,655	2,513,332
Due to Other Governments	2,014,884	0
Noncurrent Liabilities:		
Due Within One Year - Lease	0	267,469
Due Within One Year - Other	776,129	230,502
Due in More Than One Year - Lease	0	1,129,771
Due in More Than One Year - Other	2,123,043	11,571,804
Total Liabilities	<u>\$ 5,129,211</u>	<u>\$ 15,712,878</u>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Unit Tipton County School Department
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 16,301,462	\$ 9,678,992
Pension Changes in Experience	281,255	2,634,680
Pension Changes in Proportion	0	37,381
OPEB Changes in Experience	472,904	436,218
OPEB Changes in Assumptions	461,426	1,528,933
OPEB Changes in Proportion	0	488,436
Total Deferred Inflows of Resources	<u>\$ 17,517,047</u>	<u>\$ 14,804,640</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 25,894,985	\$ 33,145,877
Restricted for:		
General Government	8,664,513	0
Finance	78,497	0
Administration of Justice	67,532	0
Public Safety	580,565	0
Public Health and Welfare	380,995	0
Highway/Public Works	652,308	0
Debt Service	3,355,579	0
Capital Projects	579,215	7,679
Education	0	2,580,925
Operation of Non-instructional Services	0	3,901,425
Pensions	2,030,027	15,433,838
Hybrid Retirement Stabilization Funds	0	902,987
Unrestricted	<u>31,311,253</u>	<u>26,545,373</u>
Total Net Position	<u>\$ 73,595,469</u>	<u>\$ 82,518,104</u>

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

Exhibit B

Tipton 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 Unit
					Governmental Total Activities	Tipton County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 4,973,437	\$ 502,645	\$ 10,409,354	\$ 528,043	\$ 6,466,605	\$ 0
Finance	2,112,173	1,736,317	0	0	(375,856)	0
Administration of Justice	1,974,896	1,096,285	58,891	0	(819,720)	0
Public Safety	12,956,731	771,402	459,438	35,361	(11,690,530)	0
Public Health and Welfare	4,397,096	1,326,565	976,888	122,150	(1,971,493)	0
Social, Cultural, and Recreational Services	551,891	9,332	15,000	0	(527,559)	0
Agriculture and Natural Resources	296,147	0	0	0	(296,147)	0
Highways/Public Works	7,107,828	1,098	2,893,484	564,944	(3,648,302)	0
Total Primary Government	\$ 34,370,199	\$ 5,443,644	\$ 14,813,055	\$ 1,250,498	\$ (12,863,002)	\$ 0
Component Unit:						
Tipton County School Department	\$ 113,269,358	\$ 2,051,418	\$ 24,750,976	\$ 675,764	\$ 0	\$ (85,791,200)
Total Component Unit	\$ 113,269,358	\$ 2,051,418	\$ 24,750,976	\$ 675,764	\$ 0	\$ (85,791,200)

(Continued)

Exhibit B

Tipton County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Tipton County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 15,453,697	\$ 10,065,350
Property Taxes Levied for Debt Service					1,161,409	0
Local Option Sales Taxes					1,233,303	7,978,937
Wheel Tax					3,432,320	0
Litigation Tax					194,533	0
Business Tax					364,660	219,241
Wholesale Beer Tax					171,686	0
Other Local Taxes					183,244	49,694
Grants and Contributions Not Restricted to Specific Programs					4,091,335	67,585,858
Unrestricted Investment Income					2,085,023	0
Miscellaneous					256,067	68,969
Total General Revenues					<u>\$ 28,627,277</u>	<u>\$ 85,968,049</u>
Change in Net Position					\$ 15,764,275	\$ 176,849
Net Position, July 1, 2022					57,831,194	82,341,255
Net Position, June 30, 2023					<u>\$ 73,595,469</u>	<u>\$ 82,518,104</u>

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Other General Government	Highway / Public Works	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 50,574	\$ 50,574
Equity in Pooled Cash and Investments	22,582,802	10,348,102	3,009,154	9,471,311	45,411,369
Accounts Receivable	244,396	0	0	49,764	294,160
Due from Other Governments	1,731,717	0	534,831	2,056	2,268,604
Due from Other Funds	50,574	0	0	16,887	67,461
Property Taxes Receivable	13,256,675	0	1,194,892	2,506,631	16,958,198
Allowance for Uncollectible Property Taxes	(279,090)	0	(25,762)	(48,662)	(353,514)
Total Assets	<u>\$ 37,587,074</u>	<u>\$ 10,348,102</u>	<u>\$ 4,713,115</u>	<u>\$ 12,048,561</u>	<u>\$ 64,696,852</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 2,500	\$ 0	\$ 0	\$ 0	\$ 2,500
Payroll Deductions Payable	212,655	0	0	0	212,655
Due to Other Funds	16,887	0	0	50,574	67,461
Due to Other Governments	50,000	1,964,884	0	0	2,014,884
Total Liabilities	<u>\$ 282,042</u>	<u>\$ 1,964,884</u>	<u>\$ 0</u>	<u>\$ 50,574</u>	<u>\$ 2,297,500</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 12,735,516	\$ 0	\$ 1,146,197	\$ 2,419,749	\$ 16,301,462
Deferred Delinquent Property Taxes	210,285	0	20,072	32,185	262,542
Other Deferred/Unavailable Revenue	1,075,092	0	243,366	0	1,318,458
Total Deferred Inflows of Resources	<u>\$ 14,020,893</u>	<u>\$ 0</u>	<u>\$ 1,409,635</u>	<u>\$ 2,451,934</u>	<u>\$ 17,882,462</u>

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Other General Government	Highway / Public Works	Other Governmental Funds	
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 96,808	\$ 0	\$ 0	\$ 0	\$ 96,808
Restricted for General Government - American Rescue Plan Act	0	8,383,218	0	0	8,383,218
Restricted for Finance	78,497	0	0	0	78,497
Restricted for Administration of Justice	67,532	0	0	0	67,532
Restricted for Public Safety	63,235	0	0	517,330	580,565
Restricted for Public Health and Welfare	437,587	0	0	0	437,587
Restricted for Other Operations	181,036	0	0	0	181,036
Restricted for Highways/Public Works	0	0	603,175	0	603,175
Restricted for Debt Service	0	0	0	3,340,602	3,340,602
Restricted for Capital Projects	0	0	0	570,611	570,611
Restricted for Other Purposes	3,451	0	0	0	3,451
Committed:					
Committed for General Government	1,604,725	0	0	0	1,604,725
Committed for Public Health and Welfare	903,115	0	0	2,007,203	2,910,318
Committed for Other Operations	1,372,794	0	0	0	1,372,794
Committed for Highways/Public Works	0	0	2,700,305	0	2,700,305
Committed for Debt Service	0	0	0	492,903	492,903
Committed for Capital Projects	0	0	0	2,617,404	2,617,404
Committed for Other Purposes	2,768,965	0	0	0	2,768,965
Assigned:					
Assigned for General Government	208,879	0	0	0	208,879
Assigned for Finance	2,683	0	0	0	2,683
Assigned for Administration of Justice	5,462	0	0	0	5,462
Assigned for Public Safety	133,349	0	0	0	133,349
Assigned for Public Health and Welfare	5,735	0	0	0	5,735

(Continued)

Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned (Cont.):

Assigned for Social, Cultural, and Recreational Services

Assigned for Other Operations

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

	Major Funds			Nonmajor Funds	Total
	Other General Government	Highway / Public Works	Other Govern- mental Funds		Governmental Funds
	\$ 96	\$ 0	\$ 0	\$ 0	\$ 96
	175	0	0	0	175
	15,350,015	0	0	0	15,350,015
	<u>\$ 23,284,139</u>	<u>\$ 8,383,218</u>	<u>\$ 3,303,480</u>	<u>\$ 9,546,053</u>	<u>\$ 44,516,890</u>
	<u>\$ 37,587,074</u>	<u>\$ 10,348,102</u>	<u>\$ 4,713,115</u>	<u>\$ 12,048,561</u>	<u>\$ 64,696,852</u>

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

Exhibit C-2

Tipton 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)		\$ 44,516,890
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 4,826,800	
Add: buildings and improvements net of accumulated depreciation	4,375,523	
Add: infrastructure net of accumulated depreciation	12,601,418	
Add: other capital assets net of accumulated depreciation	<u>4,091,244</u>	25,894,985
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (1,034,719)	
Less: landfill closure/postclosure care costs	(133,657)	
Less: net OPEB liability	<u>(1,730,796)</u>	(2,899,172)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 3,514,272	
Less: deferred inflows of resources related to pensions	(281,255)	
Add: deferred outflows of resources related to OPEB	173,052	
Less: deferred inflows of resources related to OPEB	<u>(934,330)</u>	2,471,739
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		2,030,027
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,581,000</u>
Net position of governmental activities (Exhibit A)		<u>\$ 73,595,469</u>

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

Exhibit C-3

Tipton 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 General Government	Highway / Public Works	Funds Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 17,955,958	\$ 0	\$ 2,926,050	\$ 2,737,004	\$ 23,619,012
Licenses and Permits	200,678	0	0	0	200,678
Fines, Forfeitures, and Penalties	304,012	0	0	249,328	553,340
Charges for Current Services	221,405	0	956	1,130,456	1,352,817
Other Local Revenues	2,099,892	346,990	30,614	162,448	2,639,944
Fees Received From County Officials	2,619,457	0	0	0	2,619,457
State of Tennessee	2,590,685	0	3,185,222	135,239	5,911,146
Federal Government	437,147	10,000,000	272,792	207,683	10,917,622
Other Governments and Citizens Groups	1,152,438	0	402,329	181,239	1,736,006
Total Revenues	\$ 27,581,672	\$ 10,346,990	\$ 6,817,963	\$ 4,803,397	\$ 49,550,022
<u>Expenditures</u>					
Current:					
General Government	\$ 2,687,196	\$ 0	\$ 0	\$ 0	\$ 2,687,196
Finance	2,132,425	0	0	0	2,132,425
Administration of Justice	1,936,260	0	0	18,000	1,954,260
Public Safety	12,740,871	0	0	130,603	12,871,474
Public Health and Welfare	1,692,631	0	0	21,658	1,714,289
Social, Cultural, and Recreational Services	424,011	0	0	0	424,011
Agriculture and Natural Resources	287,340	0	0	0	287,340
Other Operations	1,637,005	0	0	0	1,637,005
Highways	0	0	6,809,831	1,671,708	8,481,539
Debt Service:					
Other Debt Service	0	0	0	25,601	25,601
Capital Projects	777,517	0	0	1,060,143	1,837,660
Total Expenditures	\$ 24,315,256	\$ 0	\$ 6,809,831	\$ 2,927,713	\$ 34,052,800

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor	Total
	General	Other General Government	Highway / Public Works	Funds Other Govern- mental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,266,416	\$ 10,346,990	\$ 8,132	\$ 1,875,684	\$ 15,497,222
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 162,667	\$ 0	\$ 0	\$ 0	\$ 162,667
Transfers In	0	0	0	2,000,000	2,000,000
Transfers Out	0	(2,000,000)	0	0	(2,000,000)
Total Other Financing Sources (Uses)	\$ 162,667	\$ (2,000,000)	\$ 0	\$ 2,000,000	\$ 162,667
Net Change in Fund Balances	\$ 3,429,083	\$ 8,346,990	\$ 8,132	\$ 3,875,684	\$ 15,659,889
Fund Balance, July 1, 2022	19,855,056	36,228	3,295,348	5,670,369	28,857,001
Fund Balance, June 30, 2023	\$ 23,284,139	\$ 8,383,218	\$ 3,303,480	\$ 9,546,053	\$ 44,516,890

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

Exhibit C-4

Tipton 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)		\$ 15,659,889
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,171,341	
Less: current-year depreciation expense	<u>(2,243,410)</u>	(1,072,069)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(23,380)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 1,581,000	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(585,778)</u>	995,222
(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 compensated absences payable	\$ 7,927	
Change in landfill closure/postclosure care costs	11,428	
Change in net OPEB liability	238,798	
Change in deferred outflows related to OPEB	(33,862)	
Change in deferred inflows related to OPEB	(303,962)	
Change in net pension asset	(6,347,077)	
Change in deferred outflows related to pensions	445,872	
Change in deferred inflows related to pensions	<u>6,185,489</u>	<u>204,613</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 15,764,275</u>

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

Exhibit C-5

Tipton County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 17,955,958	\$ 0	\$ 0	\$ 17,955,958	\$ 16,376,400	\$ 16,376,400	\$ 1,579,558
Licenses and Permits	200,678	0	0	200,678	136,000	136,000	64,678
Fines, Forfeitures, and Penalties	304,012	0	0	304,012	257,935	282,935	21,077
Charges for Current Services	221,405	0	0	221,405	117,600	117,600	103,805
Other Local Revenues	2,099,892	0	0	2,099,892	901,230	947,724	1,152,168
Fees Received From County Officials	2,619,457	0	0	2,619,457	2,365,000	2,365,000	254,457
State of Tennessee	2,590,685	0	0	2,590,685	2,351,252	2,781,312	(190,627)
Federal Government	437,147	0	0	437,147	272,197	880,381	(443,234)
Other Governments and Citizens Groups	1,152,438	0	0	1,152,438	615,080	1,157,130	(4,692)
Total Revenues	\$ 27,581,672	\$ 0	\$ 0	\$ 27,581,672	\$ 23,392,694	\$ 25,044,482	\$ 2,537,190
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 268,443	\$ (933)	\$ 804	\$ 268,314	\$ 297,800	\$ 337,800	\$ 69,486
Beer Board	1,830	0	0	1,830	4,475	4,475	2,645
County Mayor/Executive	295,256	(1,408)	1,099	294,947	329,765	329,765	34,818
Election Commission	544,708	(6,394)	206,460	744,774	491,590	898,150	153,376
Register of Deeds	357,427	(766)	0	356,661	391,875	391,875	35,214
Planning	380,501	0	0	380,501	384,505	409,605	29,104
Building	547,780	(357)	0	547,423	666,745	666,745	119,322
Codes Compliance	15,016	0	0	15,016	16,580	16,580	1,564
Geographical Information Systems	139,731	0	0	139,731	148,270	148,270	8,539
County Buildings	91,725	(174)	0	91,551	205,900	220,900	129,349
Other General Administration	44,779	(5,143)	0	39,636	116,950	116,950	77,314
<u>Finance</u>							
Accounting and Budgeting	436,057	(175)	0	435,882	462,525	462,525	26,643
Property Assessor's Office	527,296	0	364	527,660	577,461	577,461	49,801
Reappraisal Program	27,146	(20)	0	27,126	30,450	30,450	3,324
County Trustee's Office	434,376	(1,770)	2,002	434,608	468,945	468,945	34,337
County Clerk's Office	585,156	0	0	585,156	629,983	629,983	44,827

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Data Processing	\$ 122,394	\$ 0	\$ 0	\$ 122,394	\$ 137,245	\$ 137,245	\$ 14,851
<u>Administration of Justice</u>							
Circuit Court	796,804	(6,504)	1,226	791,526	868,775	868,775	77,249
General Sessions Court	337,442	0	158	337,600	342,915	342,915	5,315
Drug Court	3,589	(3,589)	0	0	30,000	30,000	30,000
Chancery Court	375,589	0	0	375,589	444,425	444,425	68,836
Juvenile Court	177,316	(235)	1,236	178,317	183,145	198,395	20,078
District Attorney General	48,009	0	0	48,009	65,000	65,000	16,991
Probate Court	162,398	0	0	162,398	163,250	172,950	10,552
Other Administration of Justice	16,509	0	0	16,509	48,800	48,800	32,291
Victim Assistance Programs	18,604	0	0	18,604	30,000	30,000	11,396
<u>Public Safety</u>							
Sheriff's Department	7,093,081	(13,126)	9,576	7,089,531	7,046,349	7,438,394	348,863
Special Patrols	196,169	0	0	196,169	0	415,000	218,831
Administration of the Sexual Offender Registry	3,627	0	0	3,627	8,000	8,000	4,373
Jail	3,512,063	(3,229)	18,519	3,527,353	3,740,646	3,795,146	267,793
Workhouse	125,999	0	97	126,096	224,285	234,285	108,189
Fire Prevention and Control	1,073,975	(134)	29,889	1,103,730	1,172,175	1,172,175	68,445
Civil Defense	179,989	0	0	179,989	243,617	243,617	63,628
Other Emergency Management	288,480	0	0	288,480	291,676	291,676	3,196
County Coroner/Medical Examiner	107,025	0	0	107,025	135,000	135,000	27,975
Other Public Safety	160,463	0	74,748	235,211	227,250	250,000	14,789
<u>Public Health and Welfare</u>							
Local Health Center	65,265	(508)	0	64,757	85,220	85,220	20,463
Rabies and Animal Control	562,205	(36,808)	3,798	529,195	525,925	557,500	28,305
Ambulance/Emergency Medical Services	100,657	(499)	0	100,158	105,000	105,000	4,842
Dental Health Program	405,778	0	0	405,778	414,300	417,800	12,022
Alcohol and Drug Programs	242,285	0	429	242,714	308,005	308,005	65,291
General Welfare Assistance	79,322	0	0	79,322	79,763	79,763	441

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Sanitation Management	\$ 237,119	\$ (354)	\$ 522	\$ 237,287	\$ 279,040	\$ 312,040	\$ 74,753
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	55,000	0	0	55,000	55,000	55,000	0
Libraries	329,148	(3,616)	96	325,628	393,040	393,040	67,412
Parks and Fair Boards	29,863	0	0	29,863	27,000	37,000	7,137
Other Social, Cultural, and Recreational	10,000	0	0	10,000	10,000	10,000	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	144,860	0	0	144,860	156,800	160,800	15,940
Soil Conservation	142,480	0	0	142,480	144,753	144,753	2,273
<u>Other Operations</u>							
Tourism	93,000	0	0	93,000	93,000	93,000	0
Industrial Development	382,124	(613)	45	381,556	541,280	541,280	159,724
Other Economic and Community Development	436,631	0	0	436,631	485,035	560,535	123,904
Veterans' Services	49,322	0	149	49,471	59,600	59,600	10,129
Employee Benefits	19,544	0	0	19,544	25,000	20,300	756
COVID-19 Grant A	0	0	0	0	0	151,000	151,000
American Rescue Plan Act Grant #2	37,130	0	0	37,130	0	450,000	412,870
American Rescue Plan Act Grant #7	25,861	0	0	25,861	0	100,000	74,139
Miscellaneous	593,393	(11,800)	0	581,593	665,105	746,605	165,012
<u>Capital Projects</u>							
Other General Government Projects	777,517	0	0	777,517	0	2,000,000	1,222,483
Total Expenditures	\$ 24,315,256	\$ (98,155)	\$ 351,217	\$ 24,568,318	\$ 25,079,238	\$ 29,420,518	\$ 4,852,200
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 3,266,416	\$ 98,155	\$ (351,217)	\$ 3,013,354	\$ (1,686,544)	\$ (4,376,036)	\$ 7,389,390
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 162,667	\$ 0	\$ 0	\$ 162,667	\$ 0	\$ 120,304	\$ 42,363
Total Other Financing Sources	\$ 162,667	\$ 0	\$ 0	\$ 162,667	\$ 0	\$ 120,304	\$ 42,363

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Net Change in Fund Balance	\$ 3,429,083	\$ 98,155	\$ (351,217)	\$ 3,176,021	\$ (1,686,544)	\$ (4,255,732)	\$ 7,431,753
Fund Balance, July 1, 2022	19,855,056	(98,155)	0	19,756,901	14,884,939	14,884,939	4,871,962
Fund Balance, June 30, 2023	\$ 23,284,139	\$ 0	\$ (351,217)	\$ 22,932,922	\$ 13,198,395	\$ 10,629,207	\$ 12,303,715

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

Exhibit C-6

Tipton County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other General Government 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	\$ 346,990	\$ 25,000	\$ 25,000	\$ 321,990
Federal Government	10,000,000	0	0	10,000,000
Total Revenues	<u>\$ 10,346,990</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 10,321,990</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
American Rescue Plan Act Grant #1	\$ 0	\$ 10,018,203	\$ 10,018,203	\$ 10,018,203
Total Expenditures	<u>\$ 0</u>	<u>\$ 10,018,203</u>	<u>\$ 10,018,203</u>	<u>\$ 10,018,203</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 10,346,990</u>	<u>\$ (9,993,203)</u>	<u>\$ (9,993,203)</u>	<u>\$ 20,340,193</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (2,000,000)	\$ (2,000,000)	\$ (2,000,000)	\$ 0
Total Other Financing Sources	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 8,346,990	\$ (11,993,203)	\$ (11,993,203)	\$ 20,340,193
Fund Balance, July 1, 2022	<u>36,228</u>	<u>11,993,203</u>	<u>11,993,203</u>	<u>(11,956,975)</u>
Fund Balance, June 30, 2023	<u>\$ 8,383,218</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,383,218</u>

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

Exhibit C-7

Tipton 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	\$ 2,926,050	\$ 2,766,200	\$ 2,766,200	\$ 159,850
Charges for Current Services	956	1,000	1,000	(44)
Other Local Revenues	30,614	5,500	5,500	25,114
State of Tennessee	3,185,222	3,075,000	3,135,000	50,222
Federal Government	272,792	100,000	100,000	172,792
Other Governments and Citizens Groups	402,329	425,000	425,000	(22,671)
Total Revenues	<u>\$ 6,817,963</u>	<u>\$ 6,372,700</u>	<u>\$ 6,432,700</u>	<u>\$ 385,263</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 683,597	\$ 711,550	\$ 736,350	\$ 52,753
Highway and Bridge Maintenance	2,911,264	2,992,050	3,254,050	342,786
Operation and Maintenance of Equipment	735,797	756,150	826,150	90,353
Other Charges	769,481	814,450	836,150	66,669
Employee Benefits	782,240	862,500	862,500	80,260
Capital Outlay	927,452	1,011,500	933,500	6,048
Total Expenditures	<u>\$ 6,809,831</u>	<u>\$ 7,148,200</u>	<u>\$ 7,448,700</u>	<u>\$ 638,869</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 8,132</u>	<u>\$ (775,500)</u>	<u>\$ (1,016,000)</u>	<u>\$ 1,024,132</u>
Net Change in Fund Balance	\$ 8,132	\$ (775,500)	\$ (1,016,000)	\$ 1,024,132
Fund Balance, July 1, 2022	<u>3,295,348</u>	<u>2,244,667</u>	<u>2,244,667</u>	<u>1,050,681</u>
Fund Balance, June 30, 2023	<u>\$ 3,303,480</u>	<u>\$ 1,469,167</u>	<u>\$ 1,228,667</u>	<u>\$ 2,074,813</u>

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

Exhibit D-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 4,237,955
Due from Other Governments	<u>1,150,694</u>
Total Assets	<u>\$ 5,388,649</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 1,150,694</u>
Total Liabilities	<u>\$ 1,150,694</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 4,237,955</u>
Total Net Position	<u><u>\$ 4,237,955</u></u>

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

Tipton 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	\$ 6,724,511
Fines/Fees and Other Collections	<u>16,169,750</u>
Total Additions	<u>\$ 22,894,261</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 6,724,511
Payments to State	7,383,193
Payments to Cities, Individuals, and Others	<u>8,533,805</u>
Total Deductions	<u>\$ 22,641,509</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 252,752
Net Position, July 1, 2022	<u>3,985,203</u>
Net Position, June 30, 2023	<u><u>\$ 4,237,955</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tipton 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 Tipton County:

A. Reporting Entity

Tipton County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Tipton County (the primary government) and its component units. The financial statements of the Tipton County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

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

Administrative Office:

Tipton County Emergency Communications District
220 Highway 51 North, Suite 4
Covington, TN 38019

B. Government-wide and Fund Financial Statements

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

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

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

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

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

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

Fund financial statements of Tipton 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 outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. However, Tipton 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. The fiduciary funds in total are reported in a single column.

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

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

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.

Tipton County reports the following major governmental funds:

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

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

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

Additionally, Tipton County reports the following fund types:

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

Capital Projects Fund – The General Capital Projects Fund accounts for general capital expenditures of the county.

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

The discretely presented Tipton County School Department reports the following major governmental funds:

General Purpose School Fund – This fund is the primary operating fund for the school department. It is used to account for general operations of the school department.

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY23) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY22) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

1. Deposits and Investments

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; bonds of any state or political subdivision rated A or higher by any

nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

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

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

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.11 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. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Tipton County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the

Tipton County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Tipton County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), and intangible right-to-use assets (e.g., lease assets) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$15,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives. Right-to-use assets are amortized over the shorter of the lease term or useful life.

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25
Other Capital Assets	5, 10, or 18
Infrastructure:	
Roads	10 or 20
Bridges	5, 15, or 30

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources

(expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension and OPEB changes in experience, pension changes in investment earnings, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net 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 and OPEB changes in experience, pension and OPEB changes in proportionate share, OPEB changes in assumptions, 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.

6. Compensated Absences

It is the county's and the discretely presented school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Tipton County and the school department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. Long-term Debt, Lease Obligations, and Long-term Obligations

In the government-wide financial statements, long-term debt, lease obligations, and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and 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.

Lease obligations are recognized in the government-wide financial statements. At the commencement of a lease, a liability is initially measured at the present value of payments expected to be made during the obligation term. Subsequently, the liability is reduced by the principal portion of lease payments made.

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

8. Net Position and Fund Balance

In the government-wide financial 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 the Board of Education, the school department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

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

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

E. Pension Plans

Primary Government

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

Discretely Presented Tipton County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Tipton County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Tipton County School Department

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

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

Primary Government

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

Discretely Presented Tipton County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed

appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Beer Board, County Mayor/Executive, Election Commission, 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.

On June 30, 2023, Tipton County and the discretely presented Tipton County School Department had the following encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Fund:	\$ 351,217
General	
Nonmajor Fund:	
Solid/Waste Sanitation	63
School Department:	
Major Fund:	
General Purpose School	1,844,811

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer.

Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations

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

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

TCRS Stabilization Trust

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

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Tipton County School Department may not impose any

restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2023, the Tipton County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 279,926
Developed Market International Equity	N/A	N/A	126,418
Emerging Market International Equity	N/A	N/A	36,120
U.S. Fixed Income	N/A	N/A	180,597
Real Estate	N/A	N/A	180,597
Short-term Securities	N/A	N/A	90,299
NAV - Private Equity and Strategic Lending	N/A	N/A	9,030
Total			\$ 902,987

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

B. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 4,826,800	\$ 0	\$ 0	\$ 4,826,800
Total Capital Assets Not Depreciated	\$ 4,826,800	\$ 0	\$ 0	\$ 4,826,800
Capital Assets Depreciated:				
Buildings and Improvements	\$ 10,955,386	\$ 44,944	\$ 0	\$ 11,000,330
Infrastructure	39,991,318	0	0	39,991,318
Other Capital Assets	14,059,222	1,126,397	(219,903)	14,965,716
Total Capital Assets Depreciated	\$ 65,005,926	\$ 1,171,341	\$ (219,903)	\$ 65,957,364
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,219,553	\$ 405,254	\$ 0	\$ 6,624,807
Infrastructure	26,430,982	958,918	0	27,389,900
Other Capital Assets	10,191,757	879,238	(196,523)	10,874,472
Total Accumulated Depreciation	\$ 42,842,292	\$ 2,243,410	\$ (196,523)	\$ 44,889,179
Total Capital Assets Depreciated, Net	\$ 22,163,634	\$ (1,072,069)	\$ (23,380)	\$ 21,068,185
Governmental Activities Capital Assets, Net	\$ 26,990,434	\$ (1,072,069)	\$ (23,380)	\$ 25,894,985

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

Governmental Activities:

General Government	\$ 146,892
Finance	12,810
Administration of Justice	54,527
Public Safety	684,860
Public Health and Welfare	24,444
Social, Cultural, and Recreational Services	2,805
Agriculture and Natural Resources	10,882
Highways/Public Works	<u>1,306,190</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,243,410</u></u>

Discretely Presented Tipton County School Department

Governmental Activities:

	Balance 7-1-22	Increases	Balance 6-30-23
Capital Assets Not Depreciated:			
Land	\$ 3,631,433	\$ 0	\$ 3,631,433
Construction in Progress	17,200	400,643	417,843
Total Capital Assets Not Depreciated	\$ 3,648,633	\$ 400,643	\$ 4,049,276
Capital Assets Depreciated:			
Buildings and Improvements	\$ 127,965,432	\$ 455,847	\$ 128,421,279
Infrastructure	167,075	0	167,075
Other Capital Assets	13,738,762	1,329,517	15,068,279
Total Capital Assets Depreciated	\$ 141,871,269	\$ 1,785,364	\$ 143,656,633
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 104,618,892	\$ 2,462,856	\$ 107,081,748
Infrastructure	128,618	9,230	137,848
Other Capital Assets	7,928,705	802,690	8,731,395
Total Accumulated Depreciation	\$ 112,676,215	\$ 3,274,776	\$ 115,950,991
Total Capital Assets Depreciated, Net	\$ 29,195,054	\$ (1,489,412)	\$ 27,705,642
Intangible Right-Use Assets:			
Leased Equipment	\$ 0	\$ 1,490,313	\$ 1,490,313
Less: Accumulated Amortization - Leases	0	(99,354)	(99,354)
Net Intangible Right-to-Use Assets	\$ 0	\$ 1,390,959	\$ 1,390,959
Governmental Activities Capital Assets, Net	\$ 32,843,687	\$ 302,190	\$ 33,145,877

There were no decreases in capital assets to report during the year ended June 30, 2023.

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

Governmental Activities:

Instruction	\$ 2,039,280
Support Services	1,155,039
Operation of Non-instructional Services	<u>179,811</u>
 Total Depreciation and Amotization Expense - Governmental Activities	 <u><u>\$ 3,374,130</u></u>

C. 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>
Primary Government:		
General	Nonmajor governmental	\$ 50,574
Nonmajor governmental	General	16,887
Discretely Presented School Department:		
General Purpose School	School Federal Projects	60,638

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.

The receivable in the General Purpose School Fund totaling \$60,638 was in transit from the School Federal Projects Fund at June 30, 2023.

Interfund Transfers:

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

Primary Government

Transfer Out	<u>Transfer In</u> Nonmajor Governmental Fund	Purpose
Other General Government Fund	\$ 2,000,000	Capital outlay

Discretely Presented Tipton County School Department

Transfers Out	<u>Transfers In</u> General Purpose School Fund	Purpose
School Federal Projects Fund	\$ 60,638	Indirect costs
"	14,500	Projects Succeed
"	<u>47,000</u>	Literacy stipend
Total	<u>\$ 122,138</u>	

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.

D. Lease Obligation

Discretely Presented Tipton County School Department

On February 21, 2023, the discretely presented Tipton County School Department negotiated a lease agreement for the use of copiers by the school department and the individual schools. Terms of the lease are described below.

Copier Lease:

The school department leases a variety of copier/printers from Doc Imaging for a term of up to 60 months. This lease requires a minimum monthly lease payment of \$28,669 per month plus additional charges for excess usage and

other fees. The school department will continue to make the payments on the current lease agreement until it expires in March 2028. For purposes of discounting future payments on the lease, the school department has used its incremental borrowing interest rate of six percent to determine an appropriate discount rate. The leased equipment and accumulated amortization of the right-to-use assets are outlined in Note IV.B.

Minimum lease payments over the next five years include:

Year Ending June 30	Copier Lease		
	Principal	Interest	Total
2024	\$ 267,469	\$ 76,559	\$ 344,028
2025	283,964	60,064	344,028
2026	301,479	42,549	344,028
2027	320,076	23,952	344,028
2028	224,252	5,074	229,326
Total	<u>\$ 1,397,240</u>	<u>\$ 208,198</u>	<u>\$ 1,605,438</u>

Changes in Lease Obligations

Lease obligation activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Lease
Balance, July 1, 2022	\$ 0
Additions	1,490,313
Reductions	<u>(93,073)</u>
Balance, June 30, 2023	<u>\$ 1,397,240</u>
Balance Due Within One Year	<u>\$ 267,469</u>

Analysis of Noncurrent Liabilities for Leases Presented on Exhibit A:

Total Noncurrent Liabilities - Leases, June 30, 2023	\$ 1,397,240
Less: Balance Due Within One Year - Leases	<u>(267,469)</u>
Noncurrent Liabilities - Due in More Than One Year - Leases - Exhibit A	<u>\$ 1,129,771</u>

Lease payments will be paid from the General Purpose School Fund.

E. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Landfill Postclosure Care Costs	Other Postemployment Benefits
Balance, July 1, 2022	\$ 1,042,646	\$ 145,085	\$ 1,969,594
Additions	799,311	0	250,663
Reductions	(807,238)	(11,428)	(489,461)
Balance, June 30, 2023	<u>\$ 1,034,719</u>	<u>\$ 133,657</u>	<u>\$ 1,730,796</u>
Balance Due Within One Year	<u>\$ 751,216</u>	<u>\$ 24,913</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 2,899,172
Less: Balance Due Within One Year - Other	<u>(776,129)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,123,043</u>

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

Discretely Presented Tipton County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2022	\$ 604,946	\$ 11,765,281
Additions	293,825	1,060,540
Reductions	<u>(257,176)</u>	<u>(1,665,110)</u>
Balance, June 30, 2023	<u>\$ 641,595</u>	<u>\$ 11,160,711</u>
Balance Due Within One Year	<u>\$ 230,502</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2023	\$ 11,802,306
Less: Balance Due Within One Year - Other	<u>(230,502)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 11,571,804</u>

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

F. On-Behalf Payments

Discretely Presented Tipton County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Tipton County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2023, were \$198,718. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

Liability, Property, and Casualty

Tipton 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 annual premiums 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.

Workers' Compensation Insurance

Tipton County participates in the Local Government Workers' Compensation Fund (LWCF), 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 LWCF for its workers' compensation insurance coverage. The LWCF is to be self-sustaining through member premiums. The LWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Employee Health Insurance

Tipton 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, 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.

Discretely Presented Tipton County School Department

Liability, Property, and Casualty

The discretely presented Tipton County School Department 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 school department pays annual premiums

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.

Workers' Compensation Insurance

The school department does not provide workers' compensation insurance coverage for its employees.

Employee Health Insurance

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

B. Accounting Changes

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

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

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

GASB Statement No. 99, *Omnibus 2022*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including Financial Guarantees; Derivative Instruments; Leases, PPPs, and SBITAs; LIBOR rate replacement; and other technical updates and corrections.

C. Contingent Liabilities

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

The attorneys for the county and school department have advised that there are no pending lawsuits, unasserted claims, or assessments that would materially affect the financial statements.

D. Change in Administration

On December 31, 2022, Virginia Gray left the Office of Clerk and Master and was succeeded by Gina Smith effective January 1, 2023.

E. Landfill Closure/Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Tipton County closed its sanitary landfill in 1998. The \$133,657 reported as postclosure care liability at June 30, 2023, represents amounts based on what it would cost to perform all postclosure care in 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

The Twenty-fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-fifth Judicial District, Fayette, Lauderdale, and Tipton counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

The HTL Advantage is a joint venture between Haywood, Tipton, and Lauderdale counties and the cities of Brownsville, Ripley, and Covington. The board comprises ten members and consists of the mayors from each of the counties and cities, and one member from the Southwest Tennessee Electric Cooperative, the Covington Electric System, Ripley Power and Light, and the Brownsville Electric System. The purpose of the board is to establish and operate an office that markets the entire defined region for economic development and to bring the region attention of prospective industrial and commercial interests, which would be beneficial for the common good of all entities involved herein. The counties, cities, and electric systems provide the funding for the board. Tipton County contributed \$50,000 to HTL Advantage during the year.

Tipton County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the DTF and HTL Advantage can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Twenty-fifth Judicial District Drug Task Force
121 North Main
Ripley, TN 38063

HTL Advantage
1469 South Main Street
Covington, TN 38019

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Tipton County and non-certified employees of the discretely presented Tipton County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 53.31 percent and the non-certified employees of the discretely presented school department comprised 46.69 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	424
Inactive Employees Entitled to But Not Yet Receiving Benefits	509
Active Employees	623
Total	1,556

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. Tipton 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 Tipton County was \$1,167,305 based on a rate of five percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Tipton 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)

Tipton 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 reflect more closely actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 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 Tipton County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2021	\$ 84,129,905	\$ 99,677,610	\$ (15,547,705)
Changes for the Year:			
Service Cost	\$ 2,232,669	\$ 0	\$ 2,232,669
Interest	5,712,617	0	5,712,617
Differences Between Expected and Actual Experience	2,183,717	0	2,183,717
Contributions-Employer	0	1,117,321	(1,117,321)
Contributions-Employees	0	1,121,844	(1,121,844)
Net Investment Income	0	(3,788,717)	3,788,717
Benefit Payments, Including Refunds of Employee Contributions	(3,462,430)	(3,462,430)	0
Administrative Expense	0	(61,185)	61,185
Net Changes	\$ 6,666,573	\$ (5,073,167)	\$ 11,739,740
Balance, June 30, 2022	\$ 90,796,478	\$ 94,604,443	\$ (3,807,965)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	53.31%	\$ 48,403,602	\$ 50,433,629	\$ (2,030,027)
School Department	46.69%	42,392,876	44,170,814	(1,777,938)
Total		\$ 90,796,478	\$ 94,604,443	\$ (3,807,965)

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

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

Net Pension Liability (Asset) \$ 8,153,921 \$ (3,807,965) \$ (13,746,671)

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, Tipton County recognized pension expense (negative pension expense) of \$601,143.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Tipton County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,746,974	\$ 527,584
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	188,287	0
Changes in Assumptions	3,461,648	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	1,167,305	N/A
Total	<u>\$ 6,564,214</u>	<u>\$ 527,584</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.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,514,272	\$ 281,255
School Department	<u>3,049,942</u>	<u>246,329</u>
Total	<u>\$ 6,564,214</u>	<u>\$ 527,584</u>

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

Year Ending June 30	Amount
2024	\$ 711,223
2025	936,375
2026	690,263
2027	2,531,464
2028	0
Thereafter	0

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

Discretely Presented Tipton County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Tipton County and non-certified employees of the discretely presented Tipton County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 53.31 percent and the non-certified employees of the discretely presented school department comprised 46.69 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher

Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2023, to the Teacher Retirement Plan were \$359,222, which is 2.87 percent of covered payroll. In addition, employer contributions of \$134,852, which is 1.13 percent of covered payroll, were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$184,496) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was .609048 percent. The proportion as of June 30, 2021, was .631871 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$259,778.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 10,088	\$ 112,093
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	58,154	0
Changes in Assumptions	216,128	0
Changes in Proportion of Net Pension Liability (Asset)	17,654	26,607
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	<u>359,222</u>	N/A
Total	<u>\$ 661,246</u>	<u>\$ 138,700</u>

The school department's employer contributions of \$359,222, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ 3,272
2025	3,864
2026	(5,692)
2027	95,599
2028	9,722
Thereafter	56,559

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

Actuarial Assumptions. The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Net Pension Liability (Asset) \$ 968,497 \$ (184,496) \$ (1,026,535)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Tipton County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$3,023,419, which is 8.69 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$13,471,404) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was 1.098446 percent. The proportion measured at June 30, 2021, was 1.112033 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$149,620.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,215,996	\$ 2,276,258
Changes in Assumptions	8,439,186	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	230,355	0
Changes in Proportion of Net Pension Liability (Asset)	173,185	10,774
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	<u>3,023,419</u>	<u>N/A</u>
Total	<u>\$ 14,082,141</u>	<u>\$ 2,287,032</u>

The school department's employer contributions of \$3,023,419 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ 1,390,411
2025	2,561,786
2026	(2,290,704)
2027	7,110,197
2028	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income	6.57		20	
Real Estate	1.20		20	
Short-term Securities	4.38		10	
	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 26,682,208 \$ (13,471,404) \$ (46,916,695)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year the school department contributed \$626,742 and teachers contributed \$248,433 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Tipton County and the discretely presented Tipton County School Department provide OPEB benefits to its retirees under the state administered public entity risk pools. For reporting purposes, the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pools

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

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

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2022, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.54%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 8.37% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 7-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit	
Related Cost	Discussed under each plan

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2022, valuations were the same as those employed in the July 1, 2021, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2020 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for

disabled lives with a 10 percent load, projected generationally from 2018 with MP-2020.

Changes in Assumptions. The discount rate changed from 2.16 percent as of the beginning of the measurement period to 3.54 percent as of the measurement date of June 30, 2022. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2022 plan year was revised from 7.36 percent to 8.37 percent.

Local Government OPEB Plan (Primary Government)

Plan description. Employees of Tipton County are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits provided. Tipton County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. During the year, Tipton County provided direct subsidies of \$565 to \$871 per month toward the cost of the insurance plan selected by the retiree. The LGP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

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	3
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	208
Total	<u>211</u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2023, the county paid \$20,104 to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2021	<u>\$ 1,969,594</u>
Changes for the Year:	
Service Cost	\$ 203,981
Interest	46,682
Difference between Expected and Actuarial Experience	(185,771)
Changes in Assumption and Other Inputs	(278,801)
Benefit Payments	(24,889)
Net Changes	<u>\$ (238,798)</u>
Balance June 30, 2022	<u>\$ 1,730,796</u>

OPEB Expense and Deferred Outflows or Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the county recognized OPEB expense of \$119,130. At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,498	\$ 472,904
Changes of Assumptions/Inputs	146,450	461,426
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2022	<u>20,104</u>	<u>0</u>
Total	<u>\$ 173,052</u>	<u>\$ 934,330</u>

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

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

Year Ending June 30	Amount
2024	\$ (131,533)
2025	(131,533)
2026	(131,533)
2027	(131,533)
2028	(89,630)
Thereafter	(167,017)

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

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

<u>Discount Rate</u>	Current		
	1% Decrease	Discount Rate	1% Increase
	2.54%	3.54%	4.54%
Total OPEB Liability	\$ 1,874,807	\$ 1,730,796	\$ 1,595,738

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1% Decrease	Trend Rate	1% Increase
Tipton County	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%
Total OPEB Liability	\$ 1,526,663	\$ 1,730,796	\$ 1,971,153

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

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

Benefits provided. The Tipton County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Tipton County School Department provided direct subsidies of \$78 to \$130 per month toward the cost

of the insurance plan selected by the retiree. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	48
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	776
Total	825

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$356,421 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Tipton County School Department 65.56%	State of TN 34.44%	Total OPEB Liability
Balance July 1, 2021	\$ 11,765,281	\$ 5,791,278	\$ 17,556,559
Changes for the Year:			
Service Cost	\$ 672,758	\$ 353,407	\$ 1,026,165
Interest	260,274	136,725	396,999
Difference between Expected and Actuarial Experience	127,509	66,982	194,491
Changes in Assumption and Other Inputs	(1,142,203)	(600,012)	(1,742,215)
Benefit Payments	(267,776)	(140,666)	(408,442)
Changes in Proportion of Total OPEB Liability	(255,132)	255,132	0
Net Changes	\$ (604,570)	\$ 71,568	\$ (533,002)
Balance June 30, 2022	\$ 11,160,711	\$ 5,862,846	\$ 17,023,557

The Tipton County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Tipton County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$576,140 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Tipton County School Department's proportionate share of the collective OPEB liability was 65.56 percent and the State of Tennessee's share was 34.44 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department recognized OPEB expense of \$1,620,773, including the state's share of the expense. At June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 776,058	\$ 436,218
Changes of Assumptions/Inputs	2,018,853	1,528,933
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	327,346	488,436
Benefits Paid After the Measurement Date of June 30, 2022	<u>356,421</u>	<u>0</u>
Total	<u>\$ 3,478,678</u>	<u>\$ 2,453,587</u>

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

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

Year Ending June 30	School Department
2024	\$ 111,601
2025	111,601
2026	111,601
2027	111,601
2028	139,728
Thereafter	82,538

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

Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate. The following presents the school department’s proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%

Proportionate Share of the Collective Total OPEB Liability	\$ 12,028,121	\$ 11,160,711	\$ 10,336,097
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Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 9,932,807	\$ 11,160,711	\$ 12,591,747
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I. Purchasing Laws

Office of County Executive

Purchasing procedures for the County Executive's Office are governed by provisions of Chapter 518, Private Acts of 1941, as amended. This act provides for the Purchasing Committee to make all purchases estimated to exceed \$25,000. Purchases estimated to be \$25,000 or less may be made by the county executive or other county officials. This act also requires that competitive bids be solicited by the Purchasing Committee through advertisement in a local newspaper on all purchases estimated to exceed \$25,000.

Office of Director of Public Works

Purchasing procedures for the public works department are governed by provisions of Chapter 114, Private Acts of 1973, as amended, and the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. These statutes provide for the Public Works Committee to make all purchases, and all purchases exceeding \$25,000 are to be made on a competitive basis solicited through public advertisement.

Office of Director of Schools

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 1,539,402	\$ 1,596,507	\$ 1,592,397	\$ 1,656,350	\$ 1,787,653	\$ 1,963,661	\$ 1,943,616	\$ 1,841,736	\$ 2,232,669
Interest	3,848,940	4,075,784	4,312,406	4,551,879	4,714,410	4,940,590	5,166,273	5,418,708	5,712,617
Differences Between Actual and Expected Experience	(399,838)	(363,478)	(532,845)	(999,742)	(841,643)	(984,327)	(527,556)	(199,490)	2,183,717
Changes in Assumption	0	0	0	1,463,900	0	0	0	5,769,412	0
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)	(2,094,273)	(2,205,220)	(2,280,637)	(2,657,497)	(2,775,905)	(2,798,132)	(3,199,045)	(3,462,430)
Net Change in Total Pension Liability	\$ 3,040,711	\$ 3,214,540	\$ 3,166,738	\$ 4,391,750	\$ 3,002,923	\$ 3,144,019	\$ 3,784,201	\$ 9,631,321	\$ 6,666,573
Total Pension Liability, Beginning	50,753,702	53,794,413	57,008,953	60,175,691	64,567,441	67,570,364	70,714,383	74,498,584	84,129,905
Total Pension Liability, Ending (a)	\$ 53,794,413	\$ 57,008,953	\$ 60,175,691	\$ 64,567,441	\$ 67,570,364	\$ 70,714,383	\$ 74,498,584	\$ 84,129,905	\$ 90,796,478
Plan Fiduciary Net Position									
Contributions - Employer	\$ 1,771,288	\$ 1,782,100	\$ 1,839,642	\$ 1,760,920	\$ 997,688	\$ 1,020,117	\$ 1,047,318	\$ 1,077,522	\$ 1,117,321
Contributions - Employee	913,650	922,605	965,191	997,493	999,485	1,022,525	1,059,251	1,094,001	1,121,844
Net Investment Income	7,914,371	1,733,421	1,553,827	6,869,848	5,589,571	5,373,932	3,808,181	20,551,854	(3,788,717)
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)	(2,094,273)	(2,205,220)	(2,280,637)	(2,657,497)	(2,775,905)	(2,798,132)	(3,199,045)	(3,462,430)
Administrative Expense	(26,438)	(34,098)	(51,315)	(58,612)	(62,209)	(57,449)	(57,438)	(56,882)	(61,185)
Other	0	0	27,400	699	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 8,625,078	\$ 2,309,755	\$ 2,129,525	\$ 7,289,711	\$ 4,867,038	\$ 4,583,220	\$ 3,059,180	\$ 19,467,450	\$ (5,073,167)
Plan Fiduciary Net Position, Beginning	47,346,653	55,971,731	58,281,486	60,411,011	67,700,722	72,567,760	77,150,980	80,210,160	99,677,610
Plan Fiduciary Net Position, Ending (b)	\$ 55,971,731	\$ 58,281,486	\$ 60,411,011	\$ 67,700,722	\$ 72,567,760	\$ 77,150,980	\$ 80,210,160	\$ 99,677,610	\$ 94,604,443
Net Pension Liability (Asset), Ending (a - b)	\$ (2,177,318)	\$ (1,272,533)	\$ (235,320)	\$ (3,133,281)	\$ (4,997,396)	\$ (6,436,597)	\$ (5,711,576)	\$ (15,547,705)	\$ (3,807,965)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.05%	102.23%	100.39%	104.85%	107.40%	109.10%	107.67%	118.48%	104.19%
Covered Payroll	\$ 18,241,839	\$ 18,353,247	\$ 18,937,174	\$ 19,919,896	\$ 19,954,954	\$ 20,402,216	\$ 20,946,208	\$ 21,550,316	\$ 22,346,347
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(11.94)%	(6.93)%	(1.24)%	(15.73)%	(25.04)%	(31.55)%	(27.27)%	(72.15)%	(17.04)%

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

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 1,771,288	\$ 1,646,286	\$ 1,698,664	\$ 1,760,920	\$ 764,275	\$ 716,122	\$ 676,567	\$ 480,575	\$ 281,565	\$ 1,104,267
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,771,288)	(1,782,100)	(1,839,642)	(1,760,920)	(997,688)	(1,020,117)	(1,047,318)	(1,077,522)	(1,117,321)	(1,167,305)
Contribution Deficiency (Excess)	\$ 0	\$ (135,814)	\$ (140,978)	\$ 0	\$ (233,413)	\$ (303,995)	\$ (370,751)	\$ (596,947)	\$ (835,756)	\$ (63,038)
Covered Payroll	\$ 18,241,839	\$ 18,353,247	\$ 18,937,174	\$ 19,919,896	\$ 19,954,954	\$ 20,402,216	\$ 20,946,208	\$ 21,550,316	\$ 22,346,347	\$ 23,346,032
Contributions as a Percentage of Covered Payroll	9.71%	9.71%	9.71%	8.84%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 49,218	\$ 103,400	\$ 148,083	\$ 78,599	\$ 127,312	\$ 159,667	\$ 184,210	\$ 209,055	\$ 359,222
Less: Contributions in Relation to the Contractually Required Contribution	(49,218)	(103,400)	(148,083)	(192,794)	(127,312)	(159,667)	(184,210)	(209,055)	(359,222)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (114,195)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,230,461	\$ 2,584,984	\$ 3,677,730	\$ 4,819,845	\$ 6,562,447	\$ 7,865,358	\$ 9,119,225	\$ 10,400,656	\$ 12,516,469
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.03%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).
 2019: Pension - 1.94%, SRT - 2.02%
 2020: Pension - 2.03%, SRT - 1.97%
 2021: Pension - 2.02%, SRT - 1.98%
 2022: Pension - 2.01%, SRT - 1.99%
 2023: Pension - 2.87%, SRT - 1.13%

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 3,876,376	\$ 3,789,647	\$ 3,685,290	\$ 3,606,764	\$ 3,549,516	\$ 3,893,335	\$ 3,922,830	\$ 3,748,427	\$ 3,723,366	\$ 3,023,419
Less: Contributions in Relation to the Contractually Required Contribution	(3,876,376)	(3,789,647)	(3,685,290)	(3,606,764)	(3,549,516)	(3,893,335)	(3,922,830)	(3,748,427)	(3,723,366)	(3,023,419)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 43,652,880	\$ 41,920,873	\$ 40,766,458	\$ 39,926,947	\$ 39,091,593	\$ 37,221,137	\$ 36,903,373	\$ 36,498,788	\$ 36,149,181	\$ 34,791,925
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%

Exhibit E-5

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

	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.579985%	0.587492%	0.564050%	0.551545%	0.620154%	0.623286%	0.631871%	0.609048%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (23,824)	\$ (61,160)	\$ (148,818)	\$ (250,141)	\$ (350,068)	\$ (354,426)	\$ (684,451)	\$ (184,496)
Covered Payroll	\$ 1,230,461	\$ 2,584,984	\$ 3,677,730	\$ 4,819,845	\$ 6,562,447	\$ 7,865,358	\$ 9,119,225	\$ 10,400,656
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.05)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	1.112178%	1.119830%	1.129328%	1.128668%	1.116368%	1.110038%	1.108790%	1.112033%	1.098446%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (180,724)	\$ 458,721	\$ 7,057,676	\$ (369,282)	\$ (3,928,406)	\$ (11,413,191)	\$ (8,455,341)	\$ (47,964,635)	\$ (13,471,404)
Covered Payroll	\$ 43,652,880	\$ 41,920,873	\$ 40,766,458	\$ 39,926,947	\$ 39,091,593	\$ 37,221,137	\$ 36,903,373	\$ 36,498,788	\$ 36,149,181
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094254%	17.31%	(0.92)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%

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

Exhibit E-7

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 213,387	\$ 200,288	\$ 130,095	\$ 62,849	\$ 207,657	\$ 203,981
Interest	75,956	94,906	60,154	26,029	46,608	46,682
Changes in Benefit Terms	0	(1,038,601)	(612,994)	1,019,981	0	0
Differences Between Actual and Expected Experience	0	(79,893)	(427,696)	(69,413)	8,490	(185,771)
Changes in Assumptions or Other Inputs	(138,193)	(46,869)	29,462	204,734	(179,053)	(278,801)
Benefit Payments	(69,518)	(77,259)	(50,811)	(12,688)	(30,615)	(24,889)
Net Change in Total OPEB Liability	\$ 81,632	\$ (947,428)	\$ (871,790)	\$ 1,231,492	\$ 53,087	\$ (238,798)
Total OPEB Liability, Beginning	2,422,601	2,504,233	1,556,805	685,015	1,916,507	1,969,594
Total OPEB Liability, Ending	\$ 2,504,233	\$ 1,556,805	\$ 685,015	\$ 1,916,507	\$ 1,969,594	\$ 1,730,796
Covered Employee Payroll	\$ 11,411,332	\$ 10,971,340	\$ 11,187,195	\$ 11,607,906	\$ 11,631,629	\$ 11,424,351
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.95%	14.19%	6.12%	16.51%	16.93%	15.15%

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

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%

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

Exhibit E-8

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 779,979	\$ 721,526	\$ 719,064	\$ 610,639	\$ 787,648	\$ 1,026,165
Interest	373,635	456,870	445,187	432,569	328,031	396,999
Changes in Benefit Terms	0	(356,042)	(857,606)	0	0	0
Differences Between Actual and Expected Experience	0	(1,281,454)	1,228,744	150,762	275,063	194,491
Changes in Assumptions or Other Inputs	(631,374)	390,656	(942,039)	1,610,628	2,351,381	(1,742,215)
Benefit Payments	(392,132)	(460,065)	(473,202)	(444,415)	(479,312)	(408,442)
Net Change in Total OPEB Liability	\$ 130,108	\$ (528,509)	\$ 120,148	\$ 2,360,183	\$ 3,262,811	\$ (533,002)
Total OPEB Liability, Beginning	12,211,818	12,341,926	11,813,417	11,933,565	14,293,748	17,556,559
Total OPEB Liability, Ending	\$ 12,341,926	\$ 11,813,417	\$ 11,933,565	\$ 14,293,748	\$ 17,556,559	\$ 17,023,557
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 4,217,113	\$ 3,657,139	\$ 3,934,843	\$ 4,515,768	\$ 5,791,278	\$ 5,862,846
Employer Proportionate Share of the Total OPEB Liability	8,124,813	8,156,278	7,998,722	9,777,980	11,765,281	11,160,711
Covered Employee Payroll	\$ 48,987,110	\$ 46,886,994	\$ 46,653,270	\$ 44,869,494	\$ 46,339,263	\$ 45,394,386
Net OPEB Liability as a Percentage of Covered Employee Payroll	16.59%	17.40%	17.15%	21.79%	25.39%	24.59%

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

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2023 were calculated based on the June 30, 2021, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation; averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Tipton County’s garbage collection operations.

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

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

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 and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Total	General Debt Service
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 50,574	\$ 50,574	\$ 0
Equity in Pooled Cash and Investments	1,955,670	517,330	0	2,473,000	3,830,320
Accounts Receivable	49,764	0	0	49,764	0
Due from Other Governments	181	0	0	181	326
Due from Other Funds	0	0	0	0	0
Property Taxes Receivable	659,849	0	0	659,849	1,186,933
Allowance for Uncollectible Property Taxes	(12,881)	0	0	(12,881)	(22,900)
Total Assets	<u>\$ 2,652,583</u>	<u>\$ 517,330</u>	<u>\$ 50,574</u>	<u>\$ 3,220,487</u>	<u>\$ 4,994,679</u>
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 50,574	\$ 50,574	\$ 0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 50,574</u>	<u>\$ 50,574</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 636,776	\$ 0	\$ 0	\$ 636,776	\$ 1,146,197
Deferred Delinquent Property Taxes	8,604	0	0	8,604	14,977
Total Deferred Inflows of Resources	<u>\$ 645,380</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 645,380</u>	<u>\$ 1,161,174</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 517,330	\$ 0	\$ 517,330	\$ 0

(Continued)

Exhibit F-1

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Constitutional - Officers - Fees	Total	General Debt Service
<u>FUND BALANCES (Cont.)</u>					
Restricted (Cont.):					
Restricted for Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,340,602
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for Public Health and Welfare	2,007,203	0	0	2,007,203	0
Committed for Debt Service	0	0	0	0	492,903
Committed for Capital Projects	0	0	0	0	0
Total Fund Balances	<u>\$ 2,007,203</u>	<u>\$ 517,330</u>	<u>\$ 0</u>	<u>\$ 2,524,533</u>	<u>\$ 3,833,505</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,652,583</u>	<u>\$ 517,330</u>	<u>\$ 50,574</u>	<u>\$ 3,220,487</u>	<u>\$ 4,994,679</u>

(Continued)

Exhibit F-1

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

	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>		
Cash	\$ 0	\$ 50,574
Equity in Pooled Cash and Investments	3,167,991	9,471,311
Accounts Receivable	0	49,764
Due from Other Governments	1,549	2,056
Due from Other Funds	16,887	16,887
Property Taxes Receivable	659,849	2,506,631
Allowance for Uncollectible Property Taxes	(12,881)	(48,662)
	<hr/>	<hr/>
Total Assets	\$ 3,833,395	\$ 12,048,561
<u>LIABILITIES</u>		
Due to Other Funds	\$ 0	\$ 50,574
Total Liabilities	<hr/>	<hr/>
	\$ 0	\$ 50,574
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 636,776	\$ 2,419,749
Deferred Delinquent Property Taxes	8,604	32,185
Total Deferred Inflows of Resources	<hr/>	<hr/>
	\$ 645,380	\$ 2,451,934
<u>FUND BALANCES</u>		
Restricted:		
Restricted for Public Safety	\$ 0	\$ 517,330

(Continued)

Exhibit F-1

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

FUND BALANCES (Cont.)

Restricted (Cont.):

 Restricted for Debt Service

 Restricted for Capital Projects

Committed:

 Committed for Public Health and Welfare

 Committed for Debt Service

 Committed for Capital Projects

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

	<u>Capital Projects Fund</u>		Total Nonmajor Governmental Funds
	\$	0	\$ 3,340,602
		570,611	570,611
		0	2,007,203
		0	492,903
		<u>2,617,404</u>	<u>2,617,404</u>
	<u>\$</u>	<u>3,188,015</u>	<u>\$ 9,546,053</u>
	<u>\$</u>	<u>3,833,395</u>	<u>\$ 12,048,561</u>

Exhibit F-2

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Constitutional - Officers - Fees	Total	General Debt Service
<u>Revenues</u>					
Local Taxes	\$ 667,908	\$ 0	\$ 0	\$ 667,908	\$ 1,401,493
Fines, Forfeitures, and Penalties	0	249,328	0	249,328	0
Charges for Current Services	1,112,456	0	18,000	1,130,456	0
Other Local Revenues	162,023	425	0	162,448	0
State of Tennessee	0	0	0	0	0
Federal Government	0	44,542	0	44,542	0
Other Governments and Citizens Groups	0	0	0	0	0
Total Revenues	\$ 1,942,387	\$ 294,295	\$ 18,000	\$ 2,254,682	\$ 1,401,493
<u>Expenditures</u>					
Current:					
Administration of Justice	\$ 0	\$ 0	\$ 18,000	\$ 18,000	\$ 0
Public Safety	0	130,603	0	130,603	0
Public Health and Welfare	21,658	0	0	21,658	0
Highways	1,671,708	0	0	1,671,708	0
Debt Service:					
Other Debt Service	0	0	0	0	25,601
Capital Projects	0	0	0	0	0
Total Expenditures	\$ 1,693,366	\$ 130,603	\$ 18,000	\$ 1,841,969	\$ 25,601
Excess (Deficiency) of Revenues Over Expenditures	\$ 249,021	\$ 163,692	\$ 0	\$ 412,713	\$ 1,375,892

(Continued)

Exhibit F-2

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Total	General Debt Service
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 249,021	\$ 163,692	\$ 0	\$ 412,713	\$ 1,375,892
Fund Balance, July 1, 2022	1,758,182	353,638	0	2,111,820	2,457,613
Fund Balance, June 30, 2023	\$ 2,007,203	\$ 517,330	\$ 0	\$ 2,524,533	\$ 3,833,505

(Continued)

Exhibit F-2

Tipton 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	
<u>Revenues</u>		
Local Taxes	\$ 667,603	\$ 2,737,004
Fines, Forfeitures, and Penalties	0	249,328
Charges for Current Services	0	1,130,456
Other Local Revenues	0	162,448
State of Tennessee	135,239	135,239
Federal Government	163,141	207,683
Other Governments and Citizens Groups	181,239	181,239
Total Revenues	<u>\$ 1,147,222</u>	<u>\$ 4,803,397</u>
<u>Expenditures</u>		
Current:		
Administration of Justice	\$ 0	\$ 18,000
Public Safety	0	130,603
Public Health and Welfare	0	21,658
Highways	0	1,671,708
Debt Service:		
Other Debt Service	0	25,601
Capital Projects	1,060,143	1,060,143
Total Expenditures	<u>\$ 1,060,143</u>	<u>\$ 2,927,713</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 87,079</u>	<u>\$ 1,875,684</u>

(Continued)

Exhibit F-2

Tipton 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	
<hr/>		
<u>Other Financing Sources (Uses)</u>		
Transfers In	\$ 2,000,000	\$ 2,000,000
Total Other Financing Sources (Uses)	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Net Change in Fund Balances	\$ 2,087,079	\$ 3,875,684
Fund Balance, July 1, 2022	<u>1,100,936</u>	<u>5,670,369</u>
Fund Balance, June 30, 2023	<u>\$ 3,188,015</u>	<u>\$ 9,546,053</u>

Exhibit F-3

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 667,908	\$ 0	\$ 667,908	\$ 643,400	\$ 643,400	\$ 24,508
Charges for Current Services	1,112,456	0	1,112,456	403,000	872,188	240,268
Other Local Revenues	162,023	0	162,023	140,600	140,600	21,423
State of Tennessee	0	0	0	50,000	812	(812)
Total Revenues	<u>\$ 1,942,387</u>	<u>\$ 0</u>	<u>\$ 1,942,387</u>	<u>\$ 1,237,000</u>	<u>\$ 1,657,000</u>	<u>\$ 285,387</u>
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Postclosure Care Costs	\$ 21,658	\$ 0	\$ 21,658	\$ 40,000	\$ 33,000	\$ 11,342
<u>Highways</u>						
Litter and Trash Collection	1,671,708	63	1,671,771	1,408,160	1,835,160	163,389
Total Expenditures	<u>\$ 1,693,366</u>	<u>\$ 63</u>	<u>\$ 1,693,429</u>	<u>\$ 1,448,160</u>	<u>\$ 1,868,160</u>	<u>\$ 174,731</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 249,021</u>	<u>\$ (63)</u>	<u>\$ 248,958</u>	<u>\$ (211,160)</u>	<u>\$ (211,160)</u>	<u>\$ 460,118</u>
Net Change in Fund Balance	\$ 249,021	\$ (63)	\$ 248,958	\$ (211,160)	\$ (211,160)	\$ 460,118
Fund Balance, July 1, 2022	1,758,182	0	1,758,182	1,479,973	1,479,973	278,209
Fund Balance, June 30, 2023	<u>\$ 2,007,203</u>	<u>\$ (63)</u>	<u>\$ 2,007,140</u>	<u>\$ 1,268,813</u>	<u>\$ 1,268,813</u>	<u>\$ 738,327</u>

Exhibit F-4

Tipton 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	\$ 249,328	\$ 122,000	\$ 134,545	\$ 114,783
Other Local Revenues	425	3,000	3,000	(2,575)
Federal Government	44,542	150,000	150,000	(105,458)
Total Revenues	<u>\$ 294,295</u>	<u>\$ 275,000</u>	<u>\$ 287,545</u>	<u>\$ 6,750</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 130,603	\$ 275,000	\$ 287,545	\$ 156,942
Total Expenditures	<u>\$ 130,603</u>	<u>\$ 275,000</u>	<u>\$ 287,545</u>	<u>\$ 156,942</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 163,692</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 163,692</u>
Net Change in Fund Balance	\$ 163,692	\$ 0	\$ 0	\$ 163,692
Fund Balance, July 1, 2022	<u>353,638</u>	<u>340,761</u>	<u>340,761</u>	<u>12,877</u>
Fund Balance, June 30, 2023	<u>\$ 517,330</u>	<u>\$ 340,761</u>	<u>\$ 340,761</u>	<u>\$ 176,569</u>

Exhibit F-5

Tipton 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	\$ 1,401,493	\$ 1,202,750	\$ 1,202,750	\$ 198,743
Other Governments and Citizens Groups	0	150,000	150,000	(150,000)
Total Revenues	<u>\$ 1,401,493</u>	<u>\$ 1,352,750</u>	<u>\$ 1,352,750</u>	<u>\$ 48,743</u>
<u>Expenditures</u>				
<u>Other Debt Service</u>				
General Government	\$ 25,601	\$ 95,000	\$ 95,000	\$ 69,399
Education	0	30,000	30,000	30,000
Total Expenditures	<u>\$ 25,601</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 99,399</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,375,892</u>	<u>\$ 1,227,750</u>	<u>\$ 1,227,750</u>	<u>\$ 148,142</u>
Net Change in Fund Balance	\$ 1,375,892	\$ 1,227,750	\$ 1,227,750	\$ 148,142
Fund Balance, July 1, 2022	<u>2,457,613</u>	<u>2,077,126</u>	<u>2,077,126</u>	<u>380,487</u>
Fund Balance, June 30, 2023	<u>\$ 3,833,505</u>	<u>\$ 3,304,876</u>	<u>\$ 3,304,876</u>	<u>\$ 528,629</u>

Exhibit F-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 667,603	\$ 0	\$ 667,603	\$ 607,250	\$ 607,250	\$ 60,353
State of Tennessee	135,239	0	135,239	355,833	890,708	(755,469)
Federal Government	163,141	0	163,141	0	163,141	0
Other Governments and Citizens Groups	181,239	0	181,239	0	61,984	119,255
Total Revenues	<u>\$ 1,147,222</u>	<u>\$ 0</u>	<u>\$ 1,147,222</u>	<u>\$ 963,083</u>	<u>\$ 1,723,083</u>	<u>\$ (575,861)</u>
<u>Expenditures</u>						
<u>Capital Projects</u>						
General Administration Projects	\$ 663,398	\$ (49,555)	\$ 613,843	\$ 1,043,759	\$ 1,043,759	\$ 429,916
Other General Government Projects	396,745	(28,693)	368,052	2,060,000	3,160,000	2,791,948
Total Expenditures	<u>\$ 1,060,143</u>	<u>\$ (78,248)</u>	<u>\$ 981,895</u>	<u>\$ 3,103,759</u>	<u>\$ 4,203,759</u>	<u>\$ 3,221,864</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 87,079</u>	<u>\$ 78,248</u>	<u>\$ 165,327</u>	<u>\$ (2,140,676)</u>	<u>\$ (2,480,676)</u>	<u>\$ 2,646,003</u>
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 0
Total Other Financing Sources	<u>\$ 2,000,000</u>	<u>\$ 0</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 2,087,079	\$ 78,248	\$ 2,165,327	\$ (140,676)	\$ (480,676)	\$ 2,646,003
Fund Balance, July 1, 2022	1,100,936	(78,248)	1,022,688	866,836	866,836	155,852
Fund Balance, June 30, 2023	<u>\$ 3,188,015</u>	<u>\$ 0</u>	<u>\$ 3,188,015</u>	<u>\$ 726,160</u>	<u>\$ 386,160</u>	<u>\$ 2,801,855</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.

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, general sessions, and juvenile courts clerk; clerk and master; register of deeds; and sheriff. Such collections include amounts due the state, cities, litigants, heirs, and others.

Exhibit G-1

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

	<u>Custodial Funds</u>		
	Cities -	Constitu -	
	Sales	tional	
	Tax	Officers -	
		Custodial	Total
	<hr/>		
<u>ASSETS</u>			
Cash	\$ 0	\$ 4,237,955	\$ 4,237,955
Due from Other Governments	1,150,694	0	1,150,694
Total Assets	<hr/>	<hr/>	<hr/>
	\$ 1,150,694	\$ 4,237,955	\$ 5,388,649
 <u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 1,150,694	\$ 0	\$ 1,150,694
Total Liabilities	<hr/>	<hr/>	<hr/>
	\$ 1,150,694	\$ 0	\$ 1,150,694
 <u>NET POSITION</u>			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 4,237,955	\$ 4,237,955
Total Net Position	<hr/>	<hr/>	<hr/>
	\$ 0	\$ 4,237,955	\$ 4,237,955

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

	<u>Custodial Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<u>Additions</u>			
Sales Tax Collections for Other Governments	\$ 6,724,511	\$ 0	\$ 6,724,511
Fines/Fees and Other Collections	0	16,169,750	16,169,750
Total Additions	<u>\$ 6,724,511</u>	<u>\$ 16,169,750</u>	<u>\$ 22,894,261</u>
<u>Deductions</u>			
Payment of Sales Tax Collections for Other Governments	\$ 6,724,511	\$ 0	\$ 6,724,511
Payments to State	0	7,383,193	7,383,193
Payments to Cities, Individuals, and Others	0	8,533,805	8,533,805
Total Deductions	<u>\$ 6,724,511</u>	<u>\$ 15,916,998</u>	<u>\$ 22,641,509</u>
Change in Net Position	\$ 0	\$ 252,752	\$ 252,752
Net Position July 1, 2022	0	3,985,203	3,985,203
Net Position June 30, 2023	<u>\$ 0</u>	<u>\$ 4,237,955</u>	<u>\$ 4,237,955</u>

Tipton County School Department

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

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

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

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

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

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

Exhibit H-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 61,698,285	\$ 803,368	\$ 13,859,778	\$ 675,764	\$ (46,359,375)
Support Services	39,485,795	0	2,076,100	0	(37,409,695)
Operation of Non-instructional Services	12,085,278	1,248,050	8,815,098	0	(2,022,130)
Total Governmental Activities	\$ 113,269,358	\$ 2,051,418	\$ 24,750,976	\$ 675,764	\$ (85,791,200)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 10,065,350
Local Option Sales Taxes					7,978,937
Business Tax					219,241
Other Local Taxes					49,694
Grants and Contributions Not Restricted to Specific Programs					67,585,858
Miscellaneous					68,969
Total General Revenues					\$ 85,968,049
Change in Net Position					\$ 176,849
Net Position, July 1, 2022					82,341,255
Net Position, June 30, 2023					\$ 82,518,104

Exhibit H-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>School</u>	<u>Funds</u>	
			<u>Other</u>	
	<u>Purpose</u>	<u>Federal</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
			<u>Funds</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,805,656	\$ 1,805,656
Equity in Pooled Cash and Investments	20,371,411	517,922	3,854,119	24,743,452
Accounts Receivable	1,709	0	54,985	56,694
Due from Other Governments	2,191,960	3,526,933	0	5,718,893
Due from Other Funds	60,638	0	0	60,638
Property Taxes Receivable	10,126,009	0	0	10,126,009
Allowance for Uncollectible Property Taxes	(230,429)	0	0	(230,429)
Restricted Assets	902,987	0	0	902,987
Total Assets	<u>\$ 33,424,285</u>	<u>\$ 4,044,855</u>	<u>\$ 5,714,760</u>	<u>\$ 43,183,900</u>
<u>LIABILITIES</u>				
Payroll Deductions Payable	\$ 2,513,332	\$ 0	\$ 0	\$ 2,513,332
Total Liabilities	<u>\$ 2,513,332</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,513,332</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 9,678,992	\$ 0	\$ 0	\$ 9,678,992
Deferred Delinquent Property Taxes	192,415	0	0	192,415
Other Deferred/Unavailable Revenue	552,500	0	54,985	607,485
Total Deferred Inflows of Resources	<u>\$ 10,423,907</u>	<u>\$ 0</u>	<u>\$ 54,985</u>	<u>\$ 10,478,892</u>

(Continued)

Exhibit H-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 775,269	\$ 0	\$ 1,805,656	\$ 2,580,925
Restricted for Operation of Non-instructional Services	0	0	3,846,440	3,846,440
Restricted for Capital Projects	0	0	7,679	7,679
Restricted for Hybrid Retirement Stabilization Funds	902,987	0	0	902,987
Assigned:				
Assigned for Education	0	4,044,855	0	4,044,855
Assigned for Instruction	18,397	0	0	18,397
Assigned for Support Services	120,973	0	0	120,973
Assigned for Capital Outlay	1,755,441	0	0	1,755,441
Unassigned	16,913,979	0	0	16,913,979
Total Fund Balances	\$ 20,487,046	\$ 4,044,855	\$ 5,659,775	\$ 30,191,676
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 33,424,285	\$ 4,044,855	\$ 5,714,760	\$ 43,183,900

Exhibit H-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit H-2)		\$	30,191,676
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	3,631,433	
Add: construction in progress		417,843	
Add: buildings and improvements net of accumulated depreciation		21,339,531	
Add: infrastructure net of accumulated depreciation		29,227	
Add: other capital assets net of accumulated depreciation		6,336,884	
Add: right-to-use assets net of accumulated depreciation		<u>1,390,959</u>	33,145,877
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(641,595)	
Less: lease liability		(1,397,240)	
Less: net OPEB liability		<u>(11,160,711)</u>	(13,199,546)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	17,793,329	
Less: deferred inflows of resources related to pensions		(2,672,061)	
Add: deferred outflows related to OPEB		3,478,678	
Less: deferred inflows related to OPEB		<u>(2,453,587)</u>	16,146,359
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,777,938	
Add: net pension asset - teacher retirement plan		184,496	
Add: net pension asset - teacher legacy pension plan		<u>13,471,404</u>	15,433,838
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>799,900</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>82,518,104</u></u>

Exhibit H-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 18,285,270	\$ 0	\$ 0	\$ 18,285,270
Licenses and Permits	4,468	0	0	4,468
Fines, Forfeitures, and Penalties	385	0	0	385
Charges for Current Services	931,829	0	1,020,184	1,952,013
Other Local Revenues	153,526	0	3,989,380	4,142,906
State of Tennessee	66,876,084	0	0	66,876,084
Federal Government	1,588,680	15,692,495	4,148,792	21,429,967
Other Governments and Citizens Groups	302,213	0	0	302,213
Total Revenues	<u>\$ 88,142,455</u>	<u>\$ 15,692,495</u>	<u>\$ 9,158,356</u>	<u>\$ 112,993,306</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 54,989,989	\$ 6,428,798	\$ 0	\$ 61,418,787
Support Services	28,800,902	3,905,842	0	32,706,744
Operation of Non-Instructional Services	2,108,444	708,680	9,371,805	12,188,929
Capital Outlay	3,365,271	4,681,645	0	8,046,916
Capital Projects	0	0	5,030	5,030
Total Expenditures	<u>\$ 89,264,606</u>	<u>\$ 15,724,965</u>	<u>\$ 9,376,835</u>	<u>\$ 114,366,406</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,122,151)</u>	<u>\$ (32,470)</u>	<u>\$ (218,479)</u>	<u>\$ (1,373,100)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 13,194	\$ 0	\$ 0	\$ 13,194
Transfers In	122,138	0	0	122,138

(Continued)

Exhibit H-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ 0	\$ (122,138)	\$ 0	\$ (122,138)
Total Other Financing Sources (Uses)	\$ 135,332	\$ (122,138)	\$ 0	\$ 13,194
Net Change in Fund Balances	\$ (986,819)	\$ (154,608)	\$ (218,479)	\$ (1,359,906)
Fund Balance, July 1, 2022	21,473,865	4,199,463	5,878,254	31,551,582
Fund Balance, June 30, 2023	\$ 20,487,046	\$ 4,044,855	\$ 5,659,775	\$ 30,191,676

Exhibit H-5

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

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

Net change in fund balances - total governmental funds (Exhibit H-4)		\$ (1,359,906)
(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	\$ 3,676,320	
Less: current-year depreciation and amortization expense	<u>(3,374,130)</u>	302,190
(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	\$ 799,900	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(724,421)</u>	75,479
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (36,649)	
Change in lease liability	(1,397,240)	
Change in net OPEB liability	604,570	
Change in deferred outflows related to OPEB	(358,574)	
Change in deferred inflows related to OPEB	(934,208)	
Change in net pension asset - agent plan	(5,392,663)	
Change in net pension asset - teacher retirement plan	(499,955)	
Change in net pension asset - teacher legacy pension plan	(34,493,231)	
Change in deferred outflows related to pensions	(2,020,718)	
Change in deferred inflows related to pensions	<u>45,687,754</u>	<u>1,159,086</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 176,849</u>

Exhibit H-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>Central</u>	<u>Internal</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Nonmajor</u>
				<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>					
Cash	\$ 0	\$ 1,805,656	\$ 1,805,656	\$ 0	\$ 1,805,656
Equity in Pooled Cash and Investments	3,846,440	0	3,846,440	7,679	3,854,119
Accounts Receivable	0	54,985	54,985	0	54,985
Total Assets	\$ 3,846,440	\$ 1,860,641	\$ 5,707,081	\$ 7,679	\$ 5,714,760
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Other Deferred/Unavailable Revenue	\$ 0	\$ 54,985	\$ 54,985	\$ 0	\$ 54,985
Total Deferred Inflows of Resources	\$ 0	\$ 54,985	\$ 54,985	\$ 0	\$ 54,985
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 0	\$ 1,805,656	\$ 1,805,656	\$ 0	\$ 1,805,656
Restricted for Operation of Non-instructional Services	3,846,440	0	3,846,440	0	3,846,440
Restricted for Capital Projects	0	0	0	7,679	7,679
Total Fund Balances	\$ 3,846,440	\$ 1,805,656	\$ 5,652,096	\$ 7,679	\$ 5,659,775
Total Deferred Inflows of Resources and Fund Balances	\$ 3,846,440	\$ 1,860,641	\$ 5,707,081	\$ 7,679	\$ 5,714,760

Exhibit H-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>Central</u>	<u>Internal</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Nonmajor</u>
				<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 1,020,184	\$ 0	\$ 1,020,184	\$ 0	\$ 1,020,184
Other Local Revenues	29,203	3,960,177	3,989,380	0	3,989,380
Federal Government	4,148,792	0	4,148,792	0	4,148,792
Total Revenues	<u>\$ 5,198,179</u>	<u>\$ 3,960,177</u>	<u>\$ 9,158,356</u>	<u>\$ 0</u>	<u>\$ 9,158,356</u>
<u>Expenditures</u>					
Current:					
Operation of Non-Instructional Services	\$ 5,615,424	\$ 3,756,381	\$ 9,371,805	\$ 0	\$ 9,371,805
Capital Projects	0	0	0	5,030	5,030
Total Expenditures	<u>\$ 5,615,424</u>	<u>\$ 3,756,381</u>	<u>\$ 9,371,805</u>	<u>\$ 5,030</u>	<u>\$ 9,376,835</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>\$ (417,245)</u>	<u>\$ 203,796</u>	<u>\$ (213,449)</u>	<u>\$ (5,030)</u>	<u>\$ (218,479)</u>
Net Change in Fund Balances	\$ (417,245)	\$ 203,796	\$ (213,449)	\$ (5,030)	\$ (218,479)
Fund Balance, July 1, 2022	<u>4,263,685</u>	<u>1,601,860</u>	<u>5,865,545</u>	<u>12,709</u>	<u>5,878,254</u>
Fund Balance, June 30, 2023	<u>\$ 3,846,440</u>	<u>\$ 1,805,656</u>	<u>\$ 5,652,096</u>	<u>\$ 7,679</u>	<u>\$ 5,659,775</u>

Exhibit H-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 18,285,270	\$ 0	\$ 0	\$ 18,285,270	\$ 17,398,000	\$ 17,405,000	\$ 880,270
Licenses and Permits	4,468	0	0	4,468	10,000	10,000	(5,532)
Fines, Forfeitures, and Penalties	385	0	0	385	0	0	385
Charges for Current Services	931,829	0	0	931,829	910,000	910,000	21,829
Other Local Revenues	153,526	0	0	153,526	126,000	126,000	27,526
State of Tennessee	66,876,084	0	0	66,876,084	66,739,527	67,239,714	(363,630)
Federal Government	1,588,680	0	0	1,588,680	174,000	1,613,229	(24,549)
Other Governments and Citizens Groups	302,213	0	0	302,213	243,494	219,679	82,534
Total Revenues	\$ 88,142,455	\$ 0	\$ 0	\$ 88,142,455	\$ 85,601,021	\$ 87,523,622	\$ 618,833
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 43,202,961	\$ 0	\$ 17,448	\$ 43,220,409	\$ 42,753,781	\$ 44,151,359	\$ 930,950
Alternative Instruction Program	883,505	0	0	883,505	1,028,000	1,028,000	144,495
Special Education Program	8,176,038	0	0	8,176,038	8,493,000	8,493,000	316,962
Career and Technical Education Program	2,543,611	0	950	2,544,561	2,686,000	2,781,158	236,597
Adult Education Program	183,874	0	0	183,874	207,300	207,300	23,426
<u>Support Services</u>							
Health Services	818,100	(589)	0	817,511	1,133,250	933,750	116,239
Other Student Support	2,732,471	0	0	2,732,471	2,933,934	3,083,934	351,463
Regular Instruction Program	2,564,040	0	34,007	2,598,047	2,923,800	2,980,886	382,839
Special Education Program	577,515	0	0	577,515	623,200	623,200	45,685
Career and Technical Education Program	95,723	0	0	95,723	98,600	98,600	2,877
Technology	1,004,719	(27,768)	4,356	981,307	1,079,500	1,142,000	160,693
Other Programs	198,718	0	0	198,718	0	198,718	0
Board of Education	855,896	0	7,500	863,396	966,000	966,000	102,604
Director of Schools	306,023	0	0	306,023	375,920	375,920	69,897
Office of the Principal	6,304,999	0	1,371	6,306,370	6,457,500	6,457,500	151,130
Fiscal Services	642,675	0	210	642,885	682,600	684,600	41,715

(Continued)

Exhibit H-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Operation of Plant	\$ 4,210,870	\$ 0	\$ 5,600	\$ 4,216,470	\$ 4,669,200	\$ 4,669,200	\$ 452,730
Maintenance of Plant	2,275,422	(101,249)	72,909	2,247,082	1,942,600	2,605,794	358,712
Transportation	6,213,731	(225,086)	1,496	5,990,141	6,102,200	6,237,200	247,059
<u>Operation of Non-Instructional Services</u>							
Food Service	209,734	0	0	209,734	232,300	232,300	22,566
Community Services	543,546	(1,885)	0	541,661	885,100	892,850	351,189
Early Childhood Education	1,355,164	0	0	1,355,164	1,247,100	1,453,411	98,247
<u>Capital Outlay</u>							
Regular Capital Outlay	3,365,271	(3,124,684)	1,748,964	1,989,551	1,250,475	2,396,315	406,764
<u>Other Debt Service</u>							
Education	0	0	0	0	150,000	0	0
Total Expenditures	\$ 89,264,606	\$ (3,481,261)	\$ 1,894,811	\$ 87,678,156	\$ 88,921,360	\$ 92,692,995	\$ 5,014,839
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (1,122,151)	\$ 3,481,261	\$ (1,894,811)	\$ 464,299	\$ (3,320,339)	\$ (5,169,373)	\$ 5,633,672
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 13,194	\$ 0	\$ 0	\$ 13,194	\$ 0	\$ 13,194	\$ 0
Transfers In	122,138	0	0	122,138	2,050,000	2,097,000	(1,974,862)
Total Other Financing Sources	\$ 135,332	\$ 0	\$ 0	\$ 135,332	\$ 2,050,000	\$ 2,110,194	\$ (1,974,862)
Net Change in Fund Balance							
Fund Balance, July 1, 2022	\$ (986,819)	\$ 3,481,261	\$ (1,894,811)	\$ 599,631	\$ (1,270,339)	\$ (3,059,179)	\$ 3,658,810
Fund Balance, June 30, 2023	21,473,865	(3,481,261)	0	17,992,604	12,839,439	12,839,439	5,153,165
Fund Balance, June 30, 2023	\$ 20,487,046	\$ 0	\$ (1,894,811)	\$ 18,592,235	\$ 11,569,100	\$ 9,780,260	\$ 8,811,975

Exhibit H-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 15,692,495	\$ 0	\$ 15,692,495	\$ 6,993,784	\$ 23,738,333	\$ (8,045,838)
Total Revenues	\$ 15,692,495	\$ 0	\$ 15,692,495	\$ 6,993,784	\$ 23,738,333	\$ (8,045,838)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 3,035,910	\$ 0	\$ 3,035,910	\$ 1,508,424	\$ 5,498,532	\$ 2,462,622
Special Education Program	2,566,015	(4,292)	2,561,723	2,235,936	3,332,591	770,868
Career and Technical Education Program	826,873	0	826,873	348,906	1,198,488	371,615
<u>Support Services</u>						
Health Services	506,367	0	506,367	97,280	511,399	5,032
Other Student Support	434,817	0	434,817	277,202	895,577	460,760
Regular Instruction Program	1,649,713	0	1,649,713	1,373,273	2,380,951	731,238
Special Education Program	409,890	0	409,890	347,913	583,217	173,327
Career and Technical Education Program	3,865	0	3,865	4,000	3,866	1
Technology	308,578	0	308,578	0	468,395	159,817
Office of the Principal	49,101	0	49,101	52,452	52,452	3,351
Fiscal Services	46,200	0	46,200	0	46,200	0
Maintenance of Plant	111,519	0	111,519	0	237,095	125,576
Transportation	385,792	(75,000)	310,792	90,785	442,491	131,699
<u>Operation of Non-Instructional Services</u>						
Food Service	134,841	0	134,841	0	221,174	86,333
Community Services	573,839	0	573,839	599,559	631,418	57,579
<u>Capital Outlay</u>						
Regular Capital Outlay	4,681,645	(2,758,287)	1,923,358	0	7,112,352	5,188,994
Total Expenditures	\$ 15,724,965	\$ (2,837,579)	\$ 12,887,386	\$ 6,935,730	\$ 23,616,198	\$ 10,728,812

(Continued)

Exhibit H-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ (32,470)	\$ 2,837,579	\$ 2,805,109	\$ 58,054	\$ 122,135	\$ 2,682,974
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (122,138)	\$ 0	\$ (122,138)	\$ (2,058,054)	\$ (2,122,138)	\$ 2,000,000
Total Other Financing Sources	\$ (122,138)	\$ 0	\$ (122,138)	\$ (2,058,054)	\$ (2,122,138)	\$ 2,000,000
Net Change in Fund Balance	\$ (154,608)	\$ 2,837,579	\$ 2,682,971	\$ (2,000,000)	\$ (2,000,003)	\$ 4,682,974
Fund Balance, July 1, 2022	4,199,463	(2,837,579)	1,361,884	4,200,078	4,200,078	(2,838,194)
Fund Balance, June 30, 2023	\$ 4,044,855	\$ 0	\$ 4,044,855	\$ 2,200,078	\$ 2,200,075	\$ 1,844,780

Exhibit H-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 1,020,184	\$ 1,680,000	\$ 1,680,000	\$ (659,816)
Other Local Revenues	29,203	20,000	20,000	9,203
Federal Government	4,148,792	4,050,000	4,334,823	(186,031)
Total Revenues	<u>\$ 5,198,179</u>	<u>\$ 5,750,000</u>	<u>\$ 6,034,823</u>	<u>\$ (836,644)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 5,615,424	\$ 5,750,000	\$ 6,537,469	\$ 922,045
Total Expenditures	<u>\$ 5,615,424</u>	<u>\$ 5,750,000</u>	<u>\$ 6,537,469</u>	<u>\$ 922,045</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (417,245)</u>	<u>\$ 0</u>	<u>\$ (502,646)</u>	<u>\$ 85,401</u>
Net Change in Fund Balance	\$ (417,245)	\$ 0	\$ (502,646)	\$ 85,401
Fund Balance, July 1, 2022	4,263,685	2,259,505	2,259,505	2,004,180
Fund Balance, June 30, 2023	<u>\$ 3,846,440</u>	<u>\$ 2,259,505</u>	<u>\$ 1,756,859</u>	<u>\$ 2,089,581</u>

MISCELLANEOUS SCHEDULES

Tipton County, Tennessee
Schedule of Changes in Lease Obligations
Discretely Presented Tipton County School Department
For the Year Ended June 30, 2023

<u>Description of Indebtedness</u>	<u>Original Amount of Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Outstanding 7-1-22</u>	<u>Issued During Period</u>	<u>Paid and/or Matured During Period</u>	<u>Outstanding 6-30-23</u>
<u>DISCRETELY PRESENTED TIPTON COUNTY SCHOOL DEPARTMENT</u>								
<u>Payable through General Purpose School Fund</u>								
Copiers	\$ 1,490,313	6 %	2-21-23	2-20-28	\$ 0	\$ 1,490,313	\$ 93,073	\$ 1,397,240
Total Lease Payable					<u>\$ 0</u>	<u>\$ 1,490,313</u>	<u>\$ 93,073</u>	<u>\$ 1,397,240</u>

Tipton County, Tennessee
Schedule of Lease Requirements by Year
Discretely Presented Tipton County School Department

Year Ending June 30	Lease		Total
	Principal	Interest	
2024	\$ 267,469	\$ 76,559	\$ 344,028
2025	283,964	60,064	344,028
2026	301,479	42,549	344,028
2027	320,076	23,952	344,028
2028	224,252	5,074	229,326
Total	\$ 1,397,240	\$ 208,198	\$ 1,605,438

Exhibit I-3

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Other General Government	General Capital Projects	Capital outlay	<u>\$ 2,000,000</u>
Total Transfers Primary Government			<u><u>\$ 2,000,000</u></u>
<u>DISCRETELY PRESENTED TIPTON COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 60,638
"	"	Project Succeed	14,500
"	"	Literacy stipend	<u>47,000</u>
Total Transfers Discretely Presented Tipton County School Department			<u><u>\$ 122,138</u></u>

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

Official	Authorization	Bond	Surety
County Executive	Section 8-24-102, TCA	\$ (1)	Local Government Property and Casualty Fund
Base salary	\$ 112,246		
Commission approved additional salary	39,391		
Commission approved bonus	20,000		
Certified public administrator supplement	1,242		
Total compensation	<u>\$ 172,879</u>		
Director of Public Works	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 106,901		
Commission approved additional salary	29,194		
Total compensation	<u>\$ 136,095</u>		
Director of Schools	State Board of Education and County Board of Education	(1)	Local Government Property and Casualty Fund
Base salary	\$ 146,034		
Chief executive officer training supplement	1,000		
Total compensation	<u>\$ 147,034</u>		
Trustee	Section 8-24-102, TCA	2,925,000	Auto-Owners Mutual Insurance Company
Base salary	\$ 97,183		
Commission approved additional salary	9,038		
Certified public administrator supplement	1,242		
Total compensation	<u>\$ 107,463</u>		
Assessor of Property	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 97,183		
Commission approved additional salary	9,038		
Total compensation	<u>\$ 106,221</u>		
County Clerk	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 97,183		
Commission approved additional salary	9,038		
Certified public administrator supplement	1,242		
Total compensation	<u>\$ 107,463</u>		
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 97,183		
Commission approved additional salary	9,038		
Certified public administrator supplement	1,242		
Total compensation	<u>\$ 107,463</u>		
Clerk and Master - Virginia Gray (7/1/22 - 12/31/22)	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 48,592		
Commission approved additional salary	4,519		
Special commissioner fees	18,000		
Total compensation	<u>\$ 71,111</u>		
Clerk and Master - Gina Smith (1/1/23 - 6/30/23)			
Base salary	\$ 48,591		
Commission approved additional salary	4,519		
Total compensation	<u>\$ 53,110</u>		
Total Clerk and Master compensation	<u>\$ 124,221</u>		
Register of Deeds	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 97,183		
Commission approved additional salary	9,038		
Salary supplement	1,242		
Total compensation	<u>\$ 107,463</u>		
Sheriff	Section 8-24-102, TCA	(1)	Local Government Property and Casualty Fund
Base salary	\$ 106,901		
Commission approved additional salary	9,942		
Superintendent of workhouse	9,876		
Commission approved bonus	3,000		
Law enforcement training supplement	1,200		
Total compensation	<u>\$ 130,919</u>		
Director of Accounts and Budgets	County Commission	(1)	Local Government Property and Casualty Fund
Base salary	\$ 106,221		
Delta HRA Director salary	50,000		
Longevity pay	1,000		
CCFO stipend	1,000		
Total compensation	<u>\$ 158,221</u>		
Employee Blanket Bonds:			
Employee Fidelity - County Departments	400,000		Local Government Property and Casualty Fund
Employee Fidelity - School Department	400,000		"

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

Exhibit I-5

Tipton 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	Constitutional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 12,480,674	\$ 624,043	\$ 0	\$ 0	\$ 0	\$ 1,125,929
Trustee's Collections - Prior Year	214,307	9,047	0	0	0	17,370
Trustee's Collections - Bankruptcy	1,607	77	0	0	0	156
Circuit Clerk/Clerk and Master Collections - Prior Years	188,572	8,064	0	0	0	17,911
Interest and Penalty	51,035	2,327	0	0	0	4,686
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,240,176	9,924	0	0	0	17,863
<u>County Local Option Taxes</u>						
Local Option Sales Tax	1,244,936	0	0	0	0	0
Hotel/Motel Tax	209,777	0	0	0	0	0
Wheel Tax	1,716,160	0	0	0	0	1,716,160
Litigation Tax - General	148,533	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	288,495	14,426	0	0	0	25,975
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	171,686	0	0	0	0	0
Total Local Taxes	\$ 17,955,958	\$ 667,908	\$ 0	\$ 0	\$ 0	\$ 2,926,050
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Registration	\$ 52,086	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	53,977	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,837	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Building Permits	\$ 91,778	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 200,678	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 5,251	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	6,476	0	0	0	0	0
Drug Control Fines	8,308	0	9,722	0	0	0
Drug Court Fees	3,583	0	0	0	0	0
Jail Fees	4,516	0	0	0	0	0
DUI Treatment Fines	1,482	0	0	0	0	0
Data Entry Fee - Circuit Court	1,868	0	0	0	0	0
Victims Assistance Assessments	7,307	0	0	0	0	0
<u>Criminal Court</u>						
Fines	6,492	0	0	0	0	0
DUI Treatment Fines	1,852	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	94,894	0	0	0	0	0
Officers Costs	55,787	0	0	0	0	0
Game and Fish Fines	117	0	0	0	0	0
Drug Control Fines	6,147	0	6,312	0	0	0
Drug Court Fees	4,669	0	0	0	0	0
Jail Fees	33,780	0	0	0	0	0
DUI Treatment Fines	4,848	0	0	0	0	0
Data Entry Fee - General Sessions Court	3,477	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Courtroom Security Fee	\$ 2,199	\$ 0	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	10,635	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	860	0	0	0	0	0
Officers Costs	1,512	0	0	0	0	0
Data Entry Fee - Juvenile Court	78	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	3,105	0	0	0	0	0
Data Entry Fee - Chancery Court	8,394	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	167,635	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	25,000	0	65,659	0	0	0
Other Fines, Forfeitures, and Penalties	1,375	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 304,012	\$ 0	\$ 249,328	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 728,195	\$ 0	\$ 0	\$ 0	0
Solid Waste Disposal Fee	0	1,418	0	0	0	0
Surcharge - Waste Tire Disposal	0	49,188	0	0	0	0
Other General Service Charges	74,699	333,655	0	0	0	0
<u>Fees</u>						
Copy Fees	869	0	0	0	0	0
Library Fees	9,332	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Greenbelt Late Application Fee	\$ 450	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Telephone Commissions	50,125	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	956
Additional Fees - Titling and Registration	46,533	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	18,000	0
Data Processing Fee - Register	17,324	0	0	0	0	0
Data Processing Fee - Sheriff	1,818	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	8,240	0	0	0	0	0
Data Processing Fee - County Clerk	7,590	0	0	0	0	0
Vehicle Registration Reinstatement Fees	4,425	0	0	0	0	0
Total Charges for Current Services	\$ 221,405	\$ 1,112,456	\$ 0	\$ 0	\$ 18,000	\$ 956
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,738,033	\$ 0	\$ 0	\$ 346,990	\$ 0	\$ 0
Lease/Rentals	69,425	0	0	0	0	0
Sale of Materials and Supplies	847	0	0	0	0	142
Commissary Sales	52,340	0	0	0	0	0
Sale of Maps	561	0	0	0	0	0
Sale of Recycled Materials	0	162,023	0	0	0	0
Retirees' Insurance Payments	0	0	0	0	0	4,828
Miscellaneous Refunds	100,614	0	0	0	0	25,644
Expenditure Credits	400	0	0	0	0	0
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	33,250	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items (Cont.)</u>						
Sale of Equipment	\$ 14,301	\$ 0	\$ 0	\$ 0	\$ 0	0
Sale of Property	67,834	0	0	0	0	0
Damages Recovered from Individuals	1,421	0	425	0	0	0
Contributions and Gifts	13,516	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	7,350	0	0	0	0	0
Total Other Local Revenues	\$ 2,099,892	\$ 162,023	\$ 425	\$ 346,990	\$ 0	30,614
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 703,361	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	130,624	0	0	0	0	0
General Sessions Court Clerk	279,777	0	0	0	0	0
Clerk and Master	259,007	0	0	0	0	0
Juvenile Court Clerk	40,925	0	0	0	0	0
Register	266,857	0	0	0	0	0
Sheriff	19,080	0	0	0	0	0
Trustee	919,826	0	0	0	0	0
Total Fees Received From County Officials	\$ 2,619,457	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	49,600	0	0	0	0	0
Other Public Safety Grants	53,682	0	0	0	0	0

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Health Department Programs	\$ 362,898	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	291,431
Litter Program	47,611	0	0	0	0	0
<u>Other State Revenues</u>						
Beer Tax	19,200	0	0	0	0	0
Vehicle Certificate of Title Fees	10,159	0	0	0	0	0
Alcoholic Beverage Tax	138,941	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	266,361	0	0	0	0	0
State Revenue Sharing - T.V.A.	954,885	0	0	0	0	0
State Revenue Sharing - Telecommunications	69,484	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	50,557	0	0	0	0	0
Board of Jurors	1,882	0	0	0	0	0
Contracted Prisoner Boarding	330,665	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,853,393
Petroleum Special Tax	0	0	0	0	0	40,398
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	200,678	0	0	0	0	0
Other State Revenues	9,918	0	0	0	0	0
Total State of Tennessee	\$ 2,590,685	\$ 0	\$ 0	\$ 0	\$ 0	3,185,222
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Disaster Relief	13,076	0	0	0	0	272,792

(Continued)

Exhibit I-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Homeland Security Grants	\$ 35,865	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Federal through State	231,295	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	44,542	0	0	0
American Rescue Plan Act Grant #6	0	0	0	10,000,000	0	0
Other Direct Federal Revenue	156,911	0	0	0	0	0
Total Federal Government	\$ 437,147	\$ 0	\$ 44,542	\$ 10,000,000	\$ 0	272,792
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 398,317	\$ 0	\$ 0	\$ 0	\$ 0	0
Contracted Services	536,701	0	0	0	0	14,939
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	0
<u>Other</u>						
Other	95,270	0	0	0	0	387,390
Opioid Settlement Funds - Past Remediation	122,150	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 1,152,438	\$ 0	\$ 0	\$ 0	\$ 0	402,329
Total	\$ 27,581,672	\$ 1,942,387	\$ 294,295	\$ 10,346,990	\$ 18,000	\$ 6,817,963

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>
	General Debt Service	General Capital Projects	
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 1,123,274	\$ 624,039	\$ 15,977,959
Trustee's Collections - Prior Year	17,224	8,792	266,740
Trustee's Collections - Bankruptcy	81	77	1,998
Circuit Clerk/Clerk and Master Collections - Prior Years	14,048	8,064	236,659
Interest and Penalty	4,300	2,276	64,624
Payments in-Lieu-of Taxes - T.V.A.	1,486	0	1,486
Payments in-Lieu-of Taxes - Other	17,863	9,924	1,295,750
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0	0	1,244,936
Hotel/Motel Tax	0	0	209,777
Wheel Tax	0	0	3,432,320
Litigation Tax - General	0	0	148,533
Litigation Tax - Jail, Workhouse, or Courthouse	46,000	0	46,000
Business Tax	25,967	14,431	369,294
<u>Statutory Local Taxes</u>			
Bank Excise Tax	151,250	0	151,250
Wholesale Beer Tax	0	0	171,686
Total Local Taxes	<u>\$ 1,401,493</u>	<u>\$ 667,603</u>	<u>\$ 23,619,012</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Animal Registration	\$ 0	\$ 0	\$ 52,086
Cable TV Franchise	0	0	53,977
<u>Permits</u>			
Beer Permits	0	0	2,837

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	
	General Debt Service	General Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>			
<u>Permits (Cont.)</u>			
Building Permits	\$ 0	\$ 0	\$ 91,778
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 200,678</u>
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 0	\$ 5,251
Officers Costs	0	0	6,476
Drug Control Fines	0	0	18,030
Drug Court Fees	0	0	3,583
Jail Fees	0	0	4,516
DUI Treatment Fines	0	0	1,482
Data Entry Fee - Circuit Court	0	0	1,868
Victims Assistance Assessments	0	0	7,307
<u>Criminal Court</u>			
Fines	0	0	6,492
DUI Treatment Fines	0	0	1,852
<u>General Sessions Court</u>			
Fines	0	0	94,894
Officers Costs	0	0	55,787
Game and Fish Fines	0	0	117
Drug Control Fines	0	0	12,459
Drug Court Fees	0	0	4,669
Jail Fees	0	0	33,780
DUI Treatment Fines	0	0	4,848
Data Entry Fee - General Sessions Court	0	0	3,477

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>
	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
Courtroom Security Fee	\$ 0	\$ 0	\$ 2,199
Victims Assistance Assessments	0	0	10,635
<u>Juvenile Court</u>			
Fines	0	0	860
Officers Costs	0	0	1,512
Data Entry Fee - Juvenile Court	0	0	78
<u>Chancery Court</u>			
Officers Costs	0	0	3,105
Data Entry Fee - Chancery Court	0	0	8,394
<u>Judicial District Drug Program</u>			
Drug Task Force Forfeitures and Seizures	0	0	167,635
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	0	90,659
Other Fines, Forfeitures, and Penalties	0	0	1,375
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 553,340
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Tipping Fees	\$ 0	\$ 0	\$ 728,195
Solid Waste Disposal Fee	0	0	1,418
Surcharge - Waste Tire Disposal	0	0	49,188
Other General Service Charges	0	0	408,354
<u>Fees</u>			
Copy Fees	0	0	869
Library Fees	0	0	9,332

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	
	General Debt Service	General Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>			
<u>Fees (Cont.)</u>			
Greenbelt Late Application Fee	\$ 0	\$ 0	\$ 450
Telephone Commissions	0	0	50,125
Vending Machine Collections	0	0	956
Additional Fees - Titling and Registration	0	0	46,533
Constitutional Officers' Fees and Commissions	0	0	18,000
Data Processing Fee - Register	0	0	17,324
Data Processing Fee - Sheriff	0	0	1,818
Sexual Offender Registration Fee - Sheriff	0	0	8,240
Data Processing Fee - County Clerk	0	0	7,590
Vehicle Registration Reinstatement Fees	0	0	4,425
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,352,817</u>
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 0	\$ 0	\$ 2,085,023
Lease/Rentals	0	0	69,425
Sale of Materials and Supplies	0	0	989
Commissary Sales	0	0	52,340
Sale of Maps	0	0	561
Sale of Recycled Materials	0	0	162,023
Retirees' Insurance Payments	0	0	4,828
Miscellaneous Refunds	0	0	126,258
Expenditure Credits	0	0	400
<u>Nonrecurring Items</u>			
Revenue from Joint Ventures	0	0	33,250

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>
	General Debt Service	General Capital Projects	
<u>Other Local Revenues (Cont.)</u>			
<u>Nonrecurring Items (Cont.)</u>			
Sale of Equipment	\$ 0	\$ 0	\$ 14,301
Sale of Property	0	0	67,834
Damages Recovered from Individuals	0	0	1,846
Contributions and Gifts	0	0	13,516
<u>Other Local Revenues</u>			
Other Local Revenues	0	0	7,350
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,639,944</u>
<u>Fees Received From County Officials</u>			
<u>Fees In-Lieu-of Salary</u>			
County Clerk	\$ 0	\$ 0	\$ 703,361
Circuit Court Clerk	0	0	130,624
General Sessions Court Clerk	0	0	279,777
Clerk and Master	0	0	259,007
Juvenile Court Clerk	0	0	40,925
Register	0	0	266,857
Sheriff	0	0	19,080
Trustee	0	0	919,826
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,619,457</u>
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$ 0	\$ 9,000
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	0	49,600
Other Public Safety Grants	0	0	53,682

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>
	General Debt Service	General Capital Projects	
<u>State of Tennessee (Cont.)</u>			
<u>Health and Welfare Grants</u>			
Health Department Programs	\$ 0	\$ 0	\$ 362,898
<u>Public Works Grants</u>			
State Aid Program	0	0	291,431
Litter Program	0	0	47,611
<u>Other State Revenues</u>			
Beer Tax	0	0	19,200
Vehicle Certificate of Title Fees	0	0	10,159
Alcoholic Beverage Tax	0	0	138,941
Opioid Settlement Funds - TN Abatement Council	0	0	266,361
State Revenue Sharing - T.V.A.	0	0	954,885
State Revenue Sharing - Telecommunications	0	0	69,484
State Shared Sports Gaming Privilege Tax	0	0	50,557
Board of Jurors	0	0	1,882
Contracted Prisoner Boarding	0	0	330,665
Gasoline and Motor Fuel Tax	0	0	2,853,393
Petroleum Special Tax	0	0	40,398
Registrar's Salary Supplement	0	0	15,164
Other State Grants	0	0	200,678
Other State Revenues	0	135,239	145,157
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 135,239</u>	<u>\$ 5,911,146</u>
<u>Federal Government</u>			
<u>Federal Through State</u>			
Community Development	\$ 0	\$ 163,141	\$ 163,141
Disaster Relief	0	0	285,868

(Continued)

Exhibit I-5

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

	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	
	General Debt Service	General Capital Projects	Total
<u>Federal Government (Cont.)</u>			
<u>Federal Through State (Cont.)</u>			
Homeland Security Grants	\$ 0	\$ 0	\$ 35,865
Other Federal through State	0	0	231,295
<u>Direct Federal Revenue</u>			
Asset Forfeiture Funds	0	0	44,542
American Rescue Plan Act Grant #6	0	0	10,000,000
Other Direct Federal Revenue	0	0	156,911
Total Federal Government	<u>\$ 0</u>	<u>\$ 163,141</u>	<u>\$ 10,917,622</u>
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Contributions	\$ 0	\$ 78,871	\$ 477,188
Contracted Services	0	0	551,640
<u>Citizens Groups</u>			
Donations	0	102,368	102,368
<u>Other</u>			
Other	0	0	482,660
Opioid Settlement Funds - Past Remediation	0	0	122,150
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 181,239</u>	<u>\$ 1,736,006</u>
Total	<u>\$ 1,401,493</u>	<u>\$ 1,147,222</u>	<u>\$ 49,550,022</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 9,507,758	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,507,758
Trustee's Collections - Prior Year	159,490	0	0	0	0	159,490
Trustee's Collections - Bankruptcy	1,755	0	0	0	0	1,755
Circuit Clerk/Clerk and Master Collections - Prior Years	172,190	0	0	0	0	172,190
Interest and Penalty	45,360	0	0	0	0	45,360
Payments in-Lieu-of Taxes - Other	150,845	0	0	0	0	150,845
<u>County Local Option Taxes</u>						
Local Option Sales Tax	7,978,937	0	0	0	0	7,978,937
Business Tax	219,241	0	0	0	0	219,241
Mixed Drink Tax	49,694	0	0	0	0	49,694
Total Local Taxes	<u>\$ 18,285,270</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,285,270</u>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 3,344	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,344
<u>Permits</u>						
Other Permits	1,124	0	0	0	0	1,124
Total Licenses and Permits	<u>\$ 4,468</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,468</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Juvenile Court</u>						
Fines	\$ 385	\$ 0	\$ 0	\$ 0	\$ 0	\$ 385
Total Fines, Forfeitures, and Penalties	<u>\$ 385</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 385</u>

(Continued)

Exhibit I-6

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Tuition - Regular Day Students	\$ 63,125	\$ 0	\$ 0	\$ 0	\$ 63,125
Tuition - Other	644,700	0	0	0	644,700
Lunch Payments - Children	0	0	710,991	0	710,991
Lunch Payments - Adults	0	0	43,292	0	43,292
Income from Breakfast	0	0	114,174	0	114,174
A la Carte Sales	0	0	146,588	0	146,588
Receipts from Individual Schools	223,991	0	0	0	223,991
Other Charges for Services	13	0	5,139	0	5,152
Total Charges for Current Services	<u>\$ 931,829</u>	<u>\$ 0</u>	<u>\$ 1,020,184</u>	<u>\$ 0</u>	<u>\$ 1,952,013</u>
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 53,805	\$ 0	\$ 17,527	\$ 0	\$ 71,332
Lease/Rentals	3,862	0	0	0	3,862
Miscellaneous Refunds	44,975	0	11,676	0	56,651
<u>Nonrecurring Items</u>					
Sale of Equipment	8,045	0	0	0	8,045
Damages Recovered from Individuals	4,273	0	0	0	4,273
Contributions and Gifts	38,566	0	0	0	38,566
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	3,960,177	3,960,177
Total Other Local Revenues	<u>\$ 153,526</u>	<u>\$ 0</u>	<u>\$ 29,203</u>	<u>\$ 3,960,177</u>	<u>\$ 4,142,906</u>

(Continued)

Exhibit I-6

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 198,718	\$ 0	\$ 0	\$ 0	\$ 198,718
<u>State Education Funds</u>					
Basic Education Program	63,501,657	0	0	0	63,501,657
Early Childhood Education	1,293,354	0	0	0	1,293,354
School Food Service	46,457	0	0	0	46,457
Driver Education	4,368	0	0	0	4,368
Other State Education Funds	855,182	0	0	0	855,182
Coordinated School Health	124,703	0	0	0	124,703
Family Resource Centers	59,223	0	0	0	59,223
Career Ladder Program	99,497	0	0	0	99,497
Other Vocational	95,158	0	0	0	95,158
<u>Other State Revenues</u>					
Other State Grants	338,971	0	0	0	338,971
Safe Schools	257,476	0	0	0	257,476
Other State Revenues	1,320	0	0	0	1,320
Total State of Tennessee	\$ 66,876,084	\$ 0	\$ 0	\$ 0	\$ 66,876,084
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,592,250	\$ 0	\$ 2,592,250
USDA - Commodities	0	0	150,531	0	150,531
Breakfast	0	0	876,055	0	876,055
USDA - Other	0	0	529,956	0	529,956
Adult Education State Grant Program	158,801	0	0	0	158,801

(Continued)

Exhibit I-6

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Vocational Education - Basic Grants to States	\$ 0	\$ 461,445	\$ 0	\$ 0	\$ 461,445
Title I Grants to Local Education Agencies	0	2,490,057	0	0	2,490,057
Special Education - Grants to States	0	2,810,345	0	0	2,810,345
Special Education Preschool Grants	0	90,609	0	0	90,609
21st Century Community Learning Centers	0	588,340	0	0	588,340
Eisenhower Professional Development State Grants	0	290,738	0	0	290,738
COVID-19 Grant B	0	793,214	0	0	793,214
COVID-19 Grant D	0	198,466	0	0	198,466
American Rescue Plan Act Grant #1	0	6,809,984	0	0	6,809,984
American Rescue Plan Act Grant #2	0	256,639	0	0	256,639
American Rescue Plan Act Grant #3	0	5,260	0	0	5,260
American Rescue Plan Act Grant #4	0	16,159	0	0	16,159
Other Federal through State	153,079	881,239	0	0	1,034,318
<u>Direct Federal Revenue</u>					
COVID-19 Grant #6	1,276,800	0	0	0	1,276,800
Total Federal Government	\$ 1,588,680	\$ 15,692,495	\$ 4,148,792	\$ 0	\$ 21,429,967
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 52,218	\$ 0	\$ 0	\$ 0	\$ 52,218
Contracted Services	1,200	0	0	0	1,200
<u>Citizens Groups</u>					
Donations	69,296	0	0	0	69,296

(Continued)

Exhibit I-6

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	
<u>Other Governments and Citizens Groups (Cont.)</u>					
Other					
Other	\$ 179,499	\$ 0	\$ 0	\$ 0	\$ 179,499
Total Other Governments and Citizens Groups	<u>\$ 302,213</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 302,213</u>
 Total	 <u>\$ 88,142,455</u>	 <u>\$ 15,692,495</u>	 <u>\$ 5,198,179</u>	 <u>\$ 3,960,177</u>	 <u>\$ 112,993,306</u>

Exhibit I-7

Tipton 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	\$	126,050	
Social Security		9,643	
Audit Services		28,107	
Dues and Memberships		10,657	
Legal Services		55,240	
Legal Notices, Recording, and Court Costs		6,866	
Travel		8,263	
Other Contracted Services		816	
Office Supplies		349	
Liability Insurance		20,341	
Workers' Compensation Insurance		280	
Other Charges		1,831	
Total County Commission			\$ 268,443

Beer Board

Board and Committee Members Fees	\$	1,700	
Social Security		130	
Total Beer Board			1,830

County Mayor/Executive

County Official/Administrative Officer	\$	151,637	
Secretary(ies)		50,018	
Part-time Personnel		830	
Longevity Pay		1,300	
Social Security		15,126	
Pensions		10,083	
Employee and Dependent Insurance		24,086	
Unemployment Compensation		19	
Communication		3,200	
Maintenance and Repair Services - Vehicles		125	
Travel		18,278	
Other Contracted Services		1,613	
Gasoline		1,634	
Office Supplies		2,887	
Utilities		4,503	
Building and Contents Insurance		663	
Liability Insurance		378	
Vehicle and Equipment Insurance		693	
Workers' Compensation Insurance		396	
Other Charges		3,911	
Office Equipment		3,876	
Total County Mayor/Executive			295,256

Election Commission

County Official/Administrative Officer	\$	95,599	
Secretary(ies)		38,712	
Clerical Personnel		4,150	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Longevity Pay	\$	3,000	
Overtime Pay		1,912	
Election Commission		7,000	
Election Workers		49,507	
Social Security		14,645	
Pensions		6,811	
Employee and Dependent Insurance		17,557	
Unemployment Compensation		75	
Other Fringe Benefits		4,500	
Audit Services		27,347	
Communication		4,977	
Legal Notices, Recording, and Court Costs		10,237	
Maintenance and Repair Services - Buildings		2,643	
Maintenance and Repair Services - Equipment		19,832	
Pest Control		200	
Postal Charges		5,508	
Printing, Stationery, and Forms		1,122	
Rentals		1,140	
Travel		1,199	
Office Supplies		6,758	
Utilities		7,088	
Building and Contents Insurance		1,393	
Liability Insurance		5,459	
Workers' Compensation Insurance		368	
Other Charges		1,152	
Data Processing Equipment		4,224	
Furniture and Fixtures		493	
Other Equipment		200,100	
Total Election Commission			\$ 544,708

Register of Deeds

County Official/Administrative Officer	\$	106,221
Clerical Personnel		140,996
Longevity Pay		4,000
Social Security		18,035
Pensions		12,361
Employee and Dependent Insurance		31,788
Unemployment Compensation		63
Other Fringe Benefits		4,500
Communication		2,924
Dues and Memberships		235
Maintenance and Repair Services - Office Equipment		11,301
Travel		2,494
Office Supplies		2,819
Utilities		9,476
Other Supplies and Materials		6,474
Building and Contents Insurance		2,121

(Continued)

Exhibit I-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Liability Insurance	\$	757	
Workers' Compensation Insurance		488	
Data Processing Equipment		374	
Total Register of Deeds			\$ 357,427

Planning

Supervisor/Director	\$	79,688	
Clerical Personnel		47,812	
Longevity Pay		9,000	
Other Salaries and Wages		111,421	
Board and Committee Members Fees		7,300	
Social Security		18,629	
Pensions		11,936	
Employee and Dependent Insurance		40,399	
Unemployment Compensation		84	
Communication		2,862	
Maintenance and Repair Services - Vehicles		1,464	
Travel		510	
Tuition		1,462	
Other Contracted Services		2,957	
Gasoline		4,657	
Office Supplies		3,250	
Uniforms		150	
Utilities		3,204	
Building and Contents Insurance		1,445	
Liability Insurance		757	
Vehicle and Equipment Insurance		1,732	
Workers' Compensation Insurance		3,728	
Other Charges		200	
Data Processing Equipment		801	
Motor Vehicles		25,053	
Total Planning			380,501

Building

Salary Supplements	\$	5,202	
Custodial Personnel		87,026	
Maintenance Personnel		112,726	
Part-time Personnel		124,911	
Longevity Pay		4,000	
Other Salaries and Wages		52,505	
Social Security		28,585	
Pensions		10,003	
Employee and Dependent Insurance		30,084	
Unemployment Compensation		401	
Other Fringe Benefits		7,500	
Communication		2,402	
Contracts with Private Agencies		660	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Maintenance and Repair Services - Buildings	\$	9,202	
Maintenance and Repair Services - Vehicles		2,785	
Pest Control		300	
Custodial Supplies		13,210	
Gasoline		11,615	
Small Tools		6,090	
Uniforms		8,880	
Utilities		7,055	
Building and Contents Insurance		799	
Liability Insurance		2,149	
Vehicle and Equipment Insurance		3,845	
Workers' Compensation Insurance		15,288	
Building Improvements		235	
Maintenance Equipment		322	
Total Building			\$ 547,780

Codes Compliance

Other Salaries and Wages	\$	13,676	
Social Security		1,046	
Unemployment Compensation		22	
Workers' Compensation Insurance		272	
Total Codes Compliance			15,016

Geographical Information Systems

Supervisor/Director	\$	79,688	
Longevity Pay		1,800	
Social Security		5,823	
Pensions		3,984	
Employee and Dependent Insurance		19,767	
Unemployment Compensation		21	
Communication		875	
Dues and Memberships		386	
Maintenance and Repair Services - Office Equipment		18,552	
Maintenance and Repair Services - Vehicles		96	
Travel		1,585	
Gasoline		1,069	
Office Supplies		4,582	
Liability Insurance		189	
Vehicle and Equipment Insurance		686	
Workers' Compensation Insurance		160	
Data Processing Equipment		468	
Total Geographical Information Systems			139,731

County Buildings

Maintenance and Repair Services - Buildings	\$	27,233	
Pest Control		884	
Postal Charges		12,272	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Other Contracted Services	\$	6,361	
Utilities		484	
Other Charges		615	
Building Improvements		43,876	
Total County Buildings			\$ 91,725

Other General Administration

Maintenance and Repair Services - Buildings	\$	8,843	
Pest Control		780	
Other Contracted Services		5,506	
Utilities		23,522	
Building and Contents Insurance		3,088	
Other Charges		3,040	
Total Other General Administration			44,779

Finance

Accounting and Budgeting

Supervisor/Director	\$	106,221	
Clerical Personnel		182,051	
Longevity Pay		6,300	
Social Security		20,975	
Pensions		13,013	
Employee and Dependent Insurance		60,668	
Unemployment Compensation		105	
Other Fringe Benefits		3,000	
Communication		3,989	
Maintenance and Repair Services - Office Equipment		23,598	
Travel		3,075	
Office Supplies		5,078	
Building and Contents Insurance		1,521	
Liability Insurance		851	
Workers' Compensation Insurance		580	
Data Processing Equipment		4,390	
Office Equipment		642	
Total Accounting and Budgeting			436,057

Property Assessor's Office

County Official/Administrative Officer	\$	106,221	
Salary Supplements		1,000	
Secretary(ies)		242,327	
Longevity Pay		4,400	
Other Salaries and Wages		1,425	
Social Security		25,451	
Pensions		16,701	
Employee and Dependent Insurance		54,286	
Unemployment Compensation		147	
Other Fringe Benefits		4,125	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Communication	\$	3,258	
Contracts with Private Agencies		28,290	
Data Processing Services		17,298	
Dues and Memberships		2,390	
Maintenance and Repair Services - Office Equipment		3,333	
Travel		60	
Duplicating Supplies		1,485	
Office Supplies		2,167	
Utilities		8,097	
Building and Contents Insurance		1,856	
Liability Insurance		1,135	
Workers' Compensation Insurance		524	
Data Processing Equipment		999	
Office Equipment		321	
Total Property Assessor's Office			\$ 527,296

Reappraisal Program

Data Processing Services	\$	5,357	
Maintenance and Repair Services - Vehicles		94	
Postal Charges		16,500	
Gasoline		1,542	
Liability Insurance		378	
Vehicle and Equipment Insurance		1,543	
Workers' Compensation Insurance		1,396	
Other Charges		336	
Total Reappraisal Program			27,146

County Trustee's Office

County Official/Administrative Officer	\$	106,221	
Clerical Personnel		175,045	
Longevity Pay		4,400	
Social Security		20,854	
Pensions		14,063	
Employee and Dependent Insurance		32,062	
Unemployment Compensation		84	
Other Fringe Benefits		9,000	
Advertising		403	
Communication		2,757	
Dues and Memberships		250	
Maintenance and Repair Services - Office Equipment		14,012	
Travel		4,238	
Other Contracted Services		17,435	
Office Supplies		6,406	
Utilities		6,498	
Building and Contents Insurance		1,464	
Liability Insurance		946	
Premiums on Corporate Surety Bonds		15,382	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Workers' Compensation Insurance	\$	576	
In Service/Staff Development		965	
Office Equipment		1,315	
Total County Trustee's Office			\$ 434,376

County Clerk's Office

County Official/Administrative Officer	\$	106,221	
Clerical Personnel		292,066	
Longevity Pay		8,000	
Social Security		29,960	
Pensions		17,697	
Employee and Dependent Insurance		51,614	
Unemployment Compensation		168	
Other Fringe Benefits		9,250	
Communication		5,495	
Dues and Memberships		630	
Maintenance and Repair Services - Office Equipment		16,077	
Postal Charges		23,530	
Printing, Stationery, and Forms		975	
Travel		1,338	
Data Processing Supplies		5,763	
Duplicating Supplies		2,192	
Office Supplies		5,404	
Utilities		3,533	
Building and Contents Insurance		1,599	
Liability Insurance		1,418	
Workers' Compensation Insurance		832	
Data Processing Equipment		539	
Office Equipment		855	
Total County Clerk's Office			585,156

Data Processing

Supervisor/Director	\$	72,345	
Social Security		5,082	
Pensions		3,617	
Employee and Dependent Insurance		19,767	
Unemployment Compensation		21	
Communication		996	
Maintenance and Repair Services - Office Equipment		42	
Maintenance and Repair Services - Vehicles		257	
Other Contracted Services		16,979	
Gasoline		1,319	
Office Supplies		186	
Building and Contents Insurance		530	
Liability Insurance		189	
Vehicle and Equipment Insurance		693	
Workers' Compensation Insurance		144	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Other Charges	\$	43	
Data Processing Equipment		184	
Total Data Processing			\$ 122,394

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	106,221	
Clerical Personnel		450,529	
Longevity Pay		13,200	
Other Salaries and Wages		375	
Jury and Witness Expense		18,844	
Social Security		41,588	
Pensions		26,506	
Employee and Dependent Insurance		68,597	
Unemployment Compensation		234	
Other Fringe Benefits		6,000	
Communication		5,282	
Dues and Memberships		305	
Maintenance and Repair Services - Office Equipment		27,080	
Postal Charges		7,436	
Travel		4,362	
Office Supplies		12,306	
Utilities		1,658	
Building and Contents Insurance		2,630	
Liability Insurance		2,459	
Workers' Compensation Insurance		1,128	
Office Equipment		64	
Total Circuit Court			796,804

General Sessions Court

Judge(s)	\$	194,808	
Assistant(s)		73,255	
Longevity Pay		2,500	
Social Security		17,704	
Pensions		13,403	
Employee and Dependent Insurance		24,086	
Unemployment Compensation		21	
Communication		3,139	
Dues and Memberships		583	
Travel		998	
Office Supplies		1,311	
Utilities		1,794	
Building and Contents Insurance		2,713	
Liability Insurance		378	
Workers' Compensation Insurance		532	
Data Processing Equipment		217	
Total General Sessions Court			337,442

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court

Remittance of Revenue Collected	\$ 3,589	
Total Drug Court		\$ 3,589

Chancery Court

County Official/Administrative Officer	\$ 106,221	
Clerical Personnel	146,726	
Longevity Pay	3,300	
Social Security	18,711	
Pensions	11,148	
Employee and Dependent Insurance	36,913	
Unemployment Compensation	105	
Other Fringe Benefits	3,000	
Communication	3,576	
Dues and Memberships	300	
Maintenance and Repair Services - Office Equipment	12,875	
Travel	720	
Other Contracted Services	14,492	
Office Supplies	9,740	
Utilities	1,883	
Building and Contents Insurance	2,860	
Liability Insurance	851	
Workers' Compensation Insurance	532	
Data Processing Equipment	880	
Furniture and Fixtures	360	
Office Equipment	396	
Total Chancery Court		375,589

Juvenile Court

Youth Service Officer(s)	\$ 74,083
Clerical Personnel	41,426
Part-time Personnel	7,600
Longevity Pay	2,200
Social Security	8,898
Pensions	4,873
Employee and Dependent Insurance	1,702
Unemployment Compensation	63
Communication	1,086
Dues and Memberships	125
Maintenance and Repair Services - Vehicles	2,219
Printing, Stationery, and Forms	1,997
Other Contracted Services	18,018
Gasoline	1,551
Office Supplies	2,964
Utilities	417
Building and Contents Insurance	537
Liability Insurance	378
Vehicle and Equipment Insurance	659

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Workers' Compensation Insurance	\$	1,584	
Data Processing Equipment		2,444	
Law Enforcement Equipment		1,996	
Office Equipment		496	
Total Juvenile Court			\$ 177,316

District Attorney General

Clerical Personnel	\$	40,062	
Social Security		3,065	
Pensions		952	
Unemployment Compensation		42	
Travel		1,868	
Office Supplies		1,735	
Liability Insurance		189	
Workers' Compensation Insurance		96	
Total District Attorney General			48,009

Probate Court

Probation Officer(s)	\$	56,338	
Clerical Personnel		51,653	
Longevity Pay		2,500	
Social Security		7,984	
Pensions		3,952	
Employee and Dependent Insurance		19,120	
Unemployment Compensation		63	
Other Fringe Benefits		2,000	
Communication		801	
Contracts with Other Public Agencies		9,600	
Maintenance and Repair Services - Office Equipment		95	
Other Contracted Services		2,835	
Office Supplies		2,064	
Utilities		363	
Building and Contents Insurance		537	
Liability Insurance		378	
Workers' Compensation Insurance		220	
Data Processing Equipment		800	
Law Enforcement Equipment		1,095	
Total Probate Court			162,398

Other Administration of Justice

Communication	\$	929	
Maintenance and Repair Services - Buildings		5,560	
Maintenance and Repair Services - Equipment		19	
Pest Control		1,102	
Utilities		3,515	
Building and Contents Insurance		1,584	
Building Improvements		3,800	
Total Other Administration of Justice			16,509

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Victim Assistance Programs

Remittance of Revenue Collected	\$ 18,604	
Total Victim Assistance Programs		\$ 18,604

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 126,719
Assistant(s)	160,034
Deputy(ies)	2,004,533
Investigator(s)	683,745
Captain(s)	73,106
Lieutenant(s)	198,589
Sergeant(s)	239,287
Accountants/Bookkeepers	5,071
Salary Supplements	68,000
Clerical Personnel	176,784
Part-time Personnel	70,850
Longevity Pay	47,800
Overtime Pay	192,601
Bonus Payments	180,000
Other Salaries and Wages	129,796
Social Security	316,960
Pensions	191,466
Employee and Dependent Insurance	780,308
Unemployment Compensation	1,511
Other Fringe Benefits	44,125
Advertising	559
Communication	45,528
Confidential Drug Enforcement Payments	5,000
Dues and Memberships	7,825
Evaluation and Testing	1,619
Maintenance and Repair Services - Equipment	1,532
Maintenance and Repair Services - Office Equipment	28,323
Maintenance and Repair Services - Vehicles	107,555
Travel	5,176
Veterinary Services	1,441
Other Contracted Services	50,000
Gasoline	216,325
Office Supplies	12,821
Uniforms	56,459
Utilities	11,551
Other Supplies and Materials	13,404
Building and Contents Insurance	5,469
Liability Insurance	110,238
Vehicle and Equipment Insurance	52,616
Workers' Compensation Insurance	114,597
In Service/Staff Development	33,030
Other Charges	20,356

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Data Processing Equipment	\$	4,432	
Law Enforcement Equipment		58,525	
Motor Vehicles		398,537	
Office Equipment		4,498	
Other Equipment		34,380	
Total Sheriff's Department	\$		7,093,081

Special Patrols

Other Salaries and Wages	\$	166,936	
Social Security		12,182	
Pensions		8,332	
Other Contracted Services		3,594	
Workers' Compensation Insurance		5,125	
Total Special Patrols			196,169

Administration of the Sexual Offender Registry

Office Supplies	\$	1,391	
In Service/Staff Development		2,236	
Total Administration of the Sexual Offender Registry			3,627

Jail

Captain(s)	\$	67,749	
Lieutenant(s)		44,047	
Sergeant(s)		209,191	
Medical Personnel		115,326	
Guards		1,190,855	
Cafeteria Personnel		110,887	
Part-time Personnel		30,166	
Longevity Pay		15,300	
Overtime Pay		35,435	
Bonus Payments		96,000	
Other Salaries and Wages		84,616	
Social Security		146,880	
Pensions		80,582	
Employee and Dependent Insurance		324,448	
Unemployment Compensation		1,042	
Other Fringe Benefits		3,125	
Communication		4,618	
Dues and Memberships		680	
Evaluation and Testing		2,025	
Maintenance and Repair Services - Equipment		43,470	
Maintenance and Repair Services - Office Equipment		2,362	
Travel		2,746	
Other Contracted Services		40,000	
Custodial Supplies		30,093	
Drugs and Medical Supplies		116,124	
Food Supplies		294,981	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Office Supplies	\$	6,089	
Prisoners Clothing		23,221	
Uniforms		23,998	
Utilities		176,359	
Building and Contents Insurance		16,788	
Liability Insurance		57,706	
Vehicle and Equipment Insurance		3,763	
Workers' Compensation Insurance		62,696	
In Service/Staff Development		8,398	
Other Charges		8,595	
Data Processing Equipment		2,333	
Food Service Equipment		14,009	
Law Enforcement Equipment		8,321	
Office Equipment		7,039	
Total Jail			\$ 3,512,063

Workhouse

Guards	\$	64,892	
Longevity Pay		4,300	
Social Security		4,343	
Unemployment Compensation		82	
Communication		1,089	
Maintenance and Repair Services - Buildings		33,473	
Maintenance and Repair Services - Equipment		11,206	
Pest Control		1,280	
Other Contracted Services		250	
Uniforms		1,800	
Liability Insurance		757	
Workers' Compensation Insurance		2,527	
Total Workhouse			125,999

Fire Prevention and Control

Supervisor/Director	\$	69,872	
Paraprofessionals		179,944	
Salary Supplements		5,600	
Part-time Personnel		119,956	
Longevity Pay		500	
Overtime Pay		23,381	
Other Salaries and Wages		9,464	
Social Security		30,005	
Pensions		14,133	
Employee and Dependent Insurance		57,823	
Unemployment Compensation		352	
Communication		2,991	
Contributions		369,873	
Dues and Memberships		929	
Maintenance and Repair Services - Buildings		6,913	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Maintenance and Repair Services - Equipment	\$	2,721	
Maintenance and Repair Services - Vehicles		6,299	
Travel		3,173	
Other Contracted Services		11,732	
Custodial Supplies		2,546	
Drugs and Medical Supplies		6,584	
Gasoline		12,547	
Office Supplies		1,147	
Uniforms		4,393	
Utilities		9,110	
Building and Contents Insurance		2,434	
Liability Insurance		3,404	
Vehicle and Equipment Insurance		11,455	
Workers' Compensation Insurance		62,994	
In Service/Staff Development		1,369	
Data Processing Equipment		4,113	
Furniture and Fixtures		2,253	
Office Equipment		656	
Other Equipment		33,309	
Total Fire Prevention and Control			\$ 1,073,975

Civil Defense

Supervisor/Director	\$	72,345	
Longevity Pay		1,600	
Social Security		5,208	
Pensions		3,617	
Employee and Dependent Insurance		19,767	
Unemployment Compensation		21	
Communication		10,117	
Dues and Memberships		185	
Maintenance and Repair Services - Buildings		2,000	
Maintenance and Repair Services - Equipment		393	
Maintenance and Repair Services - Office Equipment		334	
Maintenance and Repair Services - Vehicles		749	
Pest Control		495	
Travel		451	
Gasoline		3,302	
Office Supplies		49	
Utilities		5,635	
Other Supplies and Materials		195	
Building and Contents Insurance		3,137	
Liability Insurance		189	
Vehicle and Equipment Insurance		7,672	
Workers' Compensation Insurance		1,380	
Motor Vehicles		30,427	
Other Equipment		10,356	
Other Capital Outlay		365	
Total Civil Defense			179,989

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management

Communication	\$	261,526	
Utilities		24,348	
Building and Contents Insurance		2,606	
Total Other Emergency Management			\$ 288,480

County Coroner/Medical Examiner

Other Contracted Services	\$	107,025	
Total County Coroner/Medical Examiner			107,025

Other Public Safety

School Resource Officer	\$	85,344	
Longevity Pay		1,500	
Other Salaries and Wages		7,426	
Social Security		6,914	
Pensions		4,626	
Employee and Dependent Insurance		10,745	
Unemployment Compensation		35	
Other Fringe Benefits		4,500	
Communication		219	
Workers' Compensation Insurance		3,047	
In Service/Staff Development		2,039	
Law Enforcement Equipment		9,510	
Motor Vehicles		24,558	
Total Other Public Safety			160,463

Public Health and Welfare

Local Health Center

Communication	\$	11,786	
Contracts with Government Agencies		25,020	
Maintenance and Repair Services - Buildings		6,982	
Pest Control		780	
Postal Charges		146	
Drugs and Medical Supplies		192	
Office Supplies		1,034	
Utilities		16,454	
Building and Contents Insurance		2,871	
Total Local Health Center			65,265

Rabies and Animal Control

Communication	\$	5,243	
Maintenance and Repair Services - Buildings		1,690	
Maintenance and Repair Services - Equipment		1,116	
Maintenance and Repair Services - Vehicles		4,759	
Pest Control		540	
Veterinary Services		48,681	
Other Contracted Services		388,190	
Animal Food and Supplies		20,572	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Custodial Supplies	\$	3,638	
Office Supplies		1,488	
Uniforms		1,781	
Utilities		12,180	
Other Supplies and Materials		1,611	
Building and Contents Insurance		495	
Liability Insurance		1,135	
Vehicle and Equipment Insurance		650	
Workers' Compensation Insurance		4,368	
Motor Vehicles		62,050	
Office Equipment		539	
Other Equipment		1,479	
Total Rabies and Animal Control			\$ 562,205

Ambulance/Emergency Medical Services

Contracts with Private Agencies	\$	100,000	
Maintenance and Repair Services - Buildings		657	
Total Ambulance/Emergency Medical Services			100,657

Dental Health Program

Medical Personnel	\$	165,259	
Clerical Personnel		144,142	
Longevity Pay		6,100	
Social Security		23,045	
Pensions		15,212	
Employee and Dependent Insurance		19,572	
Unemployment Compensation		105	
Other Fringe Benefits		1,500	
Travel		11,722	
Drugs and Medical Supplies		11,678	
Liability Insurance		3,479	
Workers' Compensation Insurance		3,964	
Total Dental Health Program			405,778

Alcohol and Drug Programs

Supervisor/Director	\$	51,538	
Clerical Personnel		68,782	
Longevity Pay		1,100	
Social Security		8,698	
Pensions		3,768	
Employee and Dependent Insurance		30,238	
Unemployment Compensation		144	
Advertising		14,263	
Communication		2,085	
Postal Charges		12	
Travel		8,858	
Other Contracted Services		11,307	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs (Cont.)

Duplicating Supplies	\$	340	
Office Supplies		8,223	
Other Supplies and Materials		9,519	
Liability Insurance		567	
Other Charges		20,177	
Office Equipment		2,666	
Total Alcohol and Drug Programs			\$ 242,285

General Welfare Assistance

Supervisor/Director	\$	50,000	
Social Security		3,676	
Pensions		2,500	
Dues and Memberships		9,146	
Other Contracted Services		14,000	
Total General Welfare Assistance			79,322

Sanitation Management

Supervisor/Director	\$	47,700	
Guards		51,159	
Part-time Personnel		88	
Longevity Pay		1,600	
Social Security		6,943	
Pensions		4,947	
Employee and Dependent Insurance		37,782	
Unemployment Compensation		42	
Advertising		12,828	
Communication		565	
Dues and Memberships		685	
Maintenance and Repair Services - Vehicles		1,491	
Postal Charges		90	
Travel		2,979	
Other Contracted Services		72	
Gasoline		3,946	
Office Supplies		952	
Uniforms		757	
Utilities		341	
Other Supplies and Materials		4,784	
Liability Insurance		567	
Vehicle and Equipment Insurance		85	
Workers' Compensation Insurance		96	
Motor Vehicles		48,000	
Other Equipment		8,620	
Total Sanitation Management			237,119

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	48,000	
Dues and Memberships		7,000	
Total Senior Citizens Assistance			55,000

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries

Supervisor/Director	\$	52,000	
Librarians		71,874	
Part-time Personnel		42,936	
Longevity Pay		2,000	
Social Security		12,631	
Pensions		6,161	
Employee and Dependent Insurance		15,545	
Unemployment Compensation		128	
Communication		325	
Contributions		69,000	
Dues and Memberships		153	
Rentals		11,986	
Travel		641	
Other Contracted Services		1,200	
Duplicating Supplies		1,800	
Library Books/Media		26,841	
Office Supplies		5,556	
Building and Contents Insurance		1,703	
Liability Insurance		1,702	
Workers' Compensation Insurance		408	
Other Charges		1,484	
Other Equipment		3,074	
Total Libraries			\$ 329,148

Parks and Fair Boards

Maintenance Agreements	\$	29,863	
Total Parks and Fair Boards			29,863

Other Social, Cultural, and Recreational

Contributions	\$	10,000	
Total Other Social, Cultural, and Recreational			10,000

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	87,653	
Other Fringe Benefits		36,096	
Communication		4,651	
Dues and Memberships		436	
Maintenance and Repair Services - Buildings		1,986	
Maintenance and Repair Services - Equipment		781	
Travel		675	
Office Supplies		2,772	
Utilities		7,369	
Building and Contents Insurance		1,517	
Office Equipment		924	
Total Agricultural Extension Service			144,860

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Secretary(ies)	\$	46,109	
Longevity Pay		1,600	
Other Salaries and Wages		50,668	
Other Per Diem and Fees		591	
Social Security		7,000	
Pensions		4,839	
Employee and Dependent Insurance		22,379	
Unemployment Compensation		42	
Other Fringe Benefits		3,000	
Dues and Memberships		1,265	
Travel		2,911	
Office Supplies		646	
Liability Insurance		378	
Workers' Compensation Insurance		1,052	
Total Soil Conservation			\$ 142,480

Other Operations

Tourism

Contributions	\$	93,000	
Total Tourism			93,000

Industrial Development

Longevity Pay	\$	300	
Bonus Payments		20,000	
Other Salaries and Wages		248,139	
Social Security		18,159	
Pensions		12,407	
Employee and Dependent Insurance		19,122	
Unemployment Compensation		44	
Travel		4,192	
Other Contracted Services		58,519	
Liability Insurance		378	
Workers' Compensation Insurance		864	
Total Industrial Development			382,124

Other Economic and Community Development

Secretary(ies)	\$	55,000	
Clerical Personnel		40,100	
Part-time Personnel		97,937	
Longevity Pay		700	
Social Security		14,821	
Pensions		4,755	
Unemployment Compensation		116	
Communication		1,166	
Matching Share		153,941	
Travel		2,100	
Other Contracted Services		62,242	

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development (Cont.)

Office Supplies	\$	410	
Liability Insurance		757	
Workers' Compensation Insurance		324	
Data Processing Equipment		<u>2,262</u>	
Total Other Economic and Community Development	\$		436,631

Veterans' Services

Clerical Personnel	\$	24,721	
Part-time Personnel		14,508	
Social Security		3,001	
Unemployment Compensation		42	
Communication		1,643	
Maintenance and Repair Services - Office Equipment		898	
Travel		382	
Office Supplies		462	
Utilities		1,324	
Liability Insurance		285	
Workers' Compensation Insurance		82	
Data Processing Equipment		<u>1,974</u>	
Total Veterans' Services			49,322

Employee Benefits

Employee and Dependent Insurance	\$	<u>19,544</u>	
Total Employee Benefits			19,544

American Rescue Plan Act Grant #2

Building Improvements	\$	<u>37,130</u>	
Total American Rescue Plan Act Grant #2			37,130

American Rescue Plan Act Grant #7

Other Capital Outlay	\$	<u>25,861</u>	
Total American Rescue Plan Act Grant #7			25,861

Miscellaneous

Salary Supplements	\$	7,209	
Overtime Pay		68,828	
Social Security		4,987	
Pensions		3,360	
Communication		1,256	
Contributions		43,000	
Dues and Memberships		43,000	
Maintenance and Repair Services - Buildings		657	
Other Contracted Services		9,615	
Building and Contents Insurance		964	
Refunds		41,602	
Trustee's Commission		348,566	
Office Equipment		<u>20,349</u>	
Total Miscellaneous			593,393

(Continued)

Exhibit I-7

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

General Fund (Cont.)

Capital Projects

Other General Government Projects

Other Contracted Services	\$	39,095	
Other Capital Outlay		738,422	
Total Other General Government Projects			\$ 777,517

Total General Fund \$ 24,315,256

Solid Waste/Sanitation Fund

Public Health and Welfare

Postclosure Care Costs

Contracts for Postclosure Care Costs	\$	21,658	
Total Postclosure Care Costs			\$ 21,658

Highways

Litter and Trash Collection

Foremen	\$	45,258	
Equipment Operators		174,264	
Laborers		140,421	
Part-time Personnel		300	
Longevity Pay		3,300	
Overtime Pay		49,702	
Social Security		29,276	
Pensions		16,995	
Employee and Dependent Insurance		99,498	
Unemployment Compensation		275	
Other Fringe Benefits		2,441	
Communication		3,842	
Dues and Memberships		200	
Licenses		1,586	
Maintenance and Repair Services - Equipment		53,107	
Maintenance and Repair Services - Office Equipment		1,470	
Postal Charges		300	
Printing, Stationery, and Forms		3,000	
Travel		720	
Disposal Fees		367,924	
Other Contracted Services		495,973	
Crushed Stone		5,932	
Diesel Fuel		61,280	
Electricity		4,893	
Equipment and Machinery Parts		24,701	
Lubricants		1,785	
Office Supplies		1,777	
Tires and Tubes		4,982	
Uniforms		2,402	
Water and Sewer		3,335	
Fencing		763	
Trustee's Commission		23,437	
Other Charges		1,500	

(Continued)

Exhibit I-7

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

Solid Waste/Sanitation Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Office Equipment	\$	2,719	
Solid Waste Equipment		42,350	
Total Litter and Trash Collection			\$ 1,671,708

Total Solid Waste/Sanitation Fund \$ 1,693,366

Drug Control Fund

Public Safety

Drug Enforcement

Confidential Drug Enforcement Payments	\$	14,000	
Maintenance and Repair Services - Office Equipment		2,381	
Maintenance and Repair Services - Vehicles		1,468	
Other Contracted Services		20,503	
Utilities		1,545	
Refunds		10,693	
Trustee's Commission		186	
In Service/Staff Development		2,842	
Other Charges		112	
Data Processing Equipment		1,339	
Law Enforcement Equipment		13,043	
Other Equipment		62,491	
Total Drug Enforcement			\$ 130,603

Total Drug Control Fund 130,603

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees	\$	18,000	
Total Chancery Court			\$ 18,000

Total Constitutional Officers - Fees Fund 18,000

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	136,095	
Supervisor/Director		80,454	
Accountants/Bookkeepers		48,197	
Salary Supplements		1,242	
Secretary(ies)		58,393	
Clerical Personnel		41,718	
Custodial Personnel		39,891	
Overtime Pay		23,238	
Other Salaries and Wages		111,821	
Board and Committee Members Fees		14,000	
Advertising		837	

(Continued)

Exhibit I-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Communication	\$	17,043	
Confidential Drug Enforcement Payments		2,500	
Dues and Memberships		39,003	
Maintenance and Repair Services - Buildings		2,644	
Maintenance and Repair Services - Equipment		686	
Maintenance and Repair Services - Office Equipment		34,944	
Postal Charges		1,245	
Printing, Stationery, and Forms		551	
Travel		4,459	
Other Contracted Services		2,482	
Custodial Supplies		1,830	
Electricity		9,185	
Natural Gas		3,610	
Office Supplies		4,126	
Water and Sewer		3,072	
Other Charges		331	
Total Administration			\$ 683,597

Highway and Bridge Maintenance

Foremen	\$	166,035	
Equipment Operators		116,517	
Equipment Operators - Light		350,677	
Truck Drivers		226,428	
Laborers		278,679	
Overtime Pay		47,751	
Other Contracted Services		66,979	
Asphalt - Cold Mix		17,950	
Asphalt - Hot Mix		969,910	
Concrete		1,750	
Crushed Stone		457,353	
Fertilizer, Lime, and Seed		65,000	
Other Road Materials		34,498	
Pipe - Metal		78,087	
Road Signs		29,315	
Small Tools		2,500	
Wood Products		577	
Other Supplies and Materials		1,258	
Total Highway and Bridge Maintenance			2,911,264

Operation and Maintenance of Equipment

Foremen	\$	56,327	
Mechanic(s)		149,537	
Overtime Pay		10,386	
Licenses		62	
Maintenance and Repair Services - Buildings		651	
Maintenance and Repair Services - Equipment		134,937	
Towing Services		1,000	

(Continued)

Exhibit I-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Diesel Fuel	\$	162,700	
Equipment and Machinery Parts		114,483	
Garage Supplies		3,572	
Gasoline		56,557	
Lubricants		9,998	
Small Tools		3,996	
Tires and Tubes		29,592	
Other Charges		1,999	
Total Operation and Maintenance of Equipment			\$ 735,797

Other Charges

Salary Supplements	\$	3,430	
Longevity Pay		5,300	
Overtime Pay		44,956	
Other Salaries and Wages		269,561	
Social Security		23,958	
Pensions		14,004	
Employee and Dependent Insurance		26,052	
Unemployment Compensation		130	
Other Fringe Benefits		3,158	
Building and Contents Insurance		5,702	
Liability Insurance		23,598	
Trustee's Commission		72,792	
Vehicle and Equipment Insurance		41,196	
Workers' Compensation Insurance		232,494	
Fines, Assessments, and Penalties		3,150	
Total Other Charges			769,481

Employee Benefits

Longevity Pay	\$	49,900	
Social Security		143,266	
Pensions		95,068	
Employee and Dependent Insurance		469,026	
Unemployment Compensation		902	
Other Fringe Benefits		8,162	
Uniforms		15,916	
Total Employee Benefits			782,240

Capital Outlay

Communication Equipment	\$	1,997	
Furniture and Fixtures		539	
Highway Equipment		627,973	
Office Equipment		3,807	
State Aid Projects		293,136	
Total Capital Outlay			927,452

Total Highway/Public Works Fund \$ 6,809,831

(Continued)

Exhibit I-7

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

<u>General Debt Service Fund</u>			
<u>Other Debt Service</u>			
<u>General Government</u>			
Trustee's Commission	\$	25,601	
Total General Government			\$ 25,601
Total General Debt Service Fund			\$ 25,601
<u>General Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Contributions	\$	125,000	
Other Contracted Services		245,976	
Building Improvements		53,044	
Motor Vehicles		49,555	
Other Capital Outlay		189,823	
Total General Administration Projects			\$ 663,398
<u>Other General Government Projects</u>			
Other Contracted Services	\$	294,422	
Trustee's Commission		13,113	
Other Capital Outlay		89,210	
Total Other General Government Projects			396,745
Total General Capital Projects Fund			1,060,143
Total Governmental Funds - Primary Government			<u>\$ 34,052,800</u>

Exhibit I-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 28,267,735	
Career Ladder Program	53,872	
Homebound Teachers	176,520	
Educational Assistants	774,916	
Part-time Personnel	179,284	
Other Salaries and Wages	286,470	
Social Security	1,731,530	
Pensions	2,458,162	
Medical Insurance	4,838,082	
Unemployment Compensation	24,263	
Employer Medicare	405,332	
Other Fringe Benefits	6,000	
Contracts with Other School Systems	63,649	
Lease Payments	114,674	
Travel	19,825	
Tuition	7,499	
Contracts for Substitute Teachers - Non-certified	480,737	
Other Contracted Services	5,350	
Instructional Supplies and Materials	465,056	
Textbooks - Bound	1,366,699	
Other Supplies and Materials	74,545	
In Service/Staff Development	1,120	
Fee Waivers	64,126	
Regular Instruction Equipment	1,322,656	
Other Equipment	14,859	
Total Regular Instruction Program		\$ 43,202,961

Alternative Instruction Program

Teachers	\$ 550,513	
Career Ladder Program	2,000	
Pupil Personnel	75,130	
Clerical Personnel	30,960	
Other Salaries and Wages	1,614	
Social Security	38,984	
Pensions	54,662	
Medical Insurance	91,552	
Unemployment Compensation	461	
Employer Medicare	9,117	
Communication	586	
Travel	2,977	
Contracts for Substitute Teachers - Non-certified	12,652	
Office Supplies	886	
Uniforms	952	
Other Supplies and Materials	4,859	
Other Equipment	5,600	
Total Alternative Instruction Program		883,505

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 4,143,803	
Career Ladder Program	9,000	
Homebound Teachers	62,173	
Educational Assistants	949,962	
Part-time Personnel	1,870	
Speech Pathologist	794,270	
Other Salaries and Wages	20,929	
Social Security	344,799	
Pensions	468,063	
Medical Insurance	1,166,848	
Unemployment Compensation	5,200	
Employer Medicare	80,637	
Other Fringe Benefits	1,000	
Travel	6,402	
Contracts for Substitute Teachers - Non-certified	52,221	
Instructional Supplies and Materials	51,240	
Other Supplies and Materials	5,382	
Special Education Equipment	12,239	
Total Special Education Program		\$ 8,176,038

Career and Technical Education Program

Teachers	\$ 1,683,572	
Career Ladder Program	5,000	
Educational Assistants	24,121	
Part-time Personnel	25,614	
Other Salaries and Wages	11,224	
Social Security	98,839	
Pensions	144,892	
Medical Insurance	306,529	
Unemployment Compensation	1,317	
Employer Medicare	23,487	
Communication	2,568	
Payments to Schools - Other	1,650	
Travel	20,855	
Contracts for Substitute Teachers - Non-certified	55,450	
Other Contracted Services	10,150	
Instructional Supplies and Materials	53,425	
Textbooks - Bound	11,270	
Other Supplies and Materials	6,685	
In Service/Staff Development	5,016	
Other Charges	567	
Vocational Instruction Equipment	46,205	
Other Equipment	5,175	
Total Career and Technical Education Program		2,543,611

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Adult Education Program

Teachers	\$	74,608	
Clerical Personnel		28,029	
Part-time Personnel		37,725	
Social Security		7,670	
Pensions		9,667	
Medical Insurance		13,180	
Unemployment Compensation		199	
Employer Medicare		1,945	
Communication		488	
Travel		2,347	
Instructional Supplies and Materials		1,938	
Other Supplies and Materials		6,078	
Total Adult Education Program			\$ 183,874

Support Services

Health Services

Supervisor/Director	\$	62,011	
Clerical Personnel		29,496	
Social Security		5,245	
Pensions		4,575	
Medical Insurance		15,751	
Unemployment Compensation		84	
Employer Medicare		1,227	
Communication		2,706	
Travel		1,956	
Other Contracted Services		646,213	
Other Supplies and Materials		11,461	
In Service/Staff Development		495	
Other Charges		20,795	
Health Equipment		16,085	
Total Health Services			818,100

Other Student Support

Career Ladder Program	\$	3,000	
Guidance Personnel		1,174,706	
Clerical Personnel		82,901	
Other Salaries and Wages		18,493	
Social Security		75,297	
Pensions		107,715	
Medical Insurance		161,341	
Unemployment Compensation		822	
Employer Medicare		17,610	
Communication		273	
Contracts with Government Agencies		761,420	
Evaluation and Testing		170,086	
Travel		5,453	

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Contracts for Substitute Teachers - Non-certified	\$	137	
Other Contracted Services		11,000	
In Service/Staff Development		4,650	
Other Equipment		137,567	
Total Other Student Support			\$ 2,732,471

Regular Instruction Program

Supervisor/Director	\$	736,166	
Career Ladder Program		8,000	
Librarians		760,279	
Clerical Personnel		113,571	
Part-time Personnel		41,398	
Other Salaries and Wages		14,131	
Social Security		95,523	
Pensions		135,972	
Medical Insurance		240,051	
Unemployment Compensation		1,259	
Employer Medicare		22,992	
Other Fringe Benefits		250	
Advertising		9,903	
Communication		3,571	
Dues and Memberships		4,503	
Travel		25,037	
Contracts for Substitute Teachers - Non-certified		17,138	
Other Contracted Services		166,000	
Library Books/Media		50,000	
Office Supplies		8,150	
Software		56,796	
Other Supplies and Materials		30,062	
In Service/Staff Development		8,242	
Criminal Investigation of Applicants - TBI		13,826	
Other Charges		1,220	
Total Regular Instruction Program			2,564,040

Special Education Program

Supervisor/Director	\$	184,518	
Career Ladder Program		1,000	
Psychological Personnel		174,522	
Medical Personnel		20,398	
Clerical Personnel		58,708	
Social Security		26,118	
Pensions		32,650	
Medical Insurance		45,183	
Unemployment Compensation		351	
Employer Medicare		6,108	
Postal Charges		1,472	

(Continued)

Exhibit I-8

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

<u>General Purpose School Fund (Cont.)</u>		
<u>Support Services (Cont.)</u>		
<u>Special Education Program (Cont.)</u>		
Travel	\$	10,423
Other Contracted Services		1,474
Office Supplies		1,462
Other Supplies and Materials		1,116
In Service/Staff Development		11,048
Other Charges		835
Office Equipment		129
Total Special Education Program		<u>577,515</u>
	\$	
<u>Career and Technical Education Program</u>		
Supervisor/Director	\$	40,100
Unemployment Compensation		42
Employer Medicare		581
Travel		43,145
Other Supplies and Materials		2,469
In Service/Staff Development		9,386
Total Career and Technical Education Program		<u>95,723</u>
<u>Technology</u>		
Data Processing Personnel	\$	273,363
Clerical Personnel		80,823
Social Security		20,880
Pensions		18,026
Medical Insurance		50,428
Unemployment Compensation		336
Employer Medicare		4,883
Communication		1,771
Internet Connectivity		124,592
Travel		4,593
Other Contracted Services		129,996
Office Supplies		589
Propane Gas		62
Cabling		1,807
Software		145,736
Other Supplies and Materials		4,145
Other Equipment		142,689
Total Technology		<u>1,004,719</u>
<u>Other Programs</u>		
On-behalf Payments to OPEB	\$	198,718
Total Other Programs		<u>198,718</u>
<u>Board of Education</u>		
Board and Committee Members Fees	\$	22,200
Social Security		1,376
Life Insurance		10,000

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Unemployment Compensation	\$	48	
Employer Medicare		322	
Advertising		1,152	
Audit Services		54,900	
Communication		1,373	
Dues and Memberships		21,945	
Legal Services		27,619	
Travel		19,433	
Other Supplies and Materials		219	
Liability Insurance		326,232	
Trustee's Commission		368,452	
Other Charges		625	
Total Board of Education			\$ 855,896

Director of Schools

County Official/Administrative Officer	\$	146,034	
Career Ladder Program		1,000	
Secretary(ies)		46,004	
Other Salaries and Wages		1,404	
Social Security		11,254	
Pensions		15,148	
Medical Insurance		28,804	
Unemployment Compensation		86	
Employer Medicare		2,632	
Communication		40,284	
Postal Charges		47	
Travel		5,955	
Tuition		4,500	
Office Supplies		702	
Other Supplies and Materials		1,215	
In Service/Staff Development		800	
Other Charges		154	
Total Director of Schools			306,023

Office of the Principal

Principals	\$	1,302,325	
Career Ladder Program		6,000	
Accountants/Bookkeepers		358,370	
Assistant Principals		2,265,582	
Secretary(ies)		443,594	
Clerical Personnel		374,971	
Other Salaries and Wages		64,904	
Social Security		279,928	
Pensions		368,968	
Medical Insurance		722,172	
Unemployment Compensation		3,511	

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Employer Medicare	\$	65,784	
Other Fringe Benefits		250	
Dues and Memberships		4,009	
Travel		32,500	
Other Contracted Services		2,002	
Office Supplies		7,313	
Other Supplies and Materials		1,745	
In Service/Staff Development		1,071	
Total Office of the Principal			\$ 6,304,999

Fiscal Services

Supervisor/Director	\$	98,000	
Accountants/Bookkeepers		291,745	
Secretary(ies)		33,774	
Other Salaries and Wages		6,406	
Social Security		25,442	
Pensions		17,741	
Medical Insurance		62,032	
Unemployment Compensation		462	
Employer Medicare		5,950	
Communication		790	
Dues and Memberships		2,050	
Travel		4,986	
Other Contracted Services		67,828	
Office Supplies		7,886	
Refunds		2,091	
In Service/Staff Development		4,515	
Administration Equipment		10,977	
Total Fiscal Services			642,675

Operation of Plant

Janitorial Services	\$	1,767,393	
Laundry Service		9,219	
Maintenance Agreements		72,016	
Pest Control		13,377	
Disposal Fees		75,080	
Other Contracted Services		8,360	
Electricity		1,483,722	
Natural Gas		143,099	
Water and Sewer		268,911	
Building and Contents Insurance		365,797	
Plant Operation Equipment		3,896	
Total Operation of Plant			4,210,870

Maintenance of Plant

Supervisor/Director	\$	174,186	
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(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

ADA Coordinator	\$	47,741	
Secretary(ies)		47,629	
Maintenance Personnel		807,587	
Part-time Personnel		28,166	
Overtime Pay		4,001	
Other Salaries and Wages		28,397	
Social Security		65,771	
Pensions		57,729	
Medical Insurance		224,585	
Unemployment Compensation		1,198	
Employer Medicare		15,473	
Advertising		2,077	
Communication		8,404	
Maintenance Agreements		5,625	
Maintenance and Repair Services - Buildings		426,931	
Maintenance and Repair Services - Equipment		12,291	
Maintenance and Repair Services - Office Equipment		1,195	
Maintenance and Repair Services - Vehicles		9,643	
Other Contracted Services		25,820	
Office Supplies		411	
Gravel and Chert		4,900	
Other Supplies and Materials		60,048	
In Service/Staff Development		2,180	
Other Charges		766	
Maintenance Equipment		59,658	
Other Equipment		153,010	
Total Maintenance of Plant			\$ 2,275,422

Transportation

Supervisor/Director	\$	155,362
Mechanic(s)		331,945
Bus Drivers		1,454,447
Clerical Personnel		84,008
Part-time Personnel		144,508
Overtime Pay		89,125
Other Salaries and Wages		419,017
Social Security		141,039
Pensions		122,435
Medical Insurance		887,322
Unemployment Compensation		5,257
Employer Medicare		34,665
Communication		2,357
Evaluation and Testing		11,339
Laundry Service		11,181
Maintenance Agreements		2,900
Maintenance and Repair Services - Vehicles		124,884

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Towing Services	\$	20,035	
Travel		727	
Other Contracted Services		47,970	
Diesel Fuel		563,351	
Gasoline		166,534	
Lubricants		30,530	
Office Supplies		884	
Tires and Tubes		65,367	
Vehicle Parts		236,428	
Gravel and Chert		28,349	
Other Supplies and Materials		16,525	
Vehicle and Equipment Insurance		210,631	
In Service/Staff Development		865	
Other Charges		3,597	
Communication Equipment		71,241	
Transportation Equipment		728,114	
Other Equipment		792	
Total Transportation			\$ 6,213,731

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	94,042	
Accountants/Bookkeepers		43,908	
Social Security		7,585	
Pensions		10,368	
Medical Insurance		27,522	
Unemployment Compensation		78	
Employer Medicare		1,774	
Communication		886	
Transportation - Other than Students		23,410	
In Service/Staff Development		161	
Total Food Service			209,734

Community Services

Supervisor/Director	\$	39,403	
Other Salaries and Wages		376,561	
Social Security		24,578	
Pensions		13,481	
Medical Insurance		29,091	
Unemployment Compensation		1,245	
Employer Medicare		5,832	
Communication		2,160	
Travel		6,466	
Other Contracted Services		1,725	
Food Supplies		13,204	
Office Supplies		414	

(Continued)

Exhibit I-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Other Supplies and Materials	\$	25,181	
Other Charges		165	
Other Equipment		4,040	
Total Community Services			\$ 543,546

Early Childhood Education

Teachers	\$	659,650	
Social Workers		41,818	
Educational Assistants		230,812	
Other Salaries and Wages		370	
Social Security		53,543	
Pensions		68,521	
Medical Insurance		177,087	
Unemployment Compensation		967	
Employer Medicare		12,522	
Travel		80	
Contracts for Substitute Teachers - Non-certified		24,612	
Instructional Supplies and Materials		64,132	
Other Charges		2,187	
Regular Instruction Equipment		18,863	
Total Early Childhood Education			1,355,164

Capital Outlay

Regular Capital Outlay

Other Salaries and Wages	\$	14,568	
Social Security		830	
Pensions		679	
Unemployment Compensation		41	
Employer Medicare		208	
Building Improvements		3,348,945	
Total Regular Capital Outlay			3,365,271

Total General Purpose School Fund \$ 89,264,606

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	869,233
Educational Assistants		235,752
Other Salaries and Wages		764,389
Social Security		109,402
Pensions		148,235
Medical Insurance		277,437
Unemployment Compensation		1,730
Employer Medicare		25,587
Retirement - Hybrid Stabilization		40

(Continued)

Exhibit I-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Contracts for Substitute Teachers - Non-certified	\$	23,304	
Other Contracted Services		4,794	
Instructional Supplies and Materials		154,825	
Textbooks - Electronic		63,250	
Software		326,883	
Regular Instruction Equipment		31,049	
Total Regular Instruction Program			\$ 3,035,910

Special Education Program

Teachers	\$	25,705	
Educational Assistants		1,251,534	
Part-time Personnel		200,730	
Speech Pathologist		108,636	
Social Security		87,029	
Pensions		66,210	
Medical Insurance		420,893	
Unemployment Compensation		3,700	
Employer Medicare		21,013	
Contracts with Private Agencies		134,425	
Contracts for Substitute Teachers - Non-certified		11,478	
Instructional Supplies and Materials		180,446	
Other Supplies and Materials		17,694	
Special Education Equipment		36,522	
Total Special Education Program			2,566,015

Career and Technical Education Program

Other Salaries and Wages	\$	43,621	
Social Security		2,705	
Pensions		2,181	
Unemployment Compensation		84	
Employer Medicare		632	
Instructional Supplies and Materials		40,824	
Software		40,700	
Other Supplies and Materials		3,583	
Vocational Instruction Equipment		692,543	
Total Career and Technical Education Program			826,873

Support Services

Health Services

Social Workers	\$	73,932	
Other Salaries and Wages		5,000	
Social Security		4,589	
Pensions		6,675	
Medical Insurance		9,991	
Unemployment Compensation		42	
Employer Medicare		1,073	

(Continued)

Exhibit I-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Other Contracted Services	\$	349,738	
Drugs and Medical Supplies		180	
Health Equipment		8,727	
Other Equipment		46,420	
Total Health Services	\$		506,367

Other Student Support

Social Workers	\$	137,435	
Other Salaries and Wages		62,173	
Social Security		11,331	
Pensions		13,532	
Medical Insurance		41,146	
Unemployment Compensation		161	
Employer Medicare		2,650	
Travel		42,823	
Other Supplies and Materials		56,276	
In Service/Staff Development		44,577	
Other Equipment		22,713	
Total Other Student Support			434,817

Regular Instruction Program

Supervisor/Director	\$	43,558	
Secretary(ies)		43,908	
Other Salaries and Wages		926,504	
Social Security		56,911	
Pensions		81,786	
Medical Insurance		128,775	
Unemployment Compensation		827	
Employer Medicare		13,942	
Travel		3,439	
Other Contracted Services		204,050	
Other Supplies and Materials		3,009	
In Service/Staff Development		137,605	
Other Equipment		5,399	
Total Regular Instruction Program			1,649,713

Special Education Program

Psychological Personnel	\$	69,112	
Medical Personnel		153,820	
Part-time Personnel		38,326	
Social Security		15,728	
Pensions		5,666	
Medical Insurance		15,751	
Unemployment Compensation		370	
Employer Medicare		3,678	
Lease Payments		62,964	

(Continued)

Exhibit I-8

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

<u>School Federal Projects Fund (Cont.)</u>		
<u>Support Services (Cont.)</u>		
<u>Special Education Program (Cont.)</u>		
Postal Charges	\$ 2,520	
In Service/Staff Development	38,116	
Other Charges	<u>3,839</u>	
Total Special Education Program		\$ 409,890
<u>Career and Technical Education Program</u>		
In Service/Staff Development	<u>\$ 3,865</u>	
Total Career and Technical Education Program		3,865
<u>Technology</u>		
Instructional Computer Personnel	\$ 74,118	
Social Security	4,228	
Pensions	3,706	
Medical Insurance	17,568	
Unemployment Compensation	84	
Employer Medicare	989	
Cabling	7,545	
Other Equipment	<u>200,340</u>	
Total Technology		308,578
<u>Office of the Principal</u>		
Assistant Principals	\$ 35,416	
Social Security	2,194	
Pensions	3,078	
Medical Insurance	7,876	
Unemployment Compensation	24	
Employer Medicare	<u>513</u>	
Total Office of the Principal		49,101
<u>Fiscal Services</u>		
Other Contracted Services	<u>\$ 46,200</u>	
Total Fiscal Services		46,200
<u>Maintenance of Plant</u>		
Other Salaries and Wages	\$ 78,651	
Social Security	4,448	
Pensions	6,835	
Medical Insurance	15,751	
Unemployment Compensation	42	
Employer Medicare	1,040	
Other Supplies and Materials	<u>4,752</u>	
Total Maintenance of Plant		111,519
<u>Transportation</u>		
Bus Drivers	\$ 58,578	
Part-time Personnel	27,588	

(Continued)

Exhibit I-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Other Salaries and Wages	\$	7,434	
Social Security		5,635	
Pensions		2,871	
Unemployment Compensation		270	
Employer Medicare		1,353	
Transportation Equipment		282,063	
Total Transportation			\$ 385,792

Operation of Non-Instructional Services

Food Service

Food Service Equipment	\$	134,841	
Total Food Service			134,841

Community Services

Supervisor/Director	\$	16,448	
Teachers		326,305	
Other Salaries and Wages		139,340	
Social Security		28,732	
Pensions		33,427	
Unemployment Compensation		389	
Employer Medicare		6,959	
Retirement - Hybrid Stabilization		6	
Travel		284	
Other Contracted Services		4,700	
Instructional Supplies and Materials		16,703	
Other Charges		546	
Total Community Services			573,839

Capital Outlay

Regular Capital Outlay

Building Construction	\$	147,961	
Building Improvements		1,785,407	
Plant Operation Equipment		2,663,277	
Other Equipment		85,000	
Total Regular Capital Outlay			4,681,645

Total School Federal Projects Fund \$ 15,724,965

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	1,649,451	
Maintenance Personnel		42,433	
Other Salaries and Wages		5,535	
Social Security		97,857	
Pensions		58,786	

(Continued)

Exhibit I-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Medical Insurance	\$	291,006	
Unemployment Compensation		4,196	
Employer Medicare		23,153	
Travel		4,204	
Other Contracted Services		65,013	
Food Supplies		2,650,648	
Uniforms		14,630	
USDA - Commodities		150,531	
Other Supplies and Materials		352,976	
Trustee's Commission		543	
In Service/Staff Development		1,124	
Food Service Equipment		203,338	
Total Food Service			\$ 5,615,424

Total Central Cafeteria Fund \$ 5,615,424

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	3,756,381	
Total Community Services			\$ 3,756,381

Total Internal School Fund 3,756,381

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Building Construction	\$	5,030	
Total Education Capital Projects			\$ 5,030

Total Education Capital Projects Fund 5,030

Total Governmental Funds - Tipton County School Department \$ 114,366,406

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

Tipton County Executive and
Board of County Commissioners
Tipton County, Tennessee

To the County Executive and Board of County Commissioners:

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2023-003, 2023-004(C), and 2023-005.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tipton County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2023-001, 2023-002, and 2023-004(A,B).

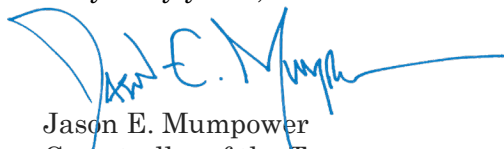
Tipton County's Responses to Findings

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

October 9, 2023

JEM/tg



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

Tipton County Executive and
Board of County Commissioners
Tipton County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Tipton 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 Tipton County's major federal programs for the year ended June 30, 2023. Tipton 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, Tipton 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 Tipton 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 Tipton 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 Tipton 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 Tipton 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 Tipton 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 Tipton 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 Tipton 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 Tipton County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Tipton County's basic financial statements. We issued our report thereon dated October 9, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management

and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 9, 2023

JEM/tg

Tipton County, Tennessee, and the Tipton County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8)
For the Year-Ended June 30, 2023

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 876,055
National School Lunch Program	10.555	N/A	2,616,247 (7)
Summer Food Service Program for Children	10.559	N/A	208,955
COVID 19 - Pandemic Electronic Benefit Transfer Local Administrative Cost Grant	10.649	N/A	5,950
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	150,531 (7)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-75516-01	42,559
Passed-through State Department of Human Services:			
Child and Adult Care Food Program	10.558	N/A	291,054
Total U.S. Department of Agriculture			<u>\$ 4,191,351</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(5)	\$ 163,141
Total U.S. Department of Housing and Urban Development			<u>\$ 163,141</u>
U.S. Department of Justice:			
Passed-through State Office of Criminal Justice Programs:			
Crime Victim Assistance	16.575	(5)	\$ 48,009
Direct Programs:			
Bulletproof Vest Partnership Program	16.607	N/A	10,972
Federal Asset Forfeiture Program	16.U01	N/A	44,542
Total U.S. Department of Justice			<u>\$ 103,523</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	Z23TH327	\$ 44,665
Total U.S. Department of Transportation			<u>\$ 44,665</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 10,000,000
Total U.S. Department of the Treasury			<u>\$ 10,000,000</u>
Federal Communications Commission:			
Direct Program:			
COVID 19 - Emergency Connectivity Fund Program (ARP)	32.009	N/A	\$ 1,276,800
Total Federal Communications Commission			<u>\$ 1,276,800</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Adult Education - Basic Grants to States			
	84.002	N/A	\$ 158,801
Title I Grants to Local Educational Agencies			
	84.010	N/A	2,544,421
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	2,813,730 (7)
COVID 19 - Special Education - Grants to States	84.027X	N/A	256,639 (7)
Special Education - Preschool Grants	84.173	N/A	91,733 (7)
COVID 19 - Special Education - Preschool Grants	84.173X	N/A	5,260 (7)
Career and Technical Education - Basic Grants to States	84.048	N/A	461,445
Twenty-first Century Community Learning Centers	84.287	N/A	588,700

(Continued)

Tipton County, Tennessee, and the Tipton County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education (Cont.):			
Passed-through State Department of Education (Cont.):			
Supporting Effective Instruction State Grants	84.367	N/A	\$ 268,411
Comprehensive Literacy Development	84.371	N/A	91,466
Student Support and Academic Enrichment Program	84.424	N/A	146,023
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	N/A	224,450 (7)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	675,805 (7)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	6,843,043 (7)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER Homeless Children and Youth)	84.425W	N/A	16,159 (7)
Total U.S. Department of Education			<u>\$ 15,186,086</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2018 HAVA Election Security Grants	90.404	(5)	\$ 11,565
Total U.S. Election Assistance Commission			<u>\$ 11,565</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Family Planning Services	93.217	GG-23-75516-01	\$ 9,532
Maternal and Child Health Services Block Grant to the States	93.994	GG-23-75516-01	33,788
Direct Programs:			
Drug-Free Communities Support Program Grants	93.276	N/A	59,729
CARA Act – Comprehensive Addiction and Recovery Act of 2016	93.799	N/A	36,747
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	N/A	819,820
COVID 19 - Temporary Assistance for Needy Families	93.558	N/A	222,011 (7)
Passed-through Save the Children:			
Temporary Assistance for Needy Families	93.558	(5)	153,079 (7)
Passed-through Department of Mental Health and Substance Abuse Services:			
Opioid STR	93.788	(5)	51,126
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(5)	58,705 (7)
COVID 19 - Block Grants for Prevention and Treatment of Substance Abuse	93.959	(5)	40,978 (7)
Mental Health Disaster Assistance and Emergency Mental Health	93.982	(5)	20,912
Total U.S. Department of Health and Human Services			<u>\$ 1,506,427</u>
U.S. Department of Homeland Security:			
Passed-through State Department of the Military:			
Disaster Grants - Public Assistance	97.036	(6)	\$ 244,408
Homeland Security Grant Program	97.067	(5)	35,865
Total U.S. Department of Homeland Security			<u>\$ 280,273</u>
Total Expenditures of Federal Grants			<u>\$ 32,763,831</u>
Contract			
<u>Number</u>			
State Grants			
Juvenile Court State Supplemental Funds - State Department of Children's Services	N/A	(5)	\$ 9,000
Preventive Health and Human Services - State Department of Health	N/A	GG-23-75516-01	277,020
Disaster Grant - Public Assistance - State Department of Military	N/A	(5)	41,460
Litter Program - State Department of Transportation	N/A	(5)	47,611
State Voting Systems - State Election Commission	N/A	(5)	200,100
FY23 Training Equipment Grant - State Corrections Institute	N/A	(5)	9,017

(Continued)

Tipton County, Tennessee, and the Tipton County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

	Federal Assistance		Expenditures
	Listing Number	Contract Number	
<u>State Grants (Continued)</u>			
Opioid Settlement Funds - Tennessee Abatement Council	N/A	(5)	\$ 266,361
HAVA Election Security Grant - Tennessee Secretary of State	N/A	(5)	578
InvestPrep Program - Tennessee Valley Authority	N/A	N/A	135,239
Early Childhood Education - State Department of Education	N/A	(5)	1,293,354
Coordinated School Health - State Department of Education	N/A	(5)	124,703
Family Resource Centers - State Department of Education	N/A	(5)	59,223
COVID 19 - Summer Learning Camps - State Department of Education	N/A	(5)	408,513
COVID 19 - STREAM Mini-Camps - State Department of Education	N/A	(5)	38,597
COVID 19 - Bridge Camps - State Department of Education	N/A	(5)	67,646
Learning Camp Transportation - State Department of Education	N/A	(5)	118,415
School Courts Grants - State Department of Juvenile Justice	N/A	(5)	338,971
Safe Schools Act of 1998 - State Department of Education	N/A	(5)	200,726
School Resource Officers Grants - State Department of Education	N/A	(5)	56,750
Supporting Postsecondary Access in Rural Counties - State Department of Education	N/A	(5)	95,158
Total State Grants			<u>\$ 3,788,442</u>

FAL = Federal Assistance Listing
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Tipton 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) Child Nutrition Cluster total \$3,851,788; Highway Safety Cluster total \$44,665; Special Education Cluster total \$3,167,362.
- (5) Information not available.
- (6) 63407-34380: \$234,601; TEMA-DR-4645: \$9,807.
- (7) Total for FAL No. 10.555 is \$2,766,778; Total for FAL No. 84.027 is \$3,070,369; Total for FAL No. 84.173 is \$96,993; Total for FAL No. 84.425 is \$7,759,457; Total for FAL No. 93.558 is \$375,090; Total for FAL No. 93.959 is \$99,683.
- (8) CONSOLIDATED ADMINISTRATION
The following amounts were consolidated for administration purposes:

Program Title	FAL Number	Amount
Title I Grants to Local Educational Agencies	84.010	\$ 89,684
Supporting Effective Instruction State Grant	84.367	21,835
Student Support and Academic Enrichment Program	84.424	1,565
Total amounts consolidated for administration purposes		<u>\$ 113,084</u>

Tipton 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 Tipton County, Tennessee, for the year ended June 30, 2023.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
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OFFICE OF DIRECTOR OF PUBLIC WORKS

2022	204	2022-001	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
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OFFICE OF DIRECTOR OF SCHOOLS

2022	205	2022-002	Competitive bids were not solicited for the purchase and installation of field turf and for automated external defibrillator machines.	N/A	Corrected
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OFFICE OF SHERIFF

2022	206	2022-003	An investigation of the Tipton County Sheriff's office disclosed that a former deputy attempted to sell a seized vehicle for his personal benefit.	N/A	Corrected
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Prior-year Federal Awards Findings

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

TIPTON 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 Tipton County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)
 - * Assistance Listing Number: 32.009 COVID 19 - Emergency Connectivity Fund Program (ARP)
 - * Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Basic Grants to States and Special Education - Preschool Grants
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$982,914**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for the 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.

OFFICES OF COUNTY EXECUTIVE AND DIRECTOR OF PUBLIC WORKS

FINDING 2023-001 **TIPTON COUNTY HAD DEFICIENCIES IN REPORTING WAGES TO THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**
(Noncompliance Under *Government Auditing Standards*)

Tipton County had the following deficiencies in reporting wages to the Tennessee Consolidated Retirement System (TCRS). These deficiencies are the result of a lack of management oversight and a lack of understanding of TCRS requirements. We have reported this finding to TCRS.

- A. During the year, Tipton County and the budget and accounts director entered into an agreement with Delta Human Resources Agency (Delta HRA) for the director to serve as the contracted fiscal officer for Delta HRA. In exchange for these services, Delta HRA reimbursed the county \$50,000 for the director's salary plus \$7,000 for the costs of benefits. The director was paid this additional \$50,000 through the county's payroll system, and the county reported the additional wages to TCRS through Tipton County's benefit plan. According to representatives from TCRS, the director's salary should be reported by each employer for whom he provides services. Since Delta HRA hired the director, has the authority to fire the director, pays the director's wages, and has the power to control and supervise the director's work, Delta HRA should be reporting their portion of the director's salary to TCRS instead of the county. The failure to properly report wages to TCRS could result in an increased pension liability for the county.

- B. Employee longevity payments for the Office of County Executive and the public works department totaling \$154,300 and \$58,500, respectively, and salary supplements for the Office of County Executive totaling \$174,664 were not subjected to retirement withholdings and the required employer match. Also, these payments and applicable withholdings and employer match were not reported to TCRS. Section 8-34-101(14)(b), *Tennessee Code Annotated (TCA)*, states, "Earnable compensation includes ... any bonus or incentive payment; provided that: ... Such payment is authorized by resolution legally adopted and approved by the chief governing body of an employer participating in the retirement system ... and is not made for the purpose of increasing a member's retirement benefit or inducing a member to retire." Furthermore, Section 8-37-502(a), *TCA*, requires that salaries and contributions be reported to TCRS on

or before the tenth day of the month for the compensation of employees and contributions of employers for the preceding calendar month. These amounts were reflected on the employees' federal Forms W-2 as income. As a result of this deficiency, employees have not received the proper retirement credit, and the county could face possible penalties for not subjecting all wages to retirement withholdings and not remitting the deductions and required employer match to TCRS.

RECOMMENDATION

Tipton County should only report wage amounts associated with work performed for the county by the budget and accounts director. All employee longevity payments and salary supplements should be subjected to retirement withholdings and the required employer match, and these amounts should be currently reported to TCRS. The office should contact TCRS to find out what steps should be taken to correct these deficiencies.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

I concur with this finding.

MANAGEMENT'S RESPONSE – PUBLIC WORKS DIRECTOR

I concur with this finding.

OFFICE OF COUNTY EXECUTIVE

FINDING 2023-002 **COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE OF INMATE FOOD**
(Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 62 disbursements totaling \$506,463 from a population of 3,809 vendor checks totaling \$8,599,096. Our examination revealed that competitive bids were not solicited for inmate food totaling \$262,474. Purchasing procedures for the county are governed by Chapter 518, Private Acts of 1941, as amended, which requires competitive bids to be solicited through newspaper advertisements for all purchases exceeding \$25,000. The failure to solicit competitive bids could result in the county paying more than the most competitive price. This deficiency is the result of a lack of management oversight and the failure to follow the county's private act.

RECOMMENDATION

Competitive bids should be solicited for all purchases exceeding \$25,000 as required by Chapter 518, Private Acts of 1941, as amended.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

I concur with this finding. I would also note that the Tipton County Budget and Accounts Director has on numerous occasions attempted to get the proper information to bid the inmate food and, until recently, no information was provided.

OFFICE OF DIRECTOR OF PUBLIC WORKS

FINDING 2023-003

PURCHASE ORDERS WERE NOT ALWAYS ISSUED PROPERLY

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

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 51 disbursements totaling \$1,373,058 from a population of 997 vendor checks totaling \$4,795,707. Our examination revealed that in 11 of 46 applicable instances, purchase orders were issued after the purchases were made. Purchase orders are necessary to control who has purchasing authority for the county and to document purchasing commitments. This practice defeats the purpose of issuing a purchase order and makes the purchase order an approval for payment rather than an approval of the purchase. The failure to properly issue purchase orders increases the risks of unauthorized purchases. This deficiency exists due to a lack of management oversight and a lack of understanding of internal controls.

RECOMMENDATION

Purchase orders should be issued for all applicable purchases before purchases are made to strengthen internal controls over purchasing procedures and to document purchasing commitments.

MANAGEMENT'S RESPONSE – DIRECTOR OF PUBLIC WORKS

We have generated a new manual purchase order system in which estimated cost and date of issuance are included.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2023-004

DEFICIENCIES WERE NOTED WITH THE PURCHASE OF PIZZA OVENS, EQUIPMENT, AND SUPPLIES

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

During the year, the Tipton County School Department implemented an onsite pizza preparation program in two schools. The following deficiencies were noted with this program which are the result of a lack of management oversight and a failure to follow state statutes.

- A. Competitive bids were not solicited for pizza ovens and related equipment totaling \$64,654. Purchasing procedures for the school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *Tennessee Code Annotated (TCA)*. This statute requires competitive bids to be solicited through newspaper advertisement for all purchases estimated to exceed \$25,000. School department personnel advised that competitive bids were solicited for the pizza program; however, the specifications did not include ovens or equipment but only mentioned pizza supplies. The failure to solicit competitive bids could result in the school department paying more than the most competitive price.
- B. Equipment totaling \$12,725 was paid for through surcharges on pizza supplies. Section 9-21-101 et seq, *TCA*, provides authority for local governments to issue debt through bonds, loans, and capital outlay notes. There is no authority given in *TCA* to finance the purchase of equipment through surcharges. As a result, the Tipton County School Department entered into a nonconforming obligations agreement as defined by Section 9-21-406, *TCA*. Additionally, by paying for a portion of the equipment cost through surcharge credits, the school department circumvented purchasing provisions contained in Section 49-2-203, *TCA*, which provides for the county Board of Education through its executive committee (director of schools and chairman of the Board of Education) to make all purchases; and Section 49-2-205(4), *TCA*, which provides for all expenditures for the school department to be paid by warrants or checks signed by the executive committee.
- C. The company that supplied the ovens and equipment provided two sets of prices for purchasing the items directly or through surcharges. Although the majority of the ovens and equipment were purchased directly, the school department paid the prices that would have been charged through surcharges resulting in an overpayment of \$2,979. Additionally, the equipment paid for through surcharges should have totaled \$12,110 per the pricing agreement provided by the company. As noted in Part B., the school department paid \$12,725 for this equipment resulting in an additional overpayment of \$615.

RECOMMENDATION

Competitive bids should be solicited for all purchases exceeding \$25,000 as required by Section 49-2-203, *TCA*. All debt should be issued by the local government, instead of the school department, in compliance with state statutes. All purchases should be made through the Board of Education's executive committee by warrants or checks and signed by the executive committee. School department personnel should monitor invoices to ensure that correct amounts are paid. The school department should take steps to recover any overpayments.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding.

FINDING 2023-005

PURCHASE ORDERS WERE NOT ALWAYS ISSUED PROPERLY

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

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 53 disbursements totaling \$2,686,855 from a population of 4,291 vendor checks totaling \$27,461,971. Our examination revealed that in six of 36 applicable instances, purchase orders were not issued properly. Purchase orders are necessary to control who has purchasing authority for the county and to document purchase commitments. The failure to issue purchase orders properly increases the risks of unauthorized purchases. These deficiencies are the result of a lack of management oversight and a lack of understanding of internal controls.

RECOMMENDATION

Purchase orders should be issued for all applicable purchases before purchases are made to strengthen internal controls over purchasing procedures and to document purchasing commitments.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

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

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF COUNTY EXECUTIVE

2023-001	Tipton County had deficiencies in reporting wages to the Tennessee Consolidated Retirement System.	219
2023-002	Competitive bids were not solicited for the purchase of inmate food.	220

OFFICE OF DIRECTOR OF PUBLIC WORKS

2023-001	Tipton County had deficiencies in reporting wages to the Tennessee Consolidated Retirement System.	221
2023-003	Purchase orders were not always issued properly.	222

OFFICE OF DIRECTOR OF SCHOOLS

2023-004	Deficiencies were noted with the purchase of pizza ovens, equipment, and supplies.	223
2023-005	Purchase orders were not always issued properly.	224

TIPTON COUNTY

JEFF HUFFMAN
COUNTY EXECUTIVE
PHONE: (901) 476-0200
FAX: (901) 476-0227

P.O. BOX 686
COVINGTON, TENNESSEE 38019

W. T. BAILEY
BUDGET AND ACCOUNTS DIRECTOR
PHONE: (901) 476-0219
FAX: (901) 476-0258



Corrective Action Plan

FINDING: TIPTON COUNTY HAD DEFICIENCIES IN REPORTING WAGES TO THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Response and Corrective Action Plan Prepared by:
Jeff Huffman, County Executive

Person Responsible for Implementing the Corrective Action:
W. T. Bailey, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

Planned Corrective Action:

The Tipton County Executive will work with the Delta Human Resource Agency Board of Directors, including the members of the General Assembly that are on that Board, as well as the two county mayors on the Board of Directors along with TCRS management to ensure compliance with TCRS regulations and procedures. Additionally, Tipton County longevity payments and salary supplements will be subjected to retirement withholdings and the required employer match in order to comply with TCRS regulations and procedures.

Signature:

A handwritten signature in blue ink that reads "Jeff Huffman". The signature is written over a horizontal line.

TIPTON COUNTY

JEFF HUFFMAN
COUNTY EXECUTIVE
PHONE: (901) 476-0200
FAX: (901) 476-0227

P.O. BOX 686
COVINGTON, TENNESSEE 38019

W. T. BAILEY
BUDGET AND ACCOUNTS DIRECTOR
PHONE: (901) 476-0219
FAX: (901) 476-0258



Corrective Action Plan

FINDING: COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE OF INMATE FOOD

Response and Corrective Action Plan Prepared by:
Jeff Huffman, County Executive

Person Responsible for Implementing the Corrective Action:
W. T. Bailey, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

Planned Corrective Action:

The Tipton County Finance Department will bid inmate food upon receiving the necessary information pertaining to statutory requirements and bid specifications from the Sheriff and/or Jail Administrator.

Signature: _____

A handwritten signature in blue ink, which appears to read "Jeff Huffman", is written over a horizontal line.



TIPTON COUNTY PUBLIC WORKS DEPARTMENT

8279 HWY. 51 • Brighton , Tn 38011 • 901-837-5900 • Fax 901-837-6681

Corrective Action Plan

FINDING: TIPTON COUNTY HAD DEFICIENCIES IN REPORTING WAGES TO THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Response and Corrective Action Plan Prepared by:
Shannon Reed, Director of Public Works

Person Responsible for Implementing the Corrective Action:
Shannon Reed, Director of Public Works

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

Planned Corrective Action:

Tipton County Public Works longevity payments will be subjected to retirement withholdings and the required employer match in order to comply with TCRS regulations and procedures.

Signature: _____



TIPTON COUNTY PUBLIC WORKS DEPARTMENT

8279 HWY. 51 • Brighton , Tn 38011 • 901-837-5900 • Fax 901-837-6681

Corrective Action Plan

FINDING: PURCHASE ORDERS WERE NOT ALWAYS ISSUED PROPERLY

Response and Corrective Action Plan Prepared by:
Shannon Reed, Director of Public Works

Person Responsible for Implementing the Corrective Action:
Shannon Reed, Director of Public Works

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

Planned Corrective Action:

Tipton County Public Works has generated a new manual PO system in which estimated cost and date of issuance are included.

Signature: _____

TIPTON COUNTY BOARD OF EDUCATION

Dr. John Combs, Superintendent
1580 Hwy. 51 South
Covington, TN 38019
901-476-7148 ~ Fax 901-476-4870

Corrective Action Plan

FINDING: DEFICIENCIES WERE NOTED WITH THE PURCHASE OF PIZZA OVENS, EQUIPMENT, AND SUPPLIES

Response and Corrective Action Plan Prepared by:
John Combs, Director of Schools

Person Responsible for Implementing the Corrective Action:
William Daugherty, Chief Financial Officer

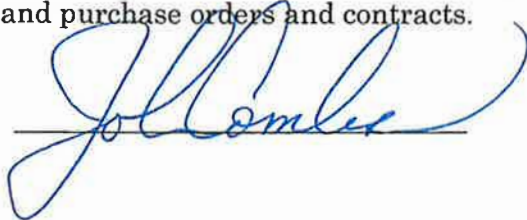
Anticipated Completion Date of Corrective Action:
Immediate

Repeat Finding:
No

Planned Corrective Action:

The District administration has required department level managers to review the existing policies which clearly outline the proper procedures for purchasing, bids and quotations, requisitions, and purchase orders and contracts.

Signature: _____



TIPTON COUNTY BOARD OF EDUCATION

Dr. John Combs, Superintendent
1580 Hwy. 51 South
Covington, TN 38019
901-476-7148 ~ Fax 901-476-4870

Corrective Action Plan

FINDING: PURCHASE ORDERS WERE NOT ALWAYS ISSUED PROPERLY

Response and Corrective Action Plan Prepared by:
John Combs, Director of Schools

Person Responsible for Implementing the Corrective Action:
William Daugherty, Chief Financial Officer

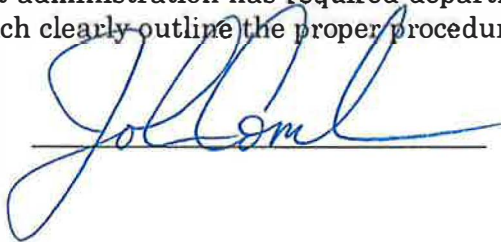
Anticipated Completion Date of Corrective Action:
Immediate

Repeat Finding:
No

Planned Corrective Action:

The District administration has required department level managers to review the existing policies which clearly outline the proper procedures for purchasing.

Signature: _____



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 Tipton County.

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

Tipton 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.