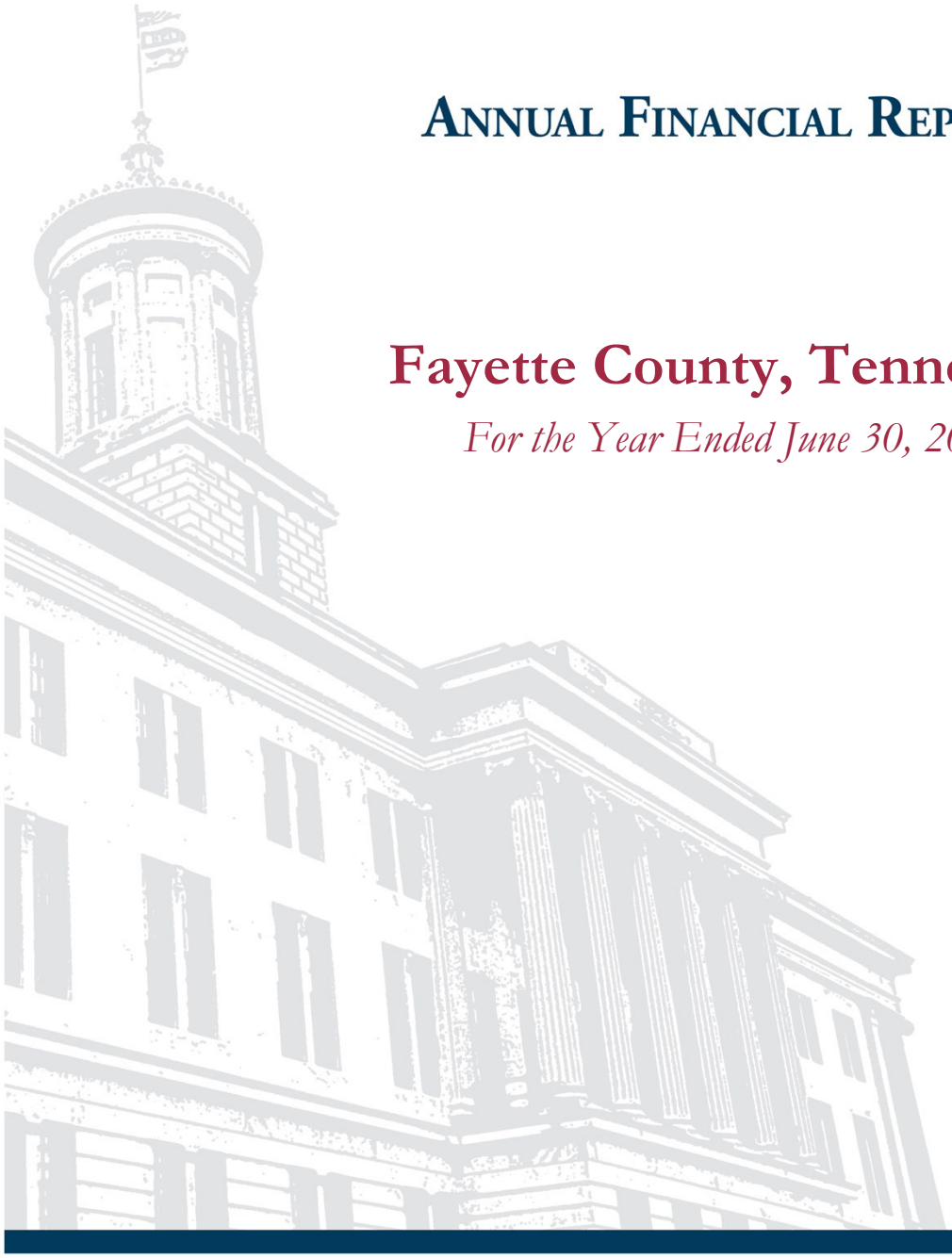
TENNESSEE COMPTROLLER OF THE TREASURY

ANNUAL FINANCIAL REPORT

Fayette County, Tennessee

For the Year Ended June 30, 2024



Jason E. Mumpower
Comptroller of the Treasury

DIVISION OF LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT

FAYETTE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2024

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.

FAYETTE COUNTY, TENNESSEE
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Summary of Audit Findings

Annual Financial Report
Fayette County, Tennessee
For the Year Ended June 30, 2024

Scope

We have audited the basic financial statements of Fayette County as of and for the year ended June 30, 2024.

Results

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

Our audit resulted in five findings and recommendations, which we have reviewed with Fayette County management. 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:

OFFICE OF COUNTY MAYOR

- The General Capital Projects Fund required material audit adjustments for proper financial statement presentation.
- Receipts were missing at the ambulance service.

OFFICE OF DIRECTOR OF SCHOOLS

- Funds were transferred from the General Purpose School Fund to the School Federal Projects Fund without county commission and board of education approval.
- Payroll liability accounts for TCRS withholdings were not reconciled with payroll reports and payments.
- The office had deficiencies in budget operations.

TENNESSEE COMPTROLLER OF THE TREASURY

Introductory Section

FAYETTE COUNTY OFFICIALS

June 30, 2024

Officials

Rhea Taylor, County Mayor
Wayne Dowdy, Public Works Superintendent
Dr. Versie Hamlett, Director of Schools
Charles McNab, Trustee
Mark Ward, Assessor of Property
Shana Burch, County Clerk
Edward Pulliam, Circuit, General Sessions, and Juvenile Courts Clerk
Amy Anderson, Clerk and Master
Eddie Pattat, Register of Deeds
Bobby Riles, Sheriff

Board of County Commissioners

Rhea Taylor, County Mayor, Chairman
Terrye Canady
David Crislip
Tim Goodroe
Steve Laskoski
Terry Leggett
Win Moore
Jim Norton
Claude Oglesby
Tommy Perkins
Mike Reeves
Steve Reeves
Matt Rhea
Elizabeth Rice
Betty Salmon
Ray Seals
Robert Sills
Larry Watkins
David Webb
Adrian Wiggins

Board of Education

Wendell Wainwright, Chairman
Heather Doyle
Wanda Keath
Jim Larkin
Melanie McGuire
Willie Odeneal
Warner Speakman
James Vlasaty
Myles Wilson

Board of Public Works

Hank Franck, Chairman
Bill McClure, Jr
Wesley Parks
James Rike
Ronnie Wilkins

Audit Committee

Claude Oglesby, Chairman
Willie German
Steve Reeves
Elizabeth Rice
Myles Wilson

FINANCIAL SECTION

Jason E. Mumpower
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fayette County, Tennessee, as of and for the year ended June 30, 2024, 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 Fayette County, Tennessee, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General 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 Fayette County School Department (a discretely presented component unit), which represent 0.8 percent, 0.8 percent, and 1.2 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 Fayette 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 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 Fayette 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.

Cordell Hull Building | 425 Rep. John Lewis Way N. | Nashville, Tennessee 37243

Change in Accounting Principle

As described in Note V.B., Fayette County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 clarifies financial and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

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 Fayette 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Fayette 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 the Fayette 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 Fayette County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Other Capital Projects ARPA Fund, combining and individual fund financial statements of the Fayette County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Other Capital Projects ARPA Fund, combining and individual fund financial statements of the Fayette 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 25, 2024, on our consideration of Fayette 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 Fayette 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 Fayette County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 25, 2024

JEM/gc

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Fayette County Government (the county), we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2024.

Accounting principles generally accepted in the Unites States of America for governmental entities are established by the Governmental Accounting Standards Board (GASB). The county follows all GASB standards as well as other authoritative literature known collectively within the accounting profession as "generally accepted accounting principles."

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the financial statements and required supplementary information. The MD&A represents management's examination of the county's financial condition and performance.

FINANCIAL HIGHLIGHTS

Management believes that the county's financial condition is strong. The county as a whole is within its budget and continues to implement procedures and controls to improve the accuracy and effectiveness of its financial reporting. The following are some key financial highlights:

- Total assets and deferred outflows of resources at year-end exceeded liabilities and deferred inflows of resources by $63,833,127 (i.e., net position).
- Total revenues of the governmental activities were $51,477,946, an increase of $14,221,325 from fiscal year 2023.
- Total expenses of the governmental activities were $38,670,968, an increase of $4,838,463 from fiscal year 2023.

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

The Annual Financial Report consists of three sections: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. These statements are organized so the reader can understand the county as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the county's finances in a manner similar to a private-sector business. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. Because these statements are designed to give a broad overview, they use highly summarized information.

The Statement of Net Position presents information on all of the county's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the county is improving or deteriorating.

The Statement of Activities presents information illustrating the changes in the county's net position during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this

statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, known as business-type activities. The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highways/public works; education; and interest on long-term debt. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

The government-wide financial statements not only include the county, known as the primary government, but also the legally separate Fayette County School Department for which the county is financially accountable. The Fayette County School Department is listed as a component unit and is reported separately from the financial information presented for the primary government itself. The county's discretely presented Fayette County Emergency Communications District was omitted from this report due to materiality calculations. This discussion and analysis is devoted to the county rather than the component units.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The county, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the county can be divided into two categories: governmental and fiduciary.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fayette County maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Capital Projects, and Other Capital Projects ARPA funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's programs.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

"Notes" is the traditional term applied to this information; however, the term is misleading in that the notes can vary in length from one paragraph to several pages. Please refer to the table of contents to locate these notes.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. This required information has been presented in the required supplementary information section of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Fayette County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $63,833,127 at the close of the most recent fiscal year for the governmental activities. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Fayette County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Fayette County Government. As of June 30, 2024, Fayette County had outstanding debt totaling $11,497,500 for capital purposes for the Fayette County Board of Education, but the capital assets are reported in the financial statements of the Fayette County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net position.

Fayette County Net Position	Governmental Activities	
	2024	2023
Assets:		
Current and Other Assets	$ 64,301,334	$ 61,456,104
Capital Assets	36,889,781	32,989,501
Total Assets	$ 101,191,115	$ 94,445,605
Deferred Outflows of Resources:		
Deferred Charge on Refunding	$ 35,625	$ 44,550
Pension Changes in Experience	1,322,798	777,117
Pension Changes in Investment Earnings	313,582	62,133
Pension Changes in Assumptions	723,192	1,451,082
Pension Contributions After Measurement Date	542,046	521,196
OPEB Changes in Assumptions	20,331	7,453
OPEB Contributions After Measurement Date	167	563
Total Deferred Outflows of Resources	$ 2,957,741	$ 2,864,094
Liabilities:		
Other Liabilities	$ 3,398,429	$ 9,222,389
Long-term Liabilities Outstanding	20,565,428	22,331,063
Total Liabilities	$ 23,963,857	$ 31,553,452
Deferred Inflows of Resources:		
Deferred Current Property Taxes	$ 16,210,817	$ 14,495,346
Pension Changes in Experience	80,288	161,099
OPEB Changes in Experience	27,782	32,597
OPEB Changes in Assumptions	32,985	41,056
Total Deferred Inflows of Resources	$ 16,351,872	$ 14,730,098
Net Position:		
Net Investment in Capital Assets	$ 29,497,449	$ 25,188,515
Restricted	10,314,040	13,242,751
Unrestricted	24,021,638	12,594,883
Total Net Position	$ 63,833,127	$ 51,026,149

By far the largest portion of the county's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Fayette County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Fayette County's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the county's net position ($10,314,040) represents resources that are subject to external restrictions on how they may be used.

Fayette County Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues:		
Program Revenues:		
Charges for Services	$ 8,755,205	$ 7,428,167
Operating Grants and Contributions	13,327,544	4,178,061
Capital Grants and Contributions	3,315,223	1,583,533
General Revenues:		
Property Taxes	15,128,862	14,626,095
Other Taxes	6,565,623	6,336,865
Grants and Contributions Not Restricted to Specific Programs	2,072,646	2,017,762
Unrestricted Investment Income	2,110,343	682,694
Miscellaneous	202,500	403,444
Total Revenues	$ 51,477,946	$ 37,256,621
Expenses:		
General Government	$ 4,131,612	$ 4,633,856
Finance	1,502,215	1,376,634
Administration of Justice	1,879,979	1,538,260
Public Safety	14,851,751	12,612,188
Public Health and Welfare	6,426,693	5,747,394
Social, Cultural, and Recreational Services	328,999	305,040
Agriculture and Natural Resources	214,434	212,234
Highway/Public Works	8,908,964	6,923,022
Interest on Long-term Debt	426,321	483,877
Total Expenses	$ 38,670,968	$ 33,832,505
Change in Net Position	$ 12,806,978	$ 3,424,116
Net Position, July 1	51,026,149	47,602,033
Net Position, June 30	$ 63,833,127	$ 51,026,149

Capital Assets and Debt Administration

Capital assets. The county's investment in capital assets for its governmental activities as of June 30, 2024, totaled $36,889,781 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, other capital assets (includes equipment), and infrastructure (roads, highway, and bridges). The total increase in Fayette County Government's investment in capital assets for the current fiscal year was $3,900,280 (net of accumulated depreciation).

Long-term debt. At the end of the current fiscal year, Fayette County had bonds payable of $17,860,000, of which $11,497,500 was for capital purposes for the Fayette County Board of Education, as previously mentioned. All debt is backed by full faith and credit of the county.

Fayette County's Outstanding Debt
As of June 30, 2024

	Governmental Activities
Bonds Payable through General Debt Service Fund	$ 17,860,000
Total Bonds Payable	$ 17,860,000
Total Long-term Debt	$ 17,860,000

ECONOMIC FACTORS

Unemployment: Fayette County vs. Tennessee vs. United States

The unemployment rates for June 2024 were 4.0, 3.0, and 4.1 percent, respectively, for Fayette County, Tennessee, and the United States. These numbers are similar, but slightly higher than the previous year. While the rates were 0.5% higher than the same month the year before, the growth of high paying jobs in Fayette County from investment from Ford's Blue Oval automotive plant project and its associated projects will look to keep the unemployment rate low for the near future.

Median Household Income

The residential growth of the county has been fueled by in-migration of citizens, many of which have jobs in neighboring Shelby County. The incomes they bring have allowed housing prices to rise and has established a good base for retail growth in the county. Fayette County's Median Household Income is $84,328, as compared to Tennessee's $64,380 and the United States' $74,580. This represented an increase of 19% year over year and an increase of 40% in the last five years.

Resident Growth

Fayette County's population has grown in the past few years. The 2020 census put the county's population at 41,990. The most recent U.S. Census estimate from 2023 is 44,175. This is an increase of 5.2 percent since the 2020 census and a 1.2 percent increase from the previous year.

An increasing population is beneficial to the financial status of the county as long as the increased revenues associated with increasing property values, increased sales tax revenue, and intergovernmental revenues, exceed the increased current demand for services. A steady increase in population is more conducive to allowing the service capacity of the county to grow as the demand for services increases without necessitating a significant increase in capacity from one year to the next. The current rate of growth is not so great as to cause an immediate need for additional revenue.

Memphis Regional Megasite/Blue Oval City

Ford Motor Company and SK Innovations announced on September 18, 2021, that they will construct an automotive plant (Blue Oval City) to build electric vehicles, starting in January 2025. The Megasite straddles the Fayette County/Haywood County line. The actual project will be in Haywood County's portion of the site. The site will employ 5,800 workers and cost $5.6 billion to build. Additional companies to support the plant will locate nearby, bringing additional jobs and investment. There will be another 15,000 to 20,000 jobs associated with the construction of the facility, with about 4,000 individuals on site at any one time.

Due to the lack of sewer/water infrastructure in the area, the existing towns and cities will see an increase in population and residential construction in the near term. Companies whose business model does not require proximity to the Megasite will be looking for towns and cities in the county where they can locate and expand,

bringing both jobs and investment. Two items that the county will have to address are housing for the construction workers and providing utilities in the areas affected by the Megasite.

The county has completed the process to establish a water authority, "Fayette County Water Authority". The authority is in the early stages of establishing its working structure, but it will have the ability to provide water and wastewater service anywhere in Fayette County. In addition, a regional water and wastewater authority to include Fayette, Tipton, and Haywood Counties is also being pursued. This authority will focus on providing capacity that can be provided to municipal entities and other authorities. These two authorities will coordinate activities to make the best use of existing services and to explore expanding services in areas not currently being served.

The arrival of Blue Oval City to the Megasite at Interstate 40's Exit 42 brings opportunities to the other exits in Fayette County along Interstate 40. Currently Exit 28 at Gallaway has utilities from Gallaway. The existing Exit 35 at Longtown (unincorporated) and the planned new exit at mile marker 39, which will open in 2027, will offer additional areas for growth.

A new Tennessee College of Applied Technology (TCAT) opened in July in Fayette County just south of Blue Oval City. This facility will specialize in manufacturing technology and management.

Gallaway' s Industrial Expansion

Helen of Troy, a consumer products distributor, announced in June 2021 that they would locate a two million square foot warehouse facility in Gallaway. The site employs 350 workers since its opening in Spring 2023. This project has brought utilities to Exit 29 at Interstate 40, which has opened hundreds of acres for additional development.

Buc-ee's LTD will construct a Buc-ee's Family Travel Center at the intersection of Interstate 40 and Tennessee State Highway 196. The facility is scheduled to have a groundbreaking in November 2024. There is estimated to be about 5 million visitors per year at the facility and will generate about $600,000 to $800,000 in additional sales tax per year. The project incorporates a Tax Incremental Financing (TIF) District that will allow neighboring parcels to develop as the traffic increases. The interstate off and on-ramps will be modified to account for the additional traffic. The project will also bring additional water, wastewater, gas and electrical capacity to the area. The facility should be operational in 2026.

Memphis Regional Intermodal Facility

The Memphis Regional Intermodal Facility in southern Rossville near the Mississippi state line is a railyard operated by Norfolk Southern Railroad and is the largest one in its system. This railyard transfers containers between rail and truck for delivery in the region and throughout the eastern United States. The yard opened in 2012. The operation employs only 150-200 workers but offers a service that is expected to create many jobs related to the distribution and logistics industries. Interest is high in the area from businesses, and several have already located across the state line in Mississippi.

North Mississippi Battery Plant

A state-of-the-art battery plant which will produce batteries for heavy duty trucks broke ground in July 2024. The plant, Amplify Cell Technologies, is located just south of the border of our border with Mississippi and just south of the Town of Rossville. It will invest about $2 billion and will hire about 2,000 workers with salaries in the $65,000 range. These jobs are within easy driving distance of most of Fayette County. The plant should be operational in 2027 and will hire incrementally until full production is attained in 2030. Also, the county will be in a good position to capture additional retail sales and housing sales from the new plant.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Fayette County's finances for all those with an interest in the county's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Fayette County Mayor's Office
Attn: Accounting & Budgeting
P.O. Box 218
13095 North Main Street
Somerville, TN 38068

BASIC FINANCIAL STATEMENTS SECTION

FAYETTE COUNTY, TENNESSEE
Statement of Net Position
June 30, 2024

	Primary Government Governmental Activities	Component Unit Fayette County School Department
ASSETS		
Cash	$ 107,864	$ 297,971
Equity in Pooled Cash and Investments	39,352,500	8,952,415
Accounts Receivable	9,311,540	16,130
Allowance for Uncollectibles	(4,615,688)	0
Due from Other Governments	2,738,767	2,995,938
Due from Primary Government	0	11,401
Property Taxes Receivable	16,660,782	3,222,970
Allowance for Uncollectible Property Taxes	(251,778)	(59,645)
Other Current Assets	0	7,852
Restricted Assets		
Amounts Accumulated for Pension Benefits	0	665,937
Net Pension Asset - Agent Plan	997,347	545,579
Net Pension Asset - Teacher Retirement Plan	0	161,180
Net Pension Asset - Teacher Legacy Pension Plan	0	2,774,843
Capital Assets:		
Assets Not Depreciated:		
Land	2,158,750	352,721
Construction in Progress	4,743,469	109,509
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	8,010,055	14,667,437
Infrastructure	13,761,341	0
Other Capital Assets	7,609,651	2,947,802
Right-to-Use Assets	606,515	0
Total Assets	$ 101,191,115	$ 37,670,040
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	$ 35,625	$ 0
Pension Changes in Experience	1,322,798	1,390,148
Pension Changes in Investment Earnings	313,582	693,966
Pension Changes in Assumptions	723,192	1,420,990
Pension Changes in Proportion	0	585,907
Pension Contributions After Measurement Date	542,046	973,922
OPEB Changes in Experience	0	115,265
OPEB Changes in Assumptions	20,331	493,774
OPEB Changes in Proportion	0	39,571
OPEB Contributions After Measurement Date	167	48,514
Total Deferred Outflows of Resources	$ 2,957,741	$ 5,762,057

(Continued)

FAYETTE COUNTY, TENNESSEE
Statement of Net Position (Cont.)

	Primary Government Governmental Activities	Component Unit Fayette County School Department
LIABILITIES		
Accounts Payable	$ 70,426	$ 60,420
Accrued Payroll	507,235	18,171
Payroll Deductions Payable	0	169,138
Contracts Payable	1,986,118	0
Retainage Payable	0	2,414
Due to Component Unit	11,401	0
Accrued Interest Payable	126,632	0
Deposits	696,617	0
Noncurrent Liabilities:		
Due Within One Year - SBITA	129,328	0
Due Within One Year - Debt	2,205,000	0
Due Within One Year - Other	498,947	121,306
Due in More Than One Year - SBITA	411,733	0
Due in More Than One Year - Debt	16,892,172	0
Due in More Than One Year - Other	428,248	1,823,681
Total Liabilities	$ 23,963,857	$ 2,195,130
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	$ 16,210,817	$ 3,106,649
Pension Changes in Experience	80,288	266,768
Pension Changes in Proportion	0	44,196
OPEB Changes in Experience	27,782	510,720
OPEB Changes in Assumptions	32,985	198,818
OPEB Changes in Proportion	0	162,475
Total Deferred Inflows of Resources	$ 16,351,872	$ 4,289,626
NET POSITION		
Net Investment in Capital Assets	$ 29,497,449	$ 18,077,469
Restricted for:		
General Government	695,102	0
Finance	127,206	0
Administration of Justice	808,778	0
Public Safety	731,687	0
Public Health and Welfare	106,176	0
Social, Cultural, and Recreational Services	154,386	0
Highway/Public Works	2,005,436	0
Education	313,216	407,800
Operation of Non-instructional Services	0	583,318
Capital Outlay	339,241	0
Debt Service	4,035,465	0
Pensions	997,347	3,481,602
Hybrid Retirement Stabilization Funds	0	665,937
Unrestricted	24,021,638	13,731,215
Total Net Position	$ 63,833,127	$ 36,947,341

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

Exhibit B

FAYETTE COUNTY, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: Fayette County School Department
Primary Government:						
Governmental Activities:						
General Government	$ 4,131,612	$ 2,170,142	$ 8,504,992	$ 885,076	$ 7,428,598	$ 0
Finance	1,502,215	1,372,606	0	0	(129,609)	0
Administration of Justice	1,879,979	773,634	0	94,339	(1,012,006)	0
Public Safety	14,851,751	553,926	872,437	0	(13,425,388)	0
Public Health and Welfare	6,426,693	3,857,493	313,804	0	(2,255,396)	0
Social, Cultural, and Recreational Services	328,999	27,404	43,682	0	(257,913)	0
Agriculture and Natural Resources	214,434	0	0	0	(214,434)	0
Highways/Public Works	8,908,964	0	3,134,402	2,335,808	(3,438,754)	0
Education	0	0	313,360	0	313,360	0
Interest on Long-term Debt	426,321	0	144,867	0	(281,454)	0
Total Primary Government	$ 38,670,968	$ 8,755,205	$ 13,327,544	$ 3,315,223	$ (13,272,996)	$ 0
Component Unit:						
Fayette County School Department	$ 43,818,684	$ 100,362	$ 10,369,321	$ 2,250,117	$ 0	$ (31,098,884)
Total Component Unit	$ 43,818,684	$ 100,362	$ 10,369,321	$ 2,250,117	$ 0	$ (31,098,884)

(Continued)

FAYETTE COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit Fayette County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					$ 15,128,837	$ 4,326,789
Property Taxes Levied for Debt Service					25	0
Local Option Sales Tax					1,447,834	7,676,366
Wheel Tax					3,279,680	0
Litigation Tax					195,925	0
Business Tax					566,200	0
Adequate Facilities/Development Tax					991,820	0
Wholesale Beer Tax					67,852	0
Other Local Taxes					16,312	18,717
Grants and Contributions Not Restricted to Specific Programs					2,072,646	17,582,359
Unrestricted Investment Income					2,110,343	0
Miscellaneous					202,500	712,380
Total General Revenues					$ 26,079,974	$ 30,316,611
Change in Net Position					$ 12,806,978	$ (782,273)
Net Position, July 1, 2023					51,026,149	37,729,614
Net Position, June 30, 2024					$ 63,833,127	$ 36,947,341

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

FAYETTE COUNTY, TENNESSEE
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS					
Cash	$ 0	$ 0	$ 0	$ 107,864	$ 107,864
Equity in Pooled Cash and Investments	16,273,727	5,430,530	9,073,277	8,527,434	39,304,968
Accounts Receivable	9,199,768	1,171	0	110,601	9,311,540
Allowance for Uncollectibles	(4,615,688)	0	0	0	(4,615,688)
Due from Other Governments	217,271	2,495,789	1,672	24,035	2,738,767
Due from Other Funds	109,474	3,013	47,532	0	160,019
Property Taxes Receivable	15,492,236	1,168,546	0	0	16,660,782
Allowance for Uncollectible Property Taxes	(233,476)	(18,302)	0	0	(251,778)
Total Assets	$ 36,443,312	$ 9,080,747	$ 9,122,481	$ 8,769,934	$ 63,416,474
LIABILITIES					
Accounts Payable	$ 21,878	$ 0	$ 19,344	$ 29,204	$ 70,426
Accrued Payroll	490,744	0	0	16,491	507,235
Contracts Payable	0	1,986,118	0	0	1,986,118
Due to Other Funds	3,013	0	0	109,474	112,487
Due to Component Units	11,401	0	0	0	11,401
Deposits	696,617	0	0	0	696,617
Total Liabilities	$ 1,223,653	$ 1,986,118	$ 19,344	$ 155,169	$ 3,384,284
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 15,075,551	$ 1,135,266	$ 0	$ 0	$ 16,210,817
Deferred Delinquent Property Taxes	156,159	12,767	0	0	168,926
Other Deferred/Unavailable Revenue	3,699,648	275,580	0	5,860	3,981,088
Total Deferred Inflows of Resources	$ 18,931,358	$ 1,423,613	$ 0	$ 5,860	$ 20,360,831

(Continued)

Exhibit C-1

FAYETTE COUNTY, TENNESSEE
Balance Sheet
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES					
Restricted:					
Restricted for General Government	$ 285,265	$ 0	$ 0	$ 409,837	$ 695,102
Restricted for Finance	127,206	0	0	0	127,206
Restricted for Administration of Justice	808,778	0	0	0	808,778
Restricted for Public Safety	288,283	0	0	443,404	731,687
Restricted for Public Health and Welfare	100,316	0	0	0	100,316
Restricted for Social, Cultural, and Recreational Services	154,386	0	0	0	154,386
Restricted for Highways/Public Works	0	1,460,325	0	365,640	1,825,965
Restricted for Education	0	0	0	313,216	313,216
Restricted for Capital Outlay	246,220	0	0	93,021	339,241
Restricted for Debt Service	0	0	0	4,126,472	4,126,472
Committed:					
Committed for General Government	1,226,062	0	0	0	1,226,062
Committed for Public Safety	56,324	0	0	0	56,324
Committed for Public Health and Welfare	0	0	0	2,322,310	2,322,310
Committed for Social, Cultural, and Recreational Services	84,603	0	0	0	84,603
Committed for Other Operations	4,800	0	0	0	4,800
Committed for Highways/Public Works	0	4,210,691	0	0	4,210,691
Committed for Capital Outlay	0	0	9,103,137	80,079	9,183,216
Committed for Debt Service	0	0	0	454,926	454,926
Assigned:					
Assigned for General Government	20,671	0	0	0	20,671
Assigned for Finance	1,763	0	0	0	1,763
Assigned for Administration of Justice	6,334	0	0	0	6,334
Assigned for Public Safety	159,584	0	0	0	159,584
Assigned for Public Health and Welfare	112,562	0	0	0	112,562

(Continued)

FAYETTE COUNTY, TENNESSEE
Balance Sheet
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES (Cont.)					
Assigned (Cont.):					
Assigned for Agriculture and Natural Resources	$ 46,079	$ 0	$ 0	$ 0	$ 46,079
Assigned for Other Operations	17,857	0	0	0	17,857
Unassigned	12,541,208	0	0	0	12,541,208
Total Fund Balances	$ 16,288,301	$ 5,671,016	$ 9,103,137	$ 8,608,905	$ 39,671,359
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 36,443,312	$ 9,080,747	$ 9,122,481	$ 8,769,934	$ 63,416,474

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

Exhibit C-2

FAYETTE COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

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)			$ 39,671,359
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	2,158,750	
Add: construction in progress		4,743,469	
Add: buildings and improvements net of accumulated depreciation		8,010,055	
Add: infrastructure net of accumulated depreciation		13,761,341	
Add: other capital assets net of accumulated depreciation		7,609,651	
Add: right-to-use assets net of accumulated amortization		606,515	
			36,889,781
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	$	(17,860,000)	
Less: SBITA obligation		(541,061)	
Add: deferred amount on refunding		35,625	
Less: unamortized premium on debt		(1,237,172)	
Less: compensated absences payable		(665,608)	
Less: landfill postclosure care costs		(200,899)	
Less: net OPEB liability		(60,688)	
Less: accrued interest payable		(126,632)	(20,656,435)
(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	$	2,901,618	
Less: deferred inflows of resources related to pensions		(80,288)	
Add: deferred outflows of resources related to OPEB		20,498	
Less: deferred inflows of resources related to OPEB		(60,767)	2,781,061
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			997,347
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			4,150,014
Net position of governmental activities (Exhibit A)			$ 63,833,127

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

Exhibit C-3

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Capital Projects	Other Capital Projects - ARPA	Other Govern-mental Funds	Total Governmental Funds
Revenues						
Local Taxes	$ 16,831,784	$ 2,037,626	$ 0	$ 0	$ 3,320,657	$ 22,190,067
Licenses and Permits	1,008,779	0	0	0	174,469	1,183,248
Fines, Forfeitures, and Penalties	270,327	0	0	0	63,044	333,371
Charges for Current Services	2,436,111	0	0	0	937,466	3,373,577
Other Local Revenues	2,746,049	71,547	0	0	360,181	3,177,777
Fees Received From County Officials	2,101,943	0	0	0	0	2,101,943
State of Tennessee	2,902,880	5,432,090	297,656	0	0	8,632,626
Federal Government	706,708	0	421,135	7,989,604	32,396	9,149,843
Other Governments and Citizens Groups	366,319	0	0	0	313,360	679,679
Total Revenues	$ 29,370,900	$ 7,541,263	$ 718,791	$ 7,989,604	$ 5,201,573	$ 50,822,131
Expenditures						
Current:						
General Government	$ 1,986,417	$ 0	$ 2,708,760	$ 0	$ 0	$ 4,695,177
Finance	1,272,251	0	0	0	0	1,272,251
Administration of Justice	1,449,134	0	0	0	6,630	1,455,764
Public Safety	12,199,938	0	638,377	0	235,836	13,074,151
Public Health and Welfare	4,261,199	0	81,052	0	1,657,157	5,999,408
Social, Cultural, and Recreational Services	284,695	0	0	0	0	284,695
Agriculture and Natural Resources	191,122	0	0	0	0	191,122
Other Operations	3,284,552	0	1,033,859	0	503,704	4,822,115
Highways	0	7,767,581	0	0	0	7,767,581
Debt Service:						
Principal on Debt	0	0	0	0	2,220,000	2,220,000
Interest on Debt	0	0	0	0	436,146	436,146
Other Debt Service	0	0	0	0	27,419	27,419

(Continued)

Exhibit C-3

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds (Cont.)

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Capital Projects	Other Capital Projects -	Other Govern-mental Funds	Total Governmental Funds
Expenditures (Cont.)						
Capital Projects	$ 0	$ 0	$ 8,911	$ 0	$ 1,308,017	$ 1,316,928
Total Expenditures	$ 24,929,308	$ 7,767,581	$ 4,470,959	$ 0	$ 6,394,909	$ 43,562,757
Excess (Deficiency) of Revenues Over Expenditures	$ 4,441,592	$ (226,318)	$ (3,752,168)	$ 7,989,604	$ (1,193,336)	$ 7,259,374
Other Financing Sources (Uses)						
Insurance Recovery	$ 85,531	$ 0	$ 0	$ 0	$ 2,484	$ 88,015
Transfers In	0	280,000	680,000	0	1,462,836	2,422,836
Transfers Out	(1,472,836)	0	0	0	(950,000)	(2,422,836)
Total Other Financing Sources (Uses)	$ (1,387,305)	$ 280,000	$ 680,000	$ 0	$ 515,320	$ 88,015
Net Change in Fund Balances	$ 3,054,287	$ 53,682	$ (3,072,168)	$ 7,989,604	$ (678,016)	$ 7,347,389
Fund Balance, July 1, 2023	13,234,014	5,617,334	12,175,305	(7,989,604)	9,286,921	32,323,970
Fund Balance, June 30, 2024	$ 16,288,301	$ 5,671,016	$ 9,103,137	$ 0	$ 8,608,905	$ 39,671,359

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

Exhibit C-4

FAYETTE 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, 2024

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)		$ 7,347,389
(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/amortization expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	$ 8,101,645	
Less: current-year depreciation and amortization expense	(4,154,401)	3,947,244
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: proceeds received on the disposal of capital assets		(46,964)
(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, 2024	$ 4,150,014	
Less: deferred delinquent property taxes and other deferred June 30, 2023	(3,592,102)	557,912
(4) The issuance of long-term debt (e.g., bonds, SBITAs) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: change in premium on debt issued	$ 144,867	
Less: SBITA obligation issued	(686,621)	
Add: principal payments on notes and bonds	2,220,000	
Add: principal payments on SBITA obligation	145,560	
Less: change in deferred amount on refunding debt	(8,925)	1,814,881
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	$ 18,750	
Change in compensated absences payable	(81,966)	
Change in landfill postclosure care costs	41,031	
Change in net OPEB liability	(17,236)	
Change in deferred outflows related to OPEB	12,482	
Change in deferred inflows related to OPEB	12,886	
Change in net pension asset	(970,332)	
Change in deferred outflows related to pensions	90,090	
Change in deferred inflows related to pensions	80,811	(813,484)
Change in net position of governmental activities (Exhibit B)		$ 12,806,978

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

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 16,831,784	$ 0	$ 0	$ 16,831,784	$ 16,292,661	$ 16,292,661	$ 539,123
Licenses and Permits	1,008,779	0	0	1,008,779	247,000	247,000	761,779
Fines, Forfeitures, and Penalties	270,327	0	0	270,327	210,700	220,037	50,290
Charges for Current Services	2,436,111	0	0	2,436,111	2,618,064	2,620,652	(184,541)
Other Local Revenues	2,746,049	0	0	2,746,049	1,077,500	1,147,753	1,598,296
Fees Received From County Officials	2,101,943	0	0	2,101,943	2,106,000	2,106,000	(4,057)
State of Tennessee	2,902,880	0	0	2,902,880	1,889,664	2,972,156	(69,276)
Federal Government	706,708	0	0	706,708	81,713	465,445	241,263
Other Governments and Citizens Groups	366,319	0	0	366,319	230,000	253,750	112,569
Total Revenues	$ 29,370,900	$ 0	$ 0	$ 29,370,900	$ 24,753,302	$ 26,325,454	$ 3,045,446
Expenditures							
General Government							
County Commission	$ 78,474	$ (736)	$ 0	$ 77,738	$ 108,542	$ 108,042	$ 30,304
Beer Board	0	0	0	0	1,032	1,032	1,032
County Mayor/Executive	117,370	0	0	117,370	252,799	255,845	138,475
Personnel Office	63,114	0	0	63,114	111,331	113,639	50,525
County Attorney	85,417	0	0	85,417	86,044	89,775	4,358
Election Commission	675,931	0	1,293	677,224	402,138	752,774	75,550
Register of Deeds	237,551	0	0	237,551	245,855	254,106	16,555
Development	271,468	0	410	271,878	268,383	288,131	16,253
Building	123,544	0	224	123,768	155,386	147,846	24,078
County Buildings	247,025	0	15,400	262,425	301,824	289,618	27,193
Other Facilities	2,822	0	0	2,822	6,800	6,800	3,978
Other General Administration	73,060	0	2,000	75,060	79,072	79,072	4,012
Preservation of Records	10,641	0	1,344	11,985	10,000	15,000	3,015
Finance							
Accounting and Budgeting	160,001	0	1,658	161,659	185,394	189,890	28,231
Property Assessor's Office	369,003	0	105	369,108	395,976	410,832	41,724
Reappraisal Program	33,755	0	0	33,755	44,000	40,500	6,745

(Continued)

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Finance (Cont.)							
County Trustee's Office	$ 302,276	$ 0	$ 0	$ 302,276	$ 301,693	$ 320,139	$ 17,863
County Clerk's Office	407,216	(4,940)	0	402,276	429,324	448,478	46,202
Administration of Justice							
Circuit Court	222,673	0	2,020	224,693	233,107	241,286	16,593
General Sessions Court	208,077	0	2,489	210,566	212,455	219,886	9,320
General Sessions Judge	262,263	0	0	262,263	266,449	276,354	14,091
General Sessions Court Clerk	95,114	0	735	95,849	127,200	131,573	35,724
Drug Court	335,144	(10,244)	0	324,900	100,000	487,232	162,332
Chancery Court	256,258	0	1,091	257,349	279,834	288,850	31,501
Juvenile Court	59,315	0	0	59,315	63,682	65,795	6,480
Victim Assistance Programs	10,290	0	0	10,290	0	10,290	0
Public Safety							
Sheriff's Department	5,082,698	(8,444)	23,498	5,097,752	4,745,298	5,621,346	523,594
Drug Enforcement	526,741	(3,064)	1,559	525,236	724,922	693,164	167,928
Jail	4,686,908	(52,206)	43,908	4,678,610	5,471,079	5,301,093	622,483
Fire Prevention and Control	1,389,412	(195,381)	87,883	1,281,914	1,219,648	1,358,631	76,717
Civil Defense	305,057	(2,824)	430	302,663	311,740	325,970	23,307
Rescue Squad	1,688	0	301	1,989	10,000	10,000	8,011
Other Emergency Management	8,595	(83)	1,252	9,764	10,000	10,000	236
Inspection and Regulation	0	0	0	0	25,000	25,000	25,000
County Coroner/Medical Examiner	37,620	0	0	37,620	58,800	58,800	21,180
Other Public Safety	161,219	(2,609)	752	159,362	232,908	236,748	77,386
Public Health and Welfare							
Local Health Center	58,575	0	25,032	83,607	61,274	86,245	2,638
Rabies and Animal Control	100,496	(23)	1,115	101,588	111,620	114,840	13,252
Ambulance/Emergency Medical Services	3,845,702	(290,829)	86,416	3,641,289	3,692,298	3,842,986	201,697
Dental Health Program	65,651	0	0	65,651	64,100	75,807	10,156
Alcohol and Drug Programs	53,537	0	0	53,537	7,200	93,273	39,736
Crippled Children Services	2,216	0	0	2,216	2,216	2,216	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Public Health and Welfare (Cont.)							
Appropriation to State	$ 0	$ 0	$ 0	$ 0	$ 24,971	$ 0	$ 0
Aid to Dependent Children	0	0	0	0	2,750	2,750	2,750
Sanitation Education/Information	135,022	(5)	0	135,017	119,780	147,629	12,612
Social, Cultural, and Recreational Services							
Libraries	284,695	(1,310)	0	283,385	302,402	304,161	20,776
Agriculture and Natural Resources							
Agricultural Extension Service	103,200	(26,399)	46,079	122,880	142,993	142,993	20,113
Soil Conservation	87,922	0	0	87,922	107,388	109,014	21,092
Other Operations							
Industrial Development	900	0	0	900	1,730	2,230	1,330
Airport	780,135	(218)	356	780,273	716,738	797,116	16,843
Veterans' Services	32,998	0	0	32,998	37,379	37,379	4,381
Other Charges	634,622	0	0	634,622	566,237	635,320	698
Contributions to Other Agencies	40,924	0	17,500	58,424	58,424	58,424	0
Employee Benefits	1,756,049	0	0	1,756,049	2,103,234	1,846,661	90,612
COVID-19 Grant #2	18,558	(11,695)	0	6,863	0	6,863	0
Miscellaneous	20,366	0	0	20,366	43,000	63,000	42,634
Total Expenditures	$ 24,929,308	$ (611,010)	$ 364,850	$ 24,683,148	$ 25,643,449	$ 27,542,444	$ 2,859,296
Excess (Deficiency) of Revenues Over Expenditures	$ 4,441,592	$ 611,010	$ (364,850)	$ 4,687,752	$ (890,147)	$ (1,216,990)	$ 5,904,742
Other Financing Sources (Uses)							
Insurance Recovery	$ 85,531	$ 0	$ 0	$ 85,531	$ 0	$ 74,732	$ 10,799
Transfers Out	(1,472,836)	0	0	(1,472,836)	0	(1,472,836)	0
Total Other Financing Sources	$ (1,387,305)	$ 0	$ 0	$ (1,387,305)	$ 0	$ (1,398,104)	$ 10,799

(Continued)

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Net Change in Fund Balance	$ 3,054,287	$ 611,010	$ (364,850)	$ 3,300,447	$ (890,147)	$ (2,615,094)	$ 5,915,541
Fund Balance, July 1, 2023	13,234,014	(611,010)	0	12,623,004	12,225,578	12,225,578	397,426
Fund Balance, June 30, 2024	$ 16,288,301	$ 0	$ (364,850)	$ 15,923,451	$ 11,335,431	$ 9,610,484	$ 6,312,967

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

Exhibit C-6

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 2,037,626	$ 2,297,168	$ 2,017,168	$ 20,458
Other Local Revenues	71,547	51,500	51,500	20,047
State of Tennessee	5,432,090	5,075,000	8,375,000	(2,942,910)
Federal Government	0	241,656	241,656	(241,656)
Total Revenues	$ 7,541,263	$ 7,665,324	$ 10,685,324	$ (3,144,061)
Expenditures				
Highways				
Administration	$ 266,533	$ 292,440	$ 292,440	$ 25,907
Highway and Bridge Maintenance	2,169,424	2,613,400	2,589,050	419,626
Operation and Maintenance of Equipment	638,230	704,000	744,000	105,770
Other Charges	238,149	233,700	258,050	19,901
Employee Benefits	705,007	862,500	862,500	157,493
Capital Outlay	3,750,238	3,825,000	7,085,000	3,334,762
Total Expenditures	$ 7,767,581	$ 8,531,040	$ 11,831,040	$ 4,063,459
Excess (Deficiency) of Revenues Over Expenditures	$ (226,318)	$ (865,716)	$ (1,145,716)	$ 919,398
Other Financing Sources (Uses)				
Transfers In	$ 280,000	$ 0	$ 280,000	$ 0
Total Other Financing Sources	$ 280,000	$ 0	$ 280,000	$ 0
Net Change in Fund Balance	$ 53,682	$ (865,716)	$ (865,716)	$ 919,398
Fund Balance, July 1, 2023	5,617,334	4,857,769	4,857,769	759,565
Fund Balance, June 30, 2024	$ 5,671,016	$ 3,992,053	$ 3,992,053	$ 1,678,963

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

Exhibit D-1

FAYETTE COUNTY, TENNESSEE
Statement of Net Position
Fiduciary Funds
June 30, 2024

	Custodial Funds
ASSETS	
Cash	$ 5,445,593
Equity in Pooled Cash and Investments	44,207
Accounts Receivable	31,605
Due from Other Governments	1,027,537
Total Assets	$ 6,548,942
LIABILITIES	
Due to Other Taxing Units	$ 1,027,537
Total Liabilities	$ 1,027,537
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	$ 5,521,405
Total Net Position	$ 5,521,405

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

Exhibit D-2

FAYETTE COUNTY, TENNESSEE
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	$ 6,221,352
Fines/Fees and Other Collections	17,059,132
Drug Task Force Collections	1,416
Total Additions	$ 23,281,900
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	$ 6,221,352
Payments to State	5,809,622
Payments to Cities, Individuals, and Others	10,058,483
Drug Task Force Expenses	1
Total Deductions	$ 22,089,458
Net Increase (Decrease) in Fiduciary in Net Position	$ 1,192,442
Net Position, July 1, 2023	4,328,963
Net Position, June 30, 2024	$ 5,521,405

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

FAYETTE COUNTY, TENNESSEE
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fayette 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 Fayette County:

A. Reporting Entity

Fayette County is a public municipal corporation governed by an elected 19-member board. As required by GAAP, these financial statements present Fayette County (the primary government) and its component units. The financial statements of the Fayette County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the 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 Fayette County School Department operates the public school system in the county, and the voters of Fayette 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 Fayette County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Fayette County, and the Fayette 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 Fayette County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Fayette County Emergency Communications District
P.O. Box 159
Somerville, TN 38068

Related Organization – The Fayette County Industrial Development Board is a related organization of Fayette County. The county mayor nominates, and the Fayette County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component 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 Fayette 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 Fayette 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.

Fayette County issues all debt for the discretely presented Fayette County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2024.

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 Fayette County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/net position, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Fayette County has no proprietary funds to report.

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

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

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

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

Fayette 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.

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

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

Other Capital Projects ARPA Fund – This fund is used to account for proceeds received from the American Rescue Plan Act.

Additionally, Fayette County reports the following fund types:

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

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

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY23) 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 Fayette 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. Fayette 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. Fayette County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to .8 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.

Retainage payable in the discretely presented school department's General Purpose School Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the nonmajor governmental funds.

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 Fayette 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 Fayette County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Fayette 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 (SBITA) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $5,000 or more and an estimated useful life of more than 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 SBITA term or useful life.

Assets	Years
Land Improvements	10
Buildings and Improvements	25
Other Capital Assets	5 - 10
Infrastructure:	
Roads	10 - 20
Bridges	15 - 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 a deferred charge on refunding, 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. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

Fayette County permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Fayette County does 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. 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.

There is no liability for unpaid accumulated vacation or sick leave since the school department does not have a policy to pay any amounts when employees separate from service with the government.

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

In the government-wide financial statements, long-term debt, SBITA 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.

SBITA obligations are recognized in the government-wide financial statements. At the commencement of a SBITA, 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 subscription payments

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable and SBITA 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.

The government-wide Statement of Net Position reports $10,314,040 of restricted net position for the primary government, of which $1,269,189 is restricted by enabling legislation.

As of June 30, 2024, Fayette County had $11,497,500 in outstanding debt for capital purposes for the discretely presented Fayette County School Department. This debt is a liability of Fayette County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Fayette County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and 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 Fayette County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Fayette 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 Fayette 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 Fayette County. For this purpose, Fayette County recognizes benefit payments when due and payable in accordance with benefit terms. Fayette County's OPEB plan is not administered through a trust.

Discretely Presented Fayette 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 Fayette 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 Fayette County School Department

Exhibit I-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 Fayette County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

On June 30, 2024, Fayette County and the Fayette County School Department reported the following encumbrances:

Funds		Amount
Primary Government:		
Major Fund:		
General	$	364,850
Nonmajor Funds:		
Solid Waste/Sanitation		16,914
Drug Control		4,575
Community Development/Industrial Park		309,792
School Department:		
Major Funds:		
General Purpose School		295,435
School Federal Projects		36,247

B. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the following major appropriation categories (the legal level of control) of the General Purpose School Fund:

Major Appropriation Category		Amount
Instruction - Regular Instruction Program	$	1,521,718
Support Services - Technology		33,732
Support Services - Office of the Principal		14,550
Support Services - Operation of Plant		41,118
Operation of Non-Instructional Services - Food Service		4,533

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more

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

Investments

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

Investment Balances. As of June 30, 2024, Fayette County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Fayette County and the discretely presented Fayette County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)		Amortized Cost
State Treasurer's Investment Pool	1 to 48 days	$	17,162,704

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Fayette County has no investment policy that would further limit its investment choices. As of June 30, 2024, Fayette County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html.

TCRS Stabilization Trust

Legal Provisions. The Fayette 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 Fayette 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, 2024, the Fayette 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	$	206,441
Developed Market International Equity	N/A	N/A		93,232
Emerging Market International Equity	N/A	N/A		26,637
U.S. Fixed Income	N/A	N/A		133,187
Real Estate	N/A	N/A		66,594
Short-term Securities	N/A	N/A		6,659
NAV - Private Equity and Strategic Lending	N/A	N/A		133,187
Total			$	665,937

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://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

B. Capital Assets

Capital assets activity for the year ended June 30, 2024, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	$ 2,158,750	$ 0	$ 0	$ 2,158,750
Construction in Progress	703,459	4,700,950	(660,940)	4,743,469
Total Capital Assets Not Depreciated	$ 2,862,209	$ 4,700,950	$ (660,940)	$ 6,902,219
Capital Assets Depreciated:				
Buildings and Improvements	$ 23,153,799	$ 689,930	$ 0	$ 23,843,729
Infrastructure	126,214,858	1,298,547	0	127,513,405
Other Capital Assets	21,148,157	1,386,537	(523,678)	22,011,016
Total Capital Assets Depreciated	$ 170,516,814	$ 3,375,014	$ (523,678)	$ 173,368,150
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 15,055,243	$ 778,431	$ 0	$ 15,833,674
Infrastructure	112,054,386	1,697,678	0	113,752,064
Other Capital Assets	13,279,893	1,598,186	(476,714)	14,401,365
Total Accumulated Depreciation	$ 140,389,522	$ 4,074,295	$ (476,714)	$ 143,987,103
Total Capital Assets Depreciated, Net	$ 30,127,292	$ (699,281)	$ (46,964)	$ 29,381,047
Intangible Right-to-Use Assets:				
SBITA	$ 0	$ 686,621	$ 0	$ 686,621
Less Accumulated Amortization - SBITA	0	(80,106)	0	(80,106)
Net Intangible Right-to-Use Assets	$ 0	$ 606,515	$ 0	$ 606,515
Governmental Activities Capital Assets, Net	$ 32,989,501	$ 4,608,184	$ (707,904)	$ 36,889,781

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

Governmental Activities:

General Government	$	195,064
Finance		1,616
Administration of Justice		151,726
Public Safety		1,398,815
Public Health and Welfare		362,838
Highway/Public Works		2,044,342
Total Depreciation and Amortization Expense - Governmental Activities	$	4,154,401

Net Investment in Capital Assets

Capital Assets	$	36,889,781
Less:		
Outstanding principal of capital debt and other capital borrowings		(6,362,500)
Outstanding principal of SBITA obligations		(541,061)
Unamortized balance of original issue premiums on outstanding capital-related debt		(488,771)
Net Investment in Capital Assets	$	29,497,449

Discretely Presented Fayette County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	$ 349,377	$ 3,344	$ 0	$ 352,721
Construction In Progress	448,476	109,509	(448,476)	109,509
Total Capital Assets Not Depreciated	$ 797,853	$ 112,853	$ (448,476)	$ 462,230
Capital Assets Depreciated:				
Buildings and Improvements	$ 52,310,930	$ 1,162,303	$ 0	$ 53,473,233
Infrastructure	394,280	0	0	394,280
Other Capital Assets	8,125,590	926,027	(867,634)	8,183,983
Total Capital Assets Depreciated	$ 60,830,800	$ 2,088,330	$ (867,634)	$ 62,051,496
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 37,398,784	$ 1,407,012	$ 0	$ 38,805,796
Infrastructure	394,280	0	0	394,280
Other Capital Assets	5,575,719	519,404	(858,942)	5,236,181
Total Accumulated Depreciation	$ 43,368,783	$ 1,926,416	$ (858,942)	$ 44,436,257
Total Capital Assets Depreciated, Net	$ 17,462,017	$ 161,914	$ (8,692)	$ 17,615,239
Governmental Activities Capital Assets, Net	$ 18,259,870	$ 274,767	$ (457,168)	$ 18,077,469

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

Governmental Activities:

Instruction	$ 938,943
Support Services	824,199
Operation of Non-instructional Services	163,274
Total Depreciation Expense - Governmental Activities	$ 1,926,416

C. *Construction Commitments*

On June 30, 2024, the General Capital Projects and the Community Development/Industrial Park funds had uncompleted construction contracts of approximately $1,688,517 and $296,295, respectively, for courthouse and animal shelter renovations, respectively. Funding has been received for these future expenditures.

D. *Interfund Receivables, Payables, and Transfers*

The composition of interfund balances as of June 30, 2024, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	$ 109,474
Highway/Public Works	General	3,013
General Capital Projects	"	47,532
Discretely Presented School Department:		
General Purpose School	School Federal Projects	40,799
School Federal Projects	General Purpose School	739

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 Capital Projects Fund totaling $47,532 was in transit from the General Fund on June 30, 2024. Also, the receivable in the General Purpose School Fund totaling $34,424 was in transit from the School Federal Projects Fund on June 30, 2024.

Due to/from Primary Government and Component Units:

Receivable Fund	Payable Fund	Amount
Component Unit		
School Department	Primary Government	
General Purpose School	General	$ 11,401

The receivable from the General Fund represents a correction in prorations for Payments In-Lieu-of Taxes.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2024, consisted of the following amounts:

Primary Government

	Transfers In			
Transfers Out	Highway/ Public Works Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Purpose
General Fund	$ 0	$ 0	$ 46,900	Debt retirement
"	0	10,000	1,415,936	Capital outlay
Nonmajor governmental fund	0	670,000	0	"
"	280,000	0	0	Road paving
Total	$ 280,000	$ 680,000	$ 1,462,836	

Discretely Presented Fayette County School Department

	Transfers In	
Transfers Out	General Purpose School Fund	Purpose
School Federal Projects Fund	$ 246,606	Indirect costs
Nonmajor governmental fund	165,500	"
Total	$ 412,106	

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

E. SBITA Obligation

Software/Cloud Storage Subscription

On December 11, 2023, Fayette County entered into a 48-month agreement as lessee for the use of Motorola body and vehicle camera system software and offsite data storage. An initial subscription liability was recorded in the amount of $686,621 during the current fiscal year. Fayette County is required to make annual principal and interest payments of $145,560. For purposes of discounting future payments on the SBITA, the county has used its incremental borrowing interest rate of three percent to determine an appropriate discount rate. As of June

30, 2024, the value of the SBITA liability was $541,061. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.B.

The future subscription payments on these obligations include:

Year Ending June 30	Software and Cloud Storage SBITA		
	Principal	Interest	Total
2025	$ 129,328	$ 16,232	$ 145,560
2026	133,208	12,352	145,560
2027	137,204	8,356	145,560
2028	141,321	4,239	145,560
Total	$ 541,061	$ 41,179	$ 582,240

Changes in SBITA Obligations

SBITA obligation activity for the year ended June 30, 2024, was as follows:

Governmental Activities:

	SBITA
Balance, July 1, 2023	$ 0
Additions	686,621
Reductions	(145,560)
Balance, June 30, 2024	$ 541,061
Balance Due Within One Year	$ 129,328

Analysis of Noncurrent Liabilities for SBITA Presented on Exhibit A:

Total Noncurrent Liabilities - SBITA, June 30, 2024	$ 541,061
Less: Balance Due Within One Year - SBITA	(129,328)
Noncurrent Liabilities - Due in More Than One Year - SBITA - Exhibit A	$ 411,733

SBITA payments will be paid through the General Fund.

F. Long-term Debt

Primary Government

General Obligation Bonds

General Obligation Bonds - Fayette County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 15 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

General obligation bonds outstanding as of June 30, 2024, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds - Refunding	1 to 3%	3-1-36	$24,510,000	$17,860,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2024, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	$ 2,205,000	$ 379,895	$ 2,584,895
2026	2,205,000	324,095	2,529,095
2027	2,195,000	268,295	2,463,295
2028	2,185,000	212,795	2,397,795
2029	2,185,000	157,595	2,342,595
2030-2034	5,255,000	345,413	5,600,413
2035-2036	1,630,000	39,912	1,669,912
Total	$ 17,860,000	$ 1,728,000	$ 19,588,000

There is $4,581,398 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled $425, based on the 2020 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled $455, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below.

Description of Debt	Outstanding 6-30-24
Bonds Payable	
Contributions from the General Purpose School Fund	
General Obligation Refunding, Series 2021B	$ 5,795,000

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Bonds
Balance, July 1, 2023	$ 20,080,000
Reductions	(2,220,000)
Balance, June 30, 2024	$ 17,860,000
Balance Due Within One Year	$ 2,205,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities for Debt, June 30, 2024	$ 17,860,000
Less: Balance Due Within One Year - Debt	(2,205,000)
Add: Unamortized Premium on Debt	1,237,172
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	$ 16,892,172

G. *Long-term Obligations*

Primary Government

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Compensated Absences	Landfill Postclosure Care Costs	Net OPEB Liability
Balance, July 1, 2023	$ 583,642	$ 241,930	$ 43,452
Additions	548,249	0	24,207
Reductions	(466,283)	(41,031)	(6,971)
Balance, June 30, 2024	$ 665,608	$ 200,899	$ 60,688
Balance Due Within One Year	$ 453,853	$ 45,094	$ 0

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	$ 927,195
Less: Balance Due Within One Year - Other	(498,947)
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 428,248

Compensated absences will be paid from the employing funds, primarily the General, Solid Waste/Sanitation, 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 and Highway/Public Works funds.

Discretely Presented Fayette County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Fayette County School Department for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Net OPEB Liability
Balance, July 1, 2023	$ 1,792,755
Additions	305,912
Reductions	(153,680)
Balance, June 30, 2024	$ 1,944,987
Balance Due Within One Year	$ 121,306

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	$ 1,944,987
Less: Balance Due Within One Year - Other	(121,306)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 1,823,681

Other postemployment benefits are paid from the employing funds, primarily the General Purpose School Fund.

H. On-Behalf Payments – Discretely Presented Fayette County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Fayette County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were $36,261. 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

Fayette County participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding $250,000 for property and $450,000 for liability for each insured event.

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

Fayette 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 Fayette County School Department

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

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *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 of losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

B. *Accounting Change*

GASB Statement No. 100, *Accounting Changes and Error Corrections,* became effective for the fiscal year ending June 30, 2024. This statement clarifies the financial accounting and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

C. *Contingent Liabilities*

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

The county is involved in several pending lawsuits. Management advised that any potential claims not covered by insurance resulting from such litigation would not materially affect the financial statements.

D. *Landfill Closure/Postclosure Care Costs*

Fayette 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. Fayette County closed its sanitary landfill in 1998. The $200,899 reported as postclosure care liability on June 30, 2024, represents amounts based on what it would cost to perform all postclosure care in 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. *Joint Venture*

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. Fayette County made no contributions to the DTF during the year ended June 30, 2024. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

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

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Fayette County and non-certified employees of the discretely presented Fayette 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 64.64 percent and the non-certified employees of the discretely presented school department comprised 35.36 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, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	345
Inactive Employees Entitled to But Not Yet Receiving Benefits	525
Active Employees	480
Total	1,350

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. Fayette 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, 2024, the employer contribution for Fayette County was $815,861 based on a rate of four percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Fayette 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)

Fayette County's net pension liability (asset) was measured as of June 30, 2023, 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, 2023, 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, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
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 Fayette 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, 2022	$ 61,063,970	$ 64,098,170	$ (3,034,200)
Changes for the Year:			
Service Cost	$ 1,659,134	$ 0	$ 1,659,134
Interest	4,131,827	0	4,131,827
Differences Between Expected and Actual Experience	1,703,413	0	1,703,413
Contributions-Employer	0	795,094	(795,094)
Contributions-Employees	0	993,856	(993,856)
Net Investment Income	0	4,265,438	(4,265,438)
Benefit Payments, Including Refunds of Employee Contributions	(3,021,712)	(3,021,712)	0
Administrative Expense	0	(51,288)	51,288
Net Changes	$ 4,472,662	$ 2,981,388	$ 1,491,274
Balance, June 30, 2023	$ 65,536,632	$ 67,079,558	$ (1,542,926)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	64.64%	$ 42,362,879	$ 43,360,226	$ (997,347)
School Department	35.36%	23,173,753	23,719,332	(545,579)
Total		$ 65,536,632	$ 67,079,558	$ (1,542,926)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Fayette County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would

be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

Fayette County	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 7,191,665	$ (1,542,926)	$ (8,743,777)

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, 2024, Fayette County recognized pension expense (negative pension expense) of $2,043,569.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Fayette 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	$ 2,046,408	$ 124,208
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	485,120	0
Changes in Assumptions	1,118,799	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	815,861	N/A
Total	$ 4,466,188	$ 124,208

(1) The amount shown above for "Contributions Subsequent to the Measurement Date of June 30, 2023," 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	$ 2,901,618	$ 80,288
School Department	1,564,570	43,920
Total	$ 4,466,188	$ 124,208

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

Year Ending June 30	Amount
2025	$ 1,458,066
2026	210,995
2027	1,853,482
2028	3,576
2029	0
Thereafter	0

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

Discretely Presented Fayette County School Department – Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Fayette County and non-certified employees of the discretely presented Fayette County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 64.64 percent and the non-certified employees of the discretely presented school department comprised 35.36 percent of the plan based on contribution data.

Discretely Presented Fayette County School Department - Certified Employees – Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Fayette 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, 2024, to the Teacher Retirement Plan were $212,735, which is 2.95 percent of covered payroll. In addition, employer contributions of $72,432, which is 1.05 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2024, the school department reported a liability (asset) of ($161,180) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, 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, 2023, the school department's proportion was .380112 percent. The proportion as of June 30, 2022, was .392127 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense of $206,853.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, 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	$ 5,429	$ 94,077
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	40,979	0
Changes in Assumptions	121,263	0
Changes in Proportion of Net Pension Liability (Asset)	51,996	44,196
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	212,735	N/A
Total	$ 432,402	$ 138,273

The school department's employer contributions of $212,735, 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, 2025. 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
2025	$ 2,114
2026	(3,850)
2027	59,366
2028	5,770
2029	6,020
Thereafter	11,974

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, 2023, 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, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 741,421	$ (161,180)	$ (810,979)

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

Discretely Presented Fayette County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Fayette 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 Fayette County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were $487,372, which is 6.81 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). On June 30, 2024, the school department reported a liability (asset) of ($2,774,843) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, 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, 2023, the school department's proportion was .235361 percent. The proportion measured on June 30, 2022, was .268881 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized (negative pension expense) of $891,865.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, 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	$ 661,109	$ 128,771
Changes in Assumptions	904,120	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	481,449	0
Changes in Proportion of Net Pension Liability (Asset)	533,911	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	487,372	N/A
Total	$ 3,067,961	$ 128,771

The school department's employer contributions of $487,372 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2025. 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
2025	$ 839,256
2026	(201,771)
2027	1,810,561
2028	3,772
2029	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, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 6,043,801	$ (2,774,843)	$ (10,109,467)

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 $343,993 and teachers contributed $228,625 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

The Fayette County Highway Department and the discretely presented Fayette County School Department provide OPEB benefits to 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 the Fayette County Highway Department 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 Fayette 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, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2023, 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	3.65%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.31% for pre-65 retirees in the 2023 calendar year, and decreasing annually over a 11-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.65 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, 2023, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2022, 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-2021 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-2021 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-2021.

Changes in Assumptions. The discount rate changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of the measurement date of June 30, 2023. 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 2023 plan year was revised from 8.37 percent to 10.31 percent.

Local Government OPEB Plans (Primary Government)

Plan Description. Employees of Fayette County Highway Department are provided with pre-65 retiree health insurance benefits through the closed 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. The Fayette County Highway Department 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 Section 8-27-701, *TCA,* 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 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 the retiree premiums. The highway department does not provide a direct subsidy and is only subject to the implicit subsidy.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefit Payments	0
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	31
Total	31

An insurance committee, created in accordance with Section 8-27-701, *TCA*, 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, 2024, the highway department paid $167 to the LGP for OPEB benefits as they came due.

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

	Total OPEB Liability
Balance July 1, 2022	$ 43,452
Changes for the Year:	
Service Cost	$ 4,570
Interest	1,690
Difference between Expected and Actuarial Experience	(6,408)
Changes in Assumption and Other Inputs	17,947
Benefit Payments	(563)
Net Changes	$ 17,236
Balance June 30, 2023	$ 60,688

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the highway department recognized OPEB expense (negative OPEB expense) of ($7,965.) On June 30, 2024, the highway department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 0	$ 27,782
Changes of Assumptions	20,331	32,985
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2023	167	0
Total	$ 20,498	$ 60,767

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	Hwy
2025	$ (13,947)
2026	(11,055)
2027	(7,764)
2028	(6,970)
2029	(1,055)
Thereafter	355

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 highway department 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:

Discount Rate	1% Decrease	Current Discount Rate	1% Increase
Highway Department	2.65%	3.65%	4.65%
Total OPEB Liability	$ 65,485	$ 60,688	$ 56,167

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the highway department 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:

Healthcare Cost Trend Rate	1% Decrease	Current Trend Rates	1% Increase
Highway Department	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%
Total OPEB Liability	$ 54,231	$ 60,688	$ 68,129

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

Plan Description. Employees of the Fayette 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 Fayette 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 Fayette County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefit Payments	9
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	1
Active Employees Eligible for Benefits	235
Total	245

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 $48,514 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Fayette County School Department 62.605%	State of TN 37.395%	Total OPEB Liability
Balance July 1, 2022	$ 1,792,755	$ 961,016	$ 2,753,771
Changes for the Year:			
Service Cost	$ 103,216	$ 61,654	$ 164,870
Interest	63,559	37,965	101,524
Difference between Expected and Actuarial Experience	(20,833)	(12,444)	(33,277)
Changes in Proportion	(68,767)	68,767	0
Changes in Assumption and Other Inputs	139,137	83,111	222,248
Benefit Payments	(64,080)	(38,277)	(102,357)
Net Changes	$ 152,232	$ 200,776	$ 353,008
Balance June 30, 2023	$ 1,944,987	$ 1,161,792	$ 3,106,779

The Fayette 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 Fayette 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 $104,860 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Fayette County School Department's proportionate share of the collective OPEB liability was 62.605 percent and the State of Tennessee's share was 37.395 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department recognized OPEB expense of $226,166, including the state's share of the expense. On June 30, 2024, 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	$ 115,265	$ 510,720
Changes of Assumptions	493,774	198,818
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	39,571	162,475
Benefits Paid After the Measurement Date of June 30, 2023	48,514	0
Total	$ 697,124	$ 872,013

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
2025	$ (45,469)
2026	(45,469)
2027	(45,469)
2028	(38,291)
2029	(35,100)
Thereafter	(13,605)

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.

Discount Rate	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Proportionate Share of the Collective Total OPEB Liability	$ 2,084,812	$ 1,944,987	$ 1,811,544

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.

Healthcare Cost Trend Rate	1% Decrease 9.31 to 3.5%	Current Rates 10.31 to 4.5%	1% Increase 11.31 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	$ 1,746,926	$ 1,944,987	$ 2,173,304

H. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated* (*TCA*), which provide for purchases exceeding $25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Public Works Superintendent

Chapter 234, Private Acts of 1974 and Section 54-7-113, *TCA* (Uniform Road Law), govern purchasing procedures for the highway department. These statutes require all purchases exceeding $25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Fayette 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 for counties with a population of 40,000 or more.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

FAYETTE 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	2023
Total Pension Liability										
Service Cost	$ 1,031,073	$ 1,033,190	$ 1,105,049	$ 1,069,442	$ 1,111,210	$ 1,161,656	$ 1,267,102	$ 1,349,924	$ 1,559,538	$ 1,659,134
Interest	2,815,322	2,957,446	3,100,143	3,183,342	3,168,553	3,328,287	3,497,967	3,667,833	3,852,722	4,131,827
Differences Between Actual and Expected Experience	(51,596)	6,245	(752,411)	(1,785,379)	264,338	200,686	49,194	(496,838)	1,518,020	1,703,413
Changes in Assumptions	0	0	0	1,068,794	0	0	0	4,475,193	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,760,198)	(2,043,676)	(2,288,559)	(2,327,141)	(2,309,546)	(2,473,114)	(2,438,196)	(2,670,021)	(2,768,284)	(3,021,712)
Net Change in Total Pension Liability	$ 2,034,601	$ 1,953,205	$ 1,164,222	$ 1,209,058	$ 2,234,555	$ 2,217,515	$ 2,376,067	$ 6,326,091	$ 4,161,996	$ 4,472,662
Total Pension Liability, Beginning	37,386,660	39,421,261	41,374,466	42,538,688	43,747,746	45,982,301	48,199,816	50,575,883	56,901,974	61,063,970
Total Pension Liability, Ending (a)	$ 39,421,261	$ 41,374,466	$ 42,538,688	$ 43,747,746	$ 45,982,301	$ 48,199,816	$ 50,575,883	$ 56,901,974	$ 61,063,970	$ 65,536,632
Plan Fiduciary Net Position										
Contributions - Employer	$ 1,022,512	$ 962,826	$ 977,058	$ 524,176	$ 531,043	$ 557,473	$ 632,614	$ 660,939	$ 624,356	$ 795,094
Contributions - Employee	633,135	653,631	664,544	653,589	665,911	699,911	830,241	867,553	880,111	993,856
Net Investment Income	6,126,528	1,318,917	1,155,887	4,964,499	3,952,288	3,750,171	2,627,914	14,061,956	(2,575,691)	4,265,438
Benefit Payments, Including Refunds of Employee Contributions	(1,760,198)	(2,043,676)	(2,288,559)	(2,327,141)	(2,309,546)	(2,473,114)	(2,438,196)	(2,670,021)	(2,768,284)	(3,021,712)
Administrative Expense	(17,761)	(23,182)	(34,134)	(35,044)	(37,844)	(37,238)	(39,941)	(40,826)	(43,381)	(51,288)
Other Changes	0	0	0	17,951	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	$ 6,004,216	$ 868,516	$ 474,796	$ 3,798,030	$ 2,801,852	$ 2,497,203	$ 1,612,632	$ 12,879,601	$ (3,882,889)	$ 2,981,388
Plan Fiduciary Net Position, Beginning	37,044,213	43,048,429	43,916,945	44,391,741	48,189,771	50,991,623	53,488,826	55,101,458	67,981,059	64,098,170
Plan Fiduciary Net Position, Ending (b)	$ 43,048,429	$ 43,916,945	$ 44,391,741	$ 48,189,771	$ 50,991,623	$ 53,488,826	$ 55,101,458	$ 67,981,059	$ 64,098,170	$ 67,079,558
Net Pension Liability (Asset), Ending (a - b)	$ (3,627,168)	$ (2,542,479)	$ (1,853,053)	$ (4,442,025)	$ (5,009,322)	$ (5,289,010)	$ (4,525,575)	$ (11,079,085)	$ (3,034,200)	$ (1,542,926)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	109.20%	106.15%	104.36%	110.15%	110.89%	110.97%	108.95%	119.47%	104.97%	102.35%
Covered Payroll	$ 12,607,687	$ 13,081,874	$ 13,430,190	$ 13,075,856	$ 13,448,679	$ 14,290,283	$ 16,284,741	$ 17,302,036	$ 17,631,370	$ 19,897,496
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(28.77)%	(19.44)%	(13.8)%	(33.97)%	(37.25)%	(37.01)%	(27.79)%	(64.03)%	(17.21)%	(7.75)%

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.

FAYETTE 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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	$ 962,826	$ 977,058	$ 524,176	$ 485,497	$ 216,872	$ 296,434	$ 212,815	$ 131,906	$ 757,327	$ 815,861
Less: Contributions in Relation to the Actuarially Determined Contribution	(962,826)	(977,058)	(524,176)	(531,043)	(557,473)	(632,614)	(660,939)	(624,356)	(795,094)	(815,861)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ (45,546)	$ (340,601)	$ (336,180)	$ (448,124)	$ (492,450)	$ (37,767)	$ 0
Covered Payroll	$ 13,081,874	$ 13,430,190	$ 13,075,856	$ 13,448,679	$ 14,290,283	$ 16,284,741	$ 17,302,036	$ 17,631,370	$ 19,897,496	$ 20,403,419
Contributions as a Percentage of Covered Payroll	7.36%	7.28%	4.01%	3.95%	3.90%	3.88%	3.82%	3.54%	4.00%	4.00%

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.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	$ 53,945	$ 89,243	$ 118,255	$ 59,983	$ 83,885	$ 89,568	$ 91,276	$ 134,597	$ 216,989	$ 212,735
Less: Contributions in Relation to the Contractually Required Contribution	(53,945)	(89,243)	(118,255)	(147,131)	(83,885)	(89,568)	(91,276)	(134,597)	(216,989)	(212,735)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ (87,148)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 1,348,622	$ 2,231,087	$ 2,892,726	$ 3,654,360	$ 4,303,056	$ 4,467,842	$ 4,533,233	$ 6,580,133	$ 7,560,582	$ 7,211,369
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.09%	4.03%	1.95%	2.00%	2.01%	2.05%	2.87%	2.95%

Note: 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 - 1.95%, 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%
2024: Pension - 2.95%, SRT - 1.05%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	$ 979,435	$ 865,117	$ 905,439	$ 899,213	$ 987,264	$ 963,551	$ 917,735	$ 911,417	$ 663,705	$ 487,372
Less: Contributions in Relation to the Contractually Required Contribution	(979,435)	(865,117)	(905,439)	(899,213)	(987,264)	(963,551)	(917,735)	(911,417)	(663,705)	(487,372)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 10,834,481	$ 9,569,886	$ 10,079,579	$ 9,927,080	$ 9,466,291	$ 9,007,989	$ 8,921,684	$ 8,843,729	$ 7,627,718	$ 7,161,969
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	8.98%	9.06%	10.43%	10.70%	10.29%	10.31%	8.70%	6.81%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.649085%	0.507060%	0.450434%	0.420913%	0.408613%	0.349644%	0.313091%	0.392127%	0.380112%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ (26,112)	$ (52,787)	$ (118,841)	$ (190,896)	$ (230,657)	$ (198,822)	$ (339,144)	$ (118,785)	$ (161,680)
Covered Payroll	$ 1,348,622	$ 2,231,087	$ 2,892,726	$ 3,654,360	$ 4,303,056	$ 4,467,842	$ 4,533,233	$ 6,580,133	$ 7,560,582
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.11)%	(5.22)%	(5.36)%	(4.45)%	(7.48)%	(1.81)%	(2.13)%
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%	104.97%

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.31654%	0.28942%	0.265108%	0.283340%	0.282814%	0.281481%	0.272348%	0.272261%	0.268881%	0.235361%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ (51,435)	$ 118,557	$ 1,656,779	$ (92,703)	$ (995,199)	$ (2,894,134)	$ (2,076,855)	$ (11,743,275)	$ (3,297,573)	$ (2,774,843)
Covered Payroll	$ 12,424,156	$ 10,834,481	$ 9,569,886	$ 10,079,579	$ 9,927,080	$ 9,466,291	$ 9,007,989	$ 8,921,684	$ 8,843,729	$ 7,627,718
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094252%	17.31%	(.92)%	(10.03)%	(30.57)%	(23.06)%	(131.63)%	(37.29)%	(36.38)%
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%	104.11%

FAYETTE 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

Highway Department Plan

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	$ 8,993	$ 8,769	$ 10,072	$ 10,332	$ 11,295	$ 8,026	$ 4,570
Interest	2,690	3,540	3,716	2,907	2,078	1,553	1,690
Differences Between Actual and Expected Experience	0	(15,837)	(35,490)	(9,248)	(6,154)	(3,762)	(6,408)
Changes in Assumptions or Other Inputs	(3,426)	6,716	2,420	6,839	(25,610)	(26,091)	17,947
Benefit Payments	0	(1,441)	(1,108)	(516)	(611)	(324)	(563)
Net Change in Total OPEB Liability	$ 8,257	$ 1,747	$ (20,390)	$ 10,314	$ (19,002)	$ (20,598)	$ 17,236
Total OPEB Liability, Beginning	83,124	91,381	93,128	72,738	83,052	64,050	43,452
Total OPEB Liability, Ending	$ 91,381	$ 93,128	$ 72,738	$ 83,052	$ 64,050	$ 43,452	$ 60,688
Covered Employee Payroll	$ 1,387,490	$ 1,561,417	$ 1,802,845	$ 1,798,563	$ 1,846,295	$ 1,890,943	$ 1,903,398
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.59%	5.96%	4.03%	4.62%	3.47%	2.30%	3.19%

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%
2023 3.65%

(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%
For the 2024 plan year - from 8.37% to 10.31%

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

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

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	$ 181,426	$ 168,829	$ 133,378	$ 135,074	$ 166,591	$ 238,164	$ 164,870
Interest	75,810	94,344	67,072	76,734	56,703	72,890	101,524
Differences Between Actual and Expected Experience	0	(1,006,386)	382,941	(48,233)	(28,253)	(384,057)	(33,277)
Changes in Assumptions or Other Inputs	(114,713)	61,099	(169,607)	272,455	625,494	(268,041)	222,248
Benefit Payments	(64,808)	(87,287)	(72,837)	(91,609)	(83,979)	(82,643)	(102,357)
Net Change in Total OPEB Liability	$ 77,715	$ (769,401)	$ 340,947	$ 344,421	$ 736,556	$ (423,687)	$ 353,008
Total OPEB Liability, Beginning	2,447,220	2,524,935	1,755,534	2,096,481	2,440,902	3,177,458	2,753,771
Total OPEB Liability, Ending	$ 2,524,935	$ 1,755,534	$ 2,096,481	$ 2,440,902	$ 3,177,458	$ 2,753,771	$ 3,106,779
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	$ 802,889	$ 546,004	$ 717,541	$ 783,836	$ 1,069,910	$ 961,016	$ 1,161,792
Employer Proportionate Share of the Total OPEB Liability	1,722,046	1,209,530	1,378,940	1,657,066	2,107,548	1,792,755	1,944,987
Covered Employee Payroll	$ 14,753,246	$ 14,702,852	$ 15,202,299	$ 15,783,314	$ 15,028,704	$ 14,964,802	$ 14,014,227
Net OPEB Liability as a Percentage of Covered Employee Payroll	11.67%	8.23%	9.07%	10.50%	14.02%	11.98%	13.88%

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%
2023	3.65%

(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%
For the 2024 plan year - from 8.37% to 10.31%

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2024 were calculated based on the June 30, 2022, 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 Fayette County's garbage collection and convenience center operations.

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

Adequate Facilities/Development Tax Fund – The Adequate Facilities/Development Tax Fund is used to account for operations funded from the local development tax.

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

DEBT SERVICE FUND

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

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

CAPITAL PROJECTS FUNDS

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

Community Development/Industrial Park Fund – The Community Development/ Industrial Park Fund is used to account for grant proceeds and capital expenditures for animal shelter construction.

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for grant proceeds and capital expenditures for the archives building renovations.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for grant proceeds and capital expenditures of the Fayette County Airport.

Exhibit F-1

FAYETTE COUNTY, TENNESSEE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Total	General Debt Service
ASSETS						
Cash	$ 400	$ 0	$ 0	$ 107,464	$ 107,864	$ 0
Equity in Pooled Cash and Investments	1,837,768	435,443	1,088,693	0	3,361,904	4,581,398
Accounts Receivable	110,218	0	0	383	110,601	0
Due from Other Governments	16,074	7,961	0	0	24,035	0
Total Assets	$ 1,964,460	$ 443,404	$ 1,088,693	$ 107,847	$ 3,604,404	$ 4,581,398
LIABILITIES						
Accounts Payable	$ 29,204	$ 0	$ 0	$ 0	$ 29,204	$ 0
Accrued Payroll	16,491	0	0	0	16,491	0
Due to Other Funds	1,627	0	0	107,847	109,474	0
Total Liabilities	$ 47,322	$ 0	$ 0	$ 107,847	$ 155,169	$ 0
DEFERRED INFLOWS OF RESOURCES						
Other Deferred/Unavailable Revenue	$ 5,860	$ 0	$ 0	$ 0	$ 5,860	$ 0
Total Deferred Inflows of Resources	$ 5,860	$ 0	$ 0	$ 0	$ 5,860	$ 0
FUND BALANCES						
Restricted:						
Restricted for General Government	$ 0	$ 0	$ 409,837	$ 0	$ 409,837	$ 0
Restricted for Public Safety	0	443,404	0	0	443,404	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Total	General Debt Service
FUND BALANCES (Cont.)						
Restricted (Cont.):						
Restricted for Highways/Public Works	$ 0	$ 0	$ 365,640	$ 0	$ 365,640	$ 0
Restricted for Education	0	0	313,216	0	313,216	0
Restricted for Capital Outlay	0	0	0	0	0	0
Restricted for Debt Service	0	0	0	0	0	4,126,472
Committed:						
Committed for Public Health and Welfare	1,911,278	0	0	0	1,911,278	0
Committed for Capital Outlay	0	0	0	0	0	0
Committed for Debt Service	0	0	0	0	0	454,926
Total Fund Balances	$ 1,911,278	$ 443,404	$ 1,088,693	$ 0	$ 3,443,375	$ 4,581,398
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,964,460	$ 443,404	$ 1,088,693	$ 107,847	$ 3,604,404	$ 4,581,398

(Continued)

FAYETTE COUNTY, TENNESSEE
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds				
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
ASSETS					
Cash	$ 0	$ 0	$ 0	$ 0	$ 107,864
Equity in Pooled Cash and Investments	411,052	80,079	93,001	584,132	8,527,434
Accounts Receivable	0	0	0	0	110,601
Due from Other Governments	0	0	0	0	24,035
Total Assets	$ 411,052	$ 80,079	$ 93,001	$ 584,132	$ 8,769,934
LIABILITIES					
Accounts Payable	$ 0	$ 0	$ 0	$ 0	$ 29,204
Accrued Payroll	0	0	0	0	16,491
Due to Other Funds	0	0	0	0	109,474
Total Liabilities	$ 0	$ 0	$ 0	$ 0	$ 155,169
DEFERRED INFLOWS OF RESOURCES					
Other Deferred/Unavailable Revenue	$ 0	$ 0	$ 0	$ 0	$ 5,860
Total Deferred Inflows of Resources	$ 0	$ 0	$ 0	$ 0	$ 5,860
FUND BALANCES					
Restricted:					
Restricted for General Government	$ 0	$ 0	$ 0	$ 0	$ 409,837
Restricted for Public Safety	0	0	0	0	443,404

(Continued)

FAYETTE COUNTY, TENNESSEE
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds				
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
FUND BALANCES (Cont.)					
Restricted (Cont.):					
Restricted for Highways/Public Works	$ 0	$ 0	$ 0	$ 0	$ 365,640
Restricted for Education	0	0	0	0	313,216
Restricted for Capital Outlay	20	0	93,001	93,021	93,021
Restricted for Debt Service	0	0	0	0	4,126,472
Committed:					
Committed for Public Health and Welfare	411,032	0	0	411,032	2,322,310
Committed for Capital Outlay	0	80,079	0	80,079	80,079
Committed for Debt Service	0	0	0	0	454,926
Total Fund Balances	$ 411,052	$ 80,079	$ 93,001	$ 584,132	$ 8,608,905
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 411,052	$ 80,079	$ 93,001	$ 584,132	$ 8,769,934

FAYETTE COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Total	General Debt Service
Revenues						
Local Taxes	$ 68,872	$ 0	$ 991,820	$ 0	$ 1,060,692	$ 2,259,965
Licenses and Permits	174,469	0	0	0	174,469	0
Fines, Forfeitures, and Penalties	0	63,044	0	0	63,044	0
Charges for Current Services	930,836	0	0	6,630	937,466	0
Other Local Revenues	360,181	0	0	0	360,181	0
Federal Government	0	32,396	0	0	32,396	0
Other Governments and Citizens Groups	0	0	0	0	0	313,360
Total Revenues	$ 1,534,358	$ 95,440	$ 991,820	$ 6,630	$ 2,628,248	$ 2,573,325
Expenditures						
Current:						
Administration of Justice	$ 0	$ 0	$ 0	$ 6,630	$ 6,630	$ 0
Public Safety	0	235,836	0	0	235,836	0
Public Health and Welfare	1,657,157	0	0	0	1,657,157	0
Other Operations	0	0	9,918	0	9,918	0
Debt Service:						
Principal on Debt	0	0	0	0	0	2,220,000
Interest on Debt	0	0	0	0	0	436,146
Other Debt Service	0	0	0	0	0	27,419
Capital Projects	0	0	0	0	0	0
Total Expenditures	$ 1,657,157	$ 235,836	$ 9,918	$ 6,630	$ 1,909,541	$ 2,683,565

(Continued)

FAYETTE 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	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Total	General Debt Service
Excess (Deficiency) of Revenues Over Expenditures	$ (122,799)	$ (140,396)	$ 981,902	$ 0	$ 718,707	$ (110,240)
Other Financing Sources (Uses)						
Insurance Recovery	$ 2,484	$ 0	$ 0	$ 0	$ 2,484	$ 0
Transfers In	0	0	0	0	0	46,900
Transfers Out	0	0	(950,000)	0	(950,000)	0
Total Other Financing Sources (Uses)	$ 2,484	$ 0	$ (950,000)	$ 0	$ (947,516)	$ 46,900
Net Change in Fund Balances	$ (120,315)	$ (140,396)	$ 31,902	$ 0	$ (228,809)	$ (63,340)
Fund Balance, July 1, 2023	2,031,593	583,800	1,056,791	0	3,672,184	4,644,738
Fund Balance, June 30, 2024	$ 1,911,278	$ 443,404	$ 1,088,693	$ 0	$ 3,443,375	$ 4,581,398

(Continued)

FAYETTE COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds				
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Revenues					
Local Taxes	$ 0	$ 0	$ 0	$ 0	$ 3,320,657
Licenses and Permits	0	0	0	0	174,469
Fines, Forfeitures, and Penalties	0	0	0	0	63,044
Charges for Current Services	0	0	0	0	937,466
Other Local Revenues	0	0	0	0	360,181
Federal Government	0	0	0	0	32,396
Other Governments and Citizens Groups	0	0	0	0	313,360
Total Revenues	$ 0	$ 0	$ 0	$ 0	$ 5,201,573
Expenditures					
Current:					
Administration of Justice	$ 0	$ 0	$ 0	$ 0	$ 6,630
Public Safety	0	0	0	0	235,836
Public Health and Welfare	0	0	0	0	1,657,157
Other Operations	0	493,786	0	493,786	503,704
Debt Service:					
Principal on Debt	0	0	0	0	2,220,000
Interest on Debt	0	0	0	0	436,146
Other Debt Service	0	0	0	0	27,419
Capital Projects	1,308,017	0	0	1,308,017	1,308,017
Total Expenditures	$ 1,308,017	$ 493,786	$ 0	$ 1,801,803	$ 6,394,909

(Continued)

FAYETTE COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds				
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	$ (1,308,017)	$ (493,786)	$ 0	$ (1,801,803)	$ (1,193,336)
Other Financing Sources (Uses)					
Insurance Recovery	$ 0	$ 0	$ 0	$ 0	$ 2,484
Transfers In	1,415,936	0	0	1,415,936	1,462,836
Transfers Out	0	0	0	0	(950,000)
Total Other Financing Sources (Uses)	$ 1,415,936	$ 0	$ 0	$ 1,415,936	$ 515,320
Net Change in Fund Balances	$ 107,919	$ (493,786)	$ 0	$ (385,867)	$ (678,016)
Fund Balance, July 1, 2023	303,133	573,865	93,001	969,999	9,286,921
Fund Balance, June 30, 2024	$ 411,052	$ 80,079	$ 93,001	$ 584,132	$ 8,608,905

FAYETTE 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, 2024

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 68,872	$ 0	$ 68,872	$ 75,000	$ 75,000	$ (6,128)
Licenses and Permits	174,469	0	174,469	160,000	160,000	14,469
Charges for Current Services	930,836	0	930,836	771,000	771,000	159,836
Other Local Revenues	360,181	0	360,181	287,715	342,235	17,946
Total Revenues	$ 1,534,358	$ 0	$ 1,534,358	$ 1,293,715	$ 1,348,235	$ 186,123
Expenditures						
Public Health and Welfare						
Convenience Centers	$ 449,445	$ 0	$ 449,445	$ 520,000	$ 500,000	$ 50,555
Landfill Operation and Maintenance	1,207,712	16,914	1,224,626	1,204,324	1,327,744	103,118
Total Expenditures	$ 1,657,157	$ 16,914	$ 1,674,071	$ 1,724,324	$ 1,827,744	$ 153,673
Excess (Deficiency) of Revenues Over Expenditures	$ (122,799)	$ (16,914)	$ (139,713)	$ (430,609)	$ (479,509)	$ 339,796
Other Financing Sources (Uses)						
Insurance Recovery	$ 2,484	$ 0	$ 2,484	$ 0	$ 0	$ 2,484
Total Other Financing Sources	$ 2,484	$ 0	$ 2,484	$ 0	$ 0	$ 2,484
Net Change in Fund Balance	$ (120,315)	$ (16,914)	$ (137,229)	$ (430,609)	$ (479,509)	$ 342,280
Fund Balance, July 1, 2023	2,031,593	0	2,031,593	1,480,858	1,480,858	550,735
Fund Balance, June 30, 2024	$ 1,911,278	$ (16,914)	$ 1,894,364	$ 1,050,249	$ 1,001,349	$ 893,015

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Fines, Forfeitures, and Penalties	$ 63,044	$ 0	$ 0	$ 63,044	$ 45,000	$ 45,000	$ 18,044
Federal Government	32,396	0	0	32,396	25,000	25,000	7,396
Total Revenues	$ 95,440	$ 0	$ 0	$ 95,440	$ 70,000	$ 70,000	$ 25,440
Expenditures							
Public Safety							
Drug Enforcement	$ 98,440	$ (10,393)	$ 2,255	$ 90,302	$ 127,735	$ 127,735	$ 37,433
Other Public Safety	137,396	(16,950)	2,320	122,766	0	122,798	32
Total Expenditures	$ 235,836	$ (27,343)	$ 4,575	$ 213,068	$ 127,735	$ 250,533	$ 37,465
Excess (Deficiency) of Revenues Over Expenditures	$ (140,396)	$ 27,343	$ (4,575)	$ (117,628)	$ (57,735)	$ (180,533)	$ 62,905
Net Change in Fund Balance	$ (140,396)	$ 27,343	$ (4,575)	$ (117,628)	$ (57,735)	$ (180,533)	$ 62,905
Fund Balance, July 1, 2023	583,800	(27,343)	0	556,457	329,648	329,648	226,809
Fund Balance, June 30, 2024	$ 443,404	$ 0	$ (4,575)	$ 438,829	$ 271,913	$ 149,115	$ 289,714

Exhibit F-5

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Adequate Facilities/ Development Tax Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 991,820	$ 970,000	$ 970,000	$ 21,820
Total Revenues	$ 991,820	$ 970,000	$ 970,000	$ 21,820
Expenditures				
Other Operations				
Other Charges	$ 9,918	$ 20,000	$ 20,000	$ 10,082
Total Expenditures	$ 9,918	$ 20,000	$ 20,000	$ 10,082
Excess (Deficiency) of Revenues Over Expenditures	$ 981,902	$ 950,000	$ 950,000	$ 31,902
Other Financing Sources (Uses)				
Transfers Out	$ (950,000)	$ (950,000)	$ (950,000)	$ 0
Total Other Financing Sources	$ (950,000)	$ (950,000)	$ (950,000)	$ 0
Net Change in Fund Balance	$ 31,902	$ 0	$ 0	$ 31,902
Fund Balance, July 1, 2023	1,056,791	973,547	973,547	83,244
Fund Balance, June 30, 2024	$ 1,088,693	$ 973,547	$ 973,547	$ 115,146

Exhibit F-6

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 2,259,965	$ 2,250,040	$ 2,250,040	$ 9,925
Other Governments and Citizens Groups	313,360	360,260	313,360	0
Total Revenues	$ 2,573,325	$ 2,610,300	$ 2,563,400	$ 9,925
Expenditures				
Principal on Debt				
General Government	$ 886,300	$ 950,000	$ 886,300	$ 0
Education	1,333,700	1,270,000	1,333,700	0
Interest on Debt				
General Government	166,887	169,240	166,887	0
Education	269,259	266,905	269,259	0
Other Debt Service				
General Government	23,949	35,000	35,000	11,051
Education	3,470	2,500	2,500	(970)
Total Expenditures	$ 2,683,565	$ 2,693,645	$ 2,693,646	$ 10,081
Excess (Deficiency) of Revenues Over Expenditures	$ (110,240)	$ (83,345)	$ (130,246)	$ 20,006
Other Financing Sources (Uses)				
Transfers In	$ 46,900	$ 0	$ 46,900	$ 0
Total Other Financing Sources	$ 46,900	$ 0	$ 46,900	$ 0
Net Change in Fund Balance	$ (63,340)	$ (83,345)	$ (83,346)	$ 20,006
Fund Balance, July 1, 2023	4,644,738	4,473,416	4,473,416	171,322
Fund Balance, June 30, 2024	$ 4,581,398	$ 4,390,071	$ 4,390,070	$ 191,328

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Community Development/Industrial Park Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Total Revenues	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Expenditures							
Capital Projects							
Other General Government Projects	$ 1,308,017	$ (68,971)	$ 309,792	$ 1,548,838	$ 234,142	$ 1,650,078	$ 101,240
Total Expenditures	$ 1,308,017	$ (68,971)	$ 309,792	$ 1,548,838	$ 234,142	$ 1,650,078	$ 101,240
Excess (Deficiency) of Revenues Over Expenditures	$ (1,308,017)	$ 68,971	$ (309,792)	$ (1,548,838)	$ (234,142)	$ (1,650,078)	$ 101,240
Other Financing Sources (Uses)							
Transfers In	$ 1,415,936	$ 0	$ 0	$ 1,415,936	$ 0	$ 1,415,936	$ 0
Total Other Financing Sources	$ 1,415,936	$ 0	$ 0	$ 1,415,936	$ 0	$ 1,415,936	$ 0
Net Change in Fund Balance	$ 107,919	$ 68,971	$ (309,792)	$ (132,902)	$ (234,142)	$ (234,142)	$ 101,240
Fund Balance, July 1, 2023	303,133	(68,971)	0	234,162	234,142	234,142	20
Fund Balance, June 30, 2024	$ 411,052	$ 0	$ (309,792)	$ 101,260	$ 0	$ 0	$ 101,260

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
HUD Grant Projects Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Total Revenues	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Expenditures						
Other Operations						
Other Economic and Community Development	$ 493,786	$ (483,794)	$ 9,992	$ 40,641	$ 40,641	$ 30,649
Total Expenditures	$ 493,786	$ (483,794)	$ 9,992	$ 40,641	$ 40,641	$ 30,649
Excess (Deficiency) of Revenues Over Expenditures	$ (493,786)	$ 483,794	$ (9,992)	$ (40,641)	$ (40,641)	$ 30,649
Net Change in Fund Balance	$ (493,786)	$ 483,794	$ (9,992)	$ (40,641)	$ (40,641)	$ 30,649
Fund Balance, July 1, 2023	573,865	(483,794)	90,071	40,641	40,641	49,430
Fund Balance, June 30, 2024	$ 80,079	$ 0	$ 80,079	$ 0	$ 0	$ 80,079

MAJOR GOVERNMENTAL FUND

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.

Other Capital Projects ARPA Fund – The Other Capital Projects ARPA Fund is used to account for proceeds received from the American Rescue Plan Act.

Exhibit G

FAYETTE COUNTY, TENNESSEE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Other Capital Projects - ARPA Fund

For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Federal Government	$ 7,989,604	$ 0	$ 7,989,604	$ 0
Total Revenues	$ 7,989,604	$ 0	$ 7,989,604	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0
Excess (Deficiency) of Revenues Over Expenditures	$ 7,989,604	$ 0	$ 7,989,604	$ 0
Net Change in Fund Balance	$ 7,989,604	$ 0	$ 7,989,604	$ 0
Fund Balance, July 1, 2023	(7,989,604)	0	0	(7,989,604)
Fund Balance, June 30, 2024	$ 0	$ 0	$ 7,989,604	$ (7,989,604)

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.

Watershed District Fund – The Watershed District Fund is used to account for prior years' acreage assessments collected on drainage district properties and held in trust for the watershed district.

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.

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

Exhibit H-1

FAYETTE COUNTY, TENNESSEE
Combining Statement of Net Position
Custodial Funds
June 30, 2024

	Custodial Funds				
	Cities - Sales Tax	Watershed District	Constitu - tional Officers - Custodial	Judicial District Drug	Total
ASSETS					
Cash	$ 0	$ 0	$ 5,445,593	$ 0	$ 5,445,593
Equity in Pooled Cash and Investments	0	42,792	0	1,415	44,207
Accounts Receivable	0	0	31,605	0	31,605
Due from Other Governments	1,027,537	0	0	0	1,027,537
Total Assets	$ 1,027,537	$ 42,792	$ 5,477,198	$ 1,415	$ 6,548,942
LIABILITIES					
Due to Other Taxing Units	$ 1,027,537	$ 0	$ 0	$ 0	$ 1,027,537
Total Liabilities	$ 1,027,537	$ 0	$ 0	$ 0	$ 1,027,537
NET POSITION					
Restricted for Individuals, Organizations and Other Governments	$ 0	$ 42,792	$ 5,477,198	$ 1,415	$ 5,521,405
Total Net Position	$ 0	$ 42,792	$ 5,477,198	$ 1,415	$ 5,521,405

Exhibit H-2

FAYETTE COUNTY, TENNESSEE
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2024

	Custodial Funds				
	Cities - Sales Tax	Watershed District	Constitu - tional Officers - Custodial	Judicial District Drug	Total
Additions					
Sales Tax Collections for Other Governments	$ 6,221,352	$ 0	$ 0	$ 0	$ 6,221,352
Fines/Fees and Other Collections	0	0	17,059,132	0	17,059,132
Drug Task Force Collections	0	0	0	1,416	1,416
Total Additions	$ 6,221,352	$ 0	$ 17,059,132	$ 1,416	$ 23,281,900
Deductions					
Payment of Sales Tax Collections for Other Governments	$ 6,221,352	$ 0	$ 0	$ 0	$ 6,221,352
Payments to State	0	0	5,809,622	0	5,809,622
Payments to Cities, Individuals, and Others	0	0	10,058,483	0	10,058,483
Drug Task Force Expenses	0	0	0	1	1
Total Deductions	$ 6,221,352	$ 0	$ 15,868,105	$ 1	$ 22,089,458
Change in Net Position	$ 0	$ 0	$ 1,191,027	$ 1,415	$ 1,192,442
Net Position July 1, 2023	0	42,792	4,286,171	0	4,328,963
Net Position June 30, 2024	$ 0	$ 42,792	$ 5,477,198	$ 1,415	$ 5,521,405

FAYETTE COUNTY SCHOOL DEPARTMENT

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

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.

Exhibit I-1

FAYETTE COUNTY, TENNESSEE
Statement of Activities
Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 19,953,485	$ 0	$ 3,717,784	$ 0	$ (16,235,701)
Support Services	19,332,231	0	3,889,527	2,250,117	(13,192,587)
Operation of Non-instructional Services	4,532,968	100,362	2,762,010	0	(1,670,596)
Total Governmental Activities	$ 43,818,684	$ 100,362	$ 10,369,321	$ 2,250,117	$ (31,098,884)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 4,326,789
Local Option Sales Taxes					7,676,366
Other Local Taxes					18,717
Grants and Contributions Not Restricted to Specific Programs					17,582,359
Miscellaneous					712,380
Total General Revenues					$ 30,316,611
Change in Net Position					$ (782,273)
Net Position, July 1, 2023					37,729,614
Net Position, June 30, 2024					$ 36,947,341

FAYETTE COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
Discretely Presented Fayette County School Department
June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS				
Cash	$ 0	$ 0	$ 297,971	$ 297,971
Equity in Pooled Cash and Investments	8,367,938	38,051	512,002	8,917,991
Accounts Receivable	16,130	0	0	16,130
Due from Other Governments	2,243,072	640,178	112,688	2,995,938
Due from Other Funds	40,799	739	0	41,538
Due from Primary Government	11,401	0	0	11,401
Property Taxes Receivable	3,222,970	0	0	3,222,970
Allowance for Uncollectible Property Taxes	(59,645)	0	0	(59,645)
Other Current Assets	0	0	7,852	7,852
Restricted Assets	665,937	0	0	665,937
Total Assets	$ 14,508,602	$ 678,968	$ 930,513	$ 16,118,083
LIABILITIES				
Accounts Payable	$ 59,732	$ 0	$ 688	$ 60,420
Accrued Payroll	0	0	18,171	18,171
Payroll Deductions Payable	139,812	6,125	23,201	169,138
Retainage Payable	2,414	0	0	2,414
Due to Other Funds	739	6,375	0	7,114
Total Liabilities	$ 202,697	$ 12,500	$ 42,060	$ 257,257
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 3,106,649	$ 0	$ 0	$ 3,106,649
Deferred Delinquent Property Taxes	48,308	0	0	48,308
Other Deferred/Unavailable Revenue	625,594	141,588	0	767,182
Total Deferred Inflows of Resources	$ 3,780,551	$ 141,588	$ 0	$ 3,922,139

(Continued)

FAYETTE COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Fayette County School Department (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES				
Restricted:				
Restricted for Education	$ 82,660	$ 0	$ 305,135	$ 387,795
Restricted for Instruction	20,005	0	0	20,005
Restricted for Operation of Non-instructional Services	0	0	583,318	583,318
Restricted for Hybrid Retirement Stabilization Funds	665,937	0	0	665,937
Committed:				
Committed for Education	3,162,555	0	0	3,162,555
Assigned:				
Assigned for Education	0	524,880	0	524,880
Assigned for Instruction	824	0	0	824
Assigned for Support Services	104,533	0	0	104,533
Assigned for Operation of Non-instructional Services	190,078	0	0	190,078
Unassigned	6,298,762	0	0	6,298,762
Total Fund Balances	$ 10,525,354	$ 524,880	$ 888,453	$ 11,938,687
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 14,508,602	$ 678,968	$ 930,513	$ 16,118,083

Exhibit I-3

FAYETTE COUNTY, TENNESSEE

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Discretely Presented Fayette County School Department

June 30, 2024

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)			$ 11,938,687
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	352,721	
Add: construction in progress		109,509	
Add: buildings and improvements net of accumulated depreciation		14,667,437	
Add: other capital assets net of accumulated depreciation		2,947,802	18,077,469
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: net OPEB liability			(1,944,987)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as a component of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	$	5,064,933	
Less: deferred inflows of resources related to pensions		(310,964)	
Add: deferred outflows of resources related to OPEB		697,124	
Less: deferred inflows of resources related to OPEB		(872,013)	4,579,080
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	$	545,579	
Add: net pension asset - teacher retirement plan		161,180	
Add: net pension asset - teacher legacy pension plan		2,774,843	3,481,602
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			815,490
Net position of governmental activities (Exhibit A)			$ 36,947,341

Exhibit I-4

FAYETTE COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Local Taxes	$ 12,104,413	$ 0	$ 0	$ 12,104,413
Licenses and Permits	3,373	0	0	3,373
Charges for Current Services	1,133	0	99,229	100,362
Other Local Revenues	233,810	0	535,009	768,819
State of Tennessee	19,173,285	0	17,127	19,190,412
Federal Government	792,400	6,832,675	2,184,811	9,809,886
Other Governments and Citizens Groups	1,082,550	0	0	1,082,550
Total Revenues	$ 33,390,964	$ 6,832,675	$ 2,836,176	$ 43,059,815
Expenditures				
Current:				
Instruction	$ 15,693,986	$ 2,246,351	$ 0	$ 17,940,337
Support Services	15,226,676	3,207,685	0	18,434,361
Operation of Non-Instructional Services	1,300,087	0	3,000,364	4,300,451
Capital Outlay	448,195	1,226,435	0	1,674,630
Debt Service:				
Other Debt Service	313,360	0	0	313,360
Total Expenditures	$ 32,982,304	$ 6,680,471	$ 3,000,364	$ 42,663,139
Excess (Deficiency) of Revenues Over Expenditures	$ 408,660	$ 152,204	$ (164,188)	$ 396,676
Other Financing Sources (Uses)				
Insurance Recovery	$ 23,201	$ 0	$ 0	$ 23,201
Transfers In	412,106	0	0	412,106
Transfers Out	0	(246,606)	(165,500)	(412,106)
Total Other Financing Sources (Uses)	$ 435,307	$ (246,606)	$ (165,500)	$ 23,201
Net Change in Fund Balances	$ 843,967	$ (94,402)	$ (329,688)	$ 419,877
Fund Balance, July 1, 2023	9,681,387	619,282	1,218,141	11,518,810
Fund Balance, June 30, 2024	$ 10,525,354	$ 524,880	$ 888,453	$ 11,938,687

Exhibit I-5

FAYETTE COUNTY, TENNESSEE

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Discretely Presented Fayette County School Department

For the Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds (Exhibit I-4)			$ 419,877
(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	$	1,749,363	
Less: current-year depreciation expense		(1,926,416)	(177,053)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Add: assets donated and capitalized	$	3,344	
Less: book value of capital assets disposed		(8,692)	(5,348)
(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, 2024	$	815,490	
Less: deferred delinquent property taxes and other deferred June 30, 2023		(907,493)	(92,003)
(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 net OPEB liability	$	(152,232)	
Change in deferred outflows related to OPEB		(16,642)	
Change in deferred inflows related to OPEB		96,082	
Change in net pension asset - agent plan		(520,942)	
Change in net pension asset - teacher retirement plan		42,395	
Change in net pension asset - teacher legacy pension plan		(522,730)	
Change in deferred outflows related to pensions		(308,008)	
Change in deferred inflows related to pensions		454,331	(927,746)
Change in net position of governmental activities (Exhibit B)			$ (782,273)

Exhibit I-6

FAYETTE COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Fayette County School Department
June 30, 2024

	Special Revenue Funds		
	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 0	$ 297,971	$ 297,971
Equity in Pooled Cash and Investments	512,002	0	512,002
Due from Other Governments	112,688	0	112,688
Other Current Assets	0	7,852	7,852
Total Assets	$ 624,690	$ 305,823	$ 930,513
LIABILITIES			
Accounts Payable	$ 0	$ 688	$ 688
Accrued Payroll	18,171	0	18,171
Payroll Deductions Payable	23,201	0	23,201
Total Liabilities	$ 41,372	$ 688	$ 42,060
FUND BALANCES			
Restricted:			
Restricted for Education	$ 0	$ 305,135	$ 305,135
Restricted for Operation of Non-instructional Services	583,318	0	583,318
Total Fund Balances	$ 583,318	$ 305,135	$ 888,453
Total Liabilities and Fund Balances	$ 624,690	$ 305,823	$ 930,513

Exhibit I-7

FAYETTE COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

	Special Revenue Funds		
	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
Revenues			
Charges for Current Services	$ 99,229	$ 0	$ 99,229
Other Local Revenues	0	535,009	535,009
State of Tennessee	17,127	0	17,127
Federal Government	2,184,811	0	2,184,811
Total Revenues	$ 2,301,167	$ 535,009	$ 2,836,176
Expenditures			
Current:			
Operation of Non-Instructional Services	$ 2,482,771	$ 517,593	$ 3,000,364
Total Expenditures	$ 2,482,771	$ 517,593	$ 3,000,364
Excess (Deficiency) of Revenues Over Expenditures	$ (181,604)	$ 17,416	$ (164,188)
Other Financing Sources (Uses)			
Transfers Out	$ (165,500)	$ 0	$ (165,500)
Total Other Financing Sources (Uses)	$ (165,500)	$ 0	$ (165,500)
Net Change in Fund Balances	$ (347,104)	$ 17,416	$ (329,688)
Fund Balance, July 1, 2023	930,422	287,719	1,218,141
Fund Balance, June 30, 2024	$ 583,318	$ 305,135	$ 888,453

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Fayette County School Department
General Purpose School Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
UNKNOWN	$ 0	$ 0	$ 0	$ 0	$ 0	$ 5,000	$ (5,000)
Local Taxes	12,104,413	0	0	12,104,413	10,925,032	10,925,032	1,179,381
Licenses and Permits	3,373	0	0	3,373	2,750	2,750	623
Charges for Current Services	1,133	0	0	1,133	0	0	1,133
Other Local Revenues	233,810	0	0	233,810	12,000	12,000	221,810
State of Tennessee	19,173,285	0	0	19,173,285	18,784,215	19,828,002	(654,717)
Federal Government	792,400	0	0	792,400	0	0	792,400
Other Governments and Citizens Groups	1,082,550	0	0	1,082,550	0	1,082,550	0
Total Revenues	$ 33,390,964	$ 0	$ 0	$ 33,390,964	$ 29,723,997	$ 31,855,334	$ 1,535,630
Expenditures							
Instruction							
Regular Instruction Program	$ 12,528,089	$ (25,871)	$ 0	$ 12,502,218	$ 12,527,791	$ 10,980,500	$ (1,521,718)
Special Education Program	2,524,658	0	0	2,524,658	2,536,534	2,646,326	121,668
Career and Technical Education Program	641,239	0	824	642,063	750,208	859,316	217,253
Support Services							
Attendance	182,212	0	0	182,212	191,789	191,789	9,577
Health Services	437,645	(1,497)	0	436,148	447,472	452,972	16,824
Other Student Support	3,431,211	(682,923)	2,606	2,750,894	1,879,725	3,228,286	477,392
Regular Instruction Program	949,788	(2,609)	0	947,179	843,381	1,309,860	362,681
Special Education Program	324,774	0	0	324,774	339,952	353,617	28,843
Career and Technical Education Program	223,467	(337)	0	223,130	257,345	257,345	34,215
Technology	539,956	0	0	539,956	506,224	506,224	(33,732)
Other Programs	36,261	0	0	36,261	0	36,261	0
Board of Education	678,359	(9,938)	525	668,946	686,609	686,609	17,663
Director of Schools	358,419	(924)	220	357,715	379,211	379,211	21,496
Office of the Principal	1,924,522	0	0	1,924,522	1,900,972	1,909,972	(14,550)
Fiscal Services	337,750	0	0	337,750	371,402	371,402	33,652
Human Services/Personnel	186,565	0	0	186,565	189,368	189,368	2,803

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Operation of Plant	$ 2,330,082	$ (40,054)	$ 3,077	$ 2,293,105	$ 2,237,987	$ 2,251,987	$ (41,118)
Maintenance of Plant	741,430	(20,463)	58,664	779,631	690,068	934,165	154,534
Transportation	2,544,235	(17,188)	39,441	2,566,488	2,685,449	2,756,749	190,261
Operation of Non-Instructional Services							
Food Service	4,533	0	0	4,533	0	0	(4,533)
Community Services	253,177	0	0	253,177	432,071	343,548	90,371
Early Childhood Education	1,042,377	(3,879)	31,578	1,070,076	1,123,124	1,111,415	41,339
Capital Outlay							
Regular Capital Outlay	448,195	(215,217)	158,500	391,478	0	2,299,466	1,907,988
Principal on Debt							
Education	0	0	0	0	250,000	0	0
Interest on Debt							
Education	0	0	0	0	63,360	0	0
Other Debt Service							
Education	313,360	0	0	313,360	0	313,360	0
Total Expenditures	$ 32,982,304	$ (1,020,900)	$ 295,435	$ 32,256,839	$ 31,290,042	$ 34,369,748	$ 2,112,909
Excess (Deficiency) of Revenues Over Expenditures	$ 408,660	$ 1,020,900	$ (295,435)	$ 1,134,125	$ (1,566,045)	$ (2,514,414)	$ 3,648,539
Other Financing Sources (Uses)							
Insurance Recovery	$ 23,201	$ 0	$ 0	$ 23,201	$ 0	$ 0	$ 23,201
Transfers In	412,106	0	0	412,106	400,000	400,000	12,106
Transfers Out	0	0	0	0	0	(11,352)	11,352
Total Other Financing Sources	$ 435,307	$ 0	$ 0	$ 435,307	$ 400,000	$ 388,648	$ 46,659
Net Change in Fund Balance	$ 843,967	$ 1,020,900	$ (295,435)	$ 1,569,432	$ (1,166,045)	$ (2,125,766)	$ 3,695,198
Fund Balance, July 1, 2023	9,681,387	(1,020,900)	0	8,660,487	5,935,008	5,935,008	2,725,479
Fund Balance, June 30, 2024	$ 10,525,354	$ 0	$ (295,435)	$ 10,229,919	$ 4,768,963	$ 3,809,242	$ 6,420,677

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Fayette County School Department
School Federal Projects Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
State of Tennessee	$ 0	$ 0	$ 0	$ 0	$ 2,000,000	$ 0	$ 0
Federal Government	6,832,675	0	0	6,832,675	7,389,764	8,907,785	(2,075,110)
Total Revenues	$ 6,832,675	$ 0	$ 0	$ 6,832,675	$ 9,389,764	$ 8,907,785	$ (2,075,110)
Expenditures							
Instruction							
Regular Instruction Program	$ 1,125,014	$ (463,382)	$ 0	$ 661,632	$ 1,724,171	$ 1,167,438	$ 505,806
Special Education Program	681,216	0	3,823	685,039	1,267,884	769,872	84,833
Career and Technical Education Program	440,121	0	522	440,643	1,994,890	1,714,081	1,273,438
Support Services							
Health Services	14,582	0	0	14,582	55,220	27,294	12,712
Other Student Support	522,205	0	2,243	524,448	566,156	755,278	230,830
Regular Instruction Program	1,599,753	(60,130)	0	1,539,623	2,090,981	1,835,551	295,928
Special Education Program	241,246	0	0	241,246	279,009	261,587	20,341
Career and Technical Education Program	14,735	0	0	14,735	82,367	268,735	254,000
Technology	586,676	(243,760)	0	342,916	342,000	474,568	131,652
Office of the Principal	0	0	0	0	102,603	0	0
Fiscal Services	0	0	0	0	150	0	0
Operation of Plant	0	0	0	0	50,306	0	0
Maintenance of Plant	0	0	0	0	1,219	0	0
Transportation	228,488	0	29,659	258,147	492,597	400,709	142,562
Operation of Non-Instructional Services							
Food Service	0	0	0	0	43,356	0	0
Capital Outlay							
Regular Capital Outlay	1,226,435	(1,098,009)	0	128,426	99,100	1,234,532	1,106,106
Total Expenditures	$ 6,680,471	$ (1,865,281)	$ 36,247	$ 4,851,437	$ 9,192,009	$ 8,909,645	$ 4,058,208
Excess (Deficiency) of Revenues Over Expenditures	$ 152,204	$ 1,865,281	$ (36,247)	$ 1,981,238	$ 197,755	$ (1,860)	$ 1,983,098

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Other Financing Sources (Uses)							
Transfers Out	$ (246,606)	$ 0	$ 0	$ (246,606)	$ (197,755)	$ (248,133)	$ 1,527
Total Other Financing Sources	$ (246,606)	$ 0	$ 0	$ (246,606)	$ (197,755)	$ (248,133)	$ 1,527
Net Change in Fund Balance	$ (94,402)	$ 1,865,281	$ (36,247)	$ 1,734,632	$ 0	$ (249,993)	$ 1,984,625
Fund Balance, July 1, 2023	619,282	(1,865,281)	0	(1,245,999)	758,186	758,186	(2,004,185)
Fund Balance, June 30, 2024	$ 524,880	$ 0	$ (36,247)	$ 488,633	$ 758,186	$ 508,193	$ (19,560)

Exhibit I-10

FAYETTE COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Fayette County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for Current Services	$ 99,229	$ 192,700	$ 192,700	$ (93,471)
Other Local Revenues	0	1,850	1,850	(1,850)
State of Tennessee	17,127	19,000	19,000	(1,873)
Federal Government	2,184,811	2,912,142	2,912,142	(727,331)
Total Revenues	$ 2,301,167	$ 3,125,692	$ 3,125,692	$ (824,525)
Expenditures				
Operation of Non-Instructional Services				
Food Service	$ 2,482,771	$ 2,960,192	$ 2,960,192	$ 477,421
Total Expenditures	$ 2,482,771	$ 2,960,192	$ 2,960,192	$ 477,421
Excess (Deficiency) of Revenues Over Expenditures	$ (181,604)	$ 165,500	$ 165,500	$ (347,104)
Other Financing Sources (Uses)				
Transfers Out	$ (165,500)	$ (165,500)	$ (165,500)	$ 0
Total Other Financing Sources	$ (165,500)	$ (165,500)	$ (165,500)	$ 0
Net Change in Fund Balance	$ (347,104)	$ 0	$ 0	$ (347,104)
Fund Balance, July 1, 2023	930,422	908,604	908,604	21,818
Fund Balance, June 30, 2024	$ 583,318	$ 908,604	$ 908,604	$ (325,286)

Miscellaneous Schedules

FAYETTE COUNTY, TENNESSEE
Schedule of Changes in Long-term Bonds
For the Year Ended June 30, 2024

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-23	Paid and/or Matured During Period	Outstanding 6-30-24
BONDS PAYABLE							
Payable through General Debt Service Fund							
General Obligation Refunding Bonds, Series 2021A	$ 9,295,000	2 %	4-9-21	3-1-30	$ 7,245,000	$ 1,035,000	$ 6,210,000
General Obligation Refunding Bonds, Series 2021B	7,265,000	1 to 3	4-30-21	3-1-36	6,285,000	490,000	5,795,000
General Obligation Refunding Bonds, Series 2021C	7,950,000	1.5 to 3	5-28-21	3-1-36	6,550,000	695,000	5,855,000
Total Bonds Payable					$ 20,080,000	$ 2,220,000	$ 17,860,000

Exhibit J-2

FAYETTE COUNTY, TENNESSEE

Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	$ 2,205,000	$ 379,895	$ 2,584,895
2026	2,205,000	324,095	2,529,095
2027	2,195,000	268,295	2,463,295
2028	2,185,000	212,795	2,397,795
2029	2,185,000	157,595	2,342,595
2030	1,900,000	112,095	2,012,095
2031	865,000	78,460	943,460
2032	860,000	65,040	925,040
2033	815,000	51,200	866,200
2034	815,000	38,618	853,618
2035	815,000	26,392	841,392
2036	815,000	13,520	828,520
Total	$ 17,860,000	$ 1,728,000	$ 19,588,000

FAYETTE COUNTY, TENNESSEE
Schedule of Changes in SBITA Obligations
For the Year Ended June 30, 2024

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-24
SBITA PAYABLE								
Payable through General Fund								
Body Camera System and Cloud Storage	$ 686,621	3 %	12-11-23	12-31-27	$ 0	$ 686,621	$ 145,560	$ 541,061
Total SBITA Payable					$ 0	$ 686,621	$ 145,560	$ 541,061

FAYETTE COUNTY, TENNESSEE
Schedule of SBITA Requirements by Year

Year Ending June 30	SBITA		
	Principal	Interest	Total
2025	$ 129,328	$ 16,232	$ 145,560
2026	133,208	12,352	145,560
2027	137,204	8,356	145,560
2028	141,321	4,239	145,560
Total	$ 541,061	$ 41,179	$ 582,240

FAYETTE COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Fayette County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	General Debt Service	Debt retirement	$ 46,900
"	General Capital Projects	Capital Outlay	10,000
"	Community Development/Industrial Park	"	1,415,936
Adequate Facilities/Development Tax	General Capital Projects	"	670,000
"	Highway/Public Works	Road paving	280,000
Total Transfers Primary Government			$ 2,422,836
DISCRETELY PRESENTED FAYETTE COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	$ 246,606
Central Cafeteria	"	"	165,500
Total Transfers Discretely Presented Fayette County School Department			$ 412,106

FAYETTE COUNTY, TENNESSEE
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, *TCA*	$ 100,000	Western Surety Company
Base salary/Total compensation	$ 108,513			
Public Works Superintendent		Chapter 234, Private Acts of 1974	100,000	Western Surety Company
Base salary/Total compensation	$ 103,346	and Section 8-24-102, *TCA*		
Director of Schools		State Board of Education and	(1)	Tennessee Risk Management
Base salary	$ 145,000	County Board of Education		Trust
Board approved performance payment	10,000			
Career ladder salary supplement	1,000			
Total compensation	$ 156,000			
Trustee		Section 8-24-102, *TCA*	1,212,380	Western Surety Company
Base salary/Total compensation	$ 93,951			
Assessor of Property		Section 8-24-102, *TCA*	50,000	Western Surety Company
Base salary/Total compensation	$ 93,951			
County Clerk		Section 8-24-102, *TCA*	100,000	Western Surety Company
Base salary/Total compensation	$ 93,951			
Circuit, General Sessions and Juvenile Courts Clerk		Section 8-24-102, *TCA*	100,000	Western Surety Company
Base salary/Total compensation	$ 93,951			
Clerk and Master		Section 8-24-102, *TCA,* and	200,000	Western Surety Company
Base salary	$ 93,951	Chancery Court Judge		
Special commissioner fees	6,630			
Total compensation	$ 100,581			
Register of Deeds		Section 8-24-102, *TCA*	100,000	RLI Insurance Company
Base salary/Total compensation	$ 93,951			
Sheriff		Section 8-24-102, *TCA*	100,000	Western Surety Company
Base salary	$ 103,346			
Law enforcement training supplement	800			
Total compensation	$ 104,146			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Property and Casualty
Employee Fidelity - School Department			400,000	Tennessee Risk Management Trust

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

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2024

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Local Taxes					
County Property Taxes					
Current Property Tax	$ 13,654,851	$ 0	$ 0	$ 0	$ 0
Trustee's Collections - Prior Year	162,222	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	120,735	0	0	0	0
Interest and Penalty	38,426	0	0	0	0
Pickup Taxes	23,310	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	6,252	0	0	0	0
Payments in-Lieu-of Taxes - Other	172,459	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	1,374,457	0	0	0	0
Hotel/Motel Tax	16,312	0	0	0	0
Wheel Tax	218,623	0	0	0	0
Litigation Tax - General	100,873	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	95,052	0	0	0	0
Business Tax	559,999	0	0	0	0
Adequate Facilities/Development Tax	0	0	0	991,820	0
Statutory Local Taxes					
Bank Excise Tax	288,213	0	0	0	0
Wholesale Beer Tax	0	68,872	0	0	0
Total Local Taxes	$ 16,831,784	$ 68,872	$ 0	$ 991,820	$ 0
Licenses and Permits					
Licenses					
Animal Registration	$ 30,613	$ 0	$ 0	$ 0	$ 0
Cable TV Franchise	0	174,469	0	0	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Licenses and Permits (Cont.)					
Permits					
Beer Permits	$ 855	$ 0	$ 0	$ 0	$ 0
Building Permits	977,311	0	0	0	0
Total Licenses and Permits	$ 1,008,779	$ 174,469	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	$ 3,753	$ 0	$ 0	$ 0	$ 0
Officers Costs	12,657	0	0	0	0
Drug Control Fines	20,616	0	15,026	0	0
Drug Court Fees	1,928	0	0	0	0
Jail Fees	68	0	0	0	0
DUI Treatment Fines	116	0	0	0	0
Data Entry Fee - Circuit Court	1,834	0	0	0	0
Courtroom Security Fee	32	0	0	0	0
Victims Assistance Assessments	5,022	0	0	0	0
General Sessions Court					
Fines	14,060	0	0	0	0
Officers Costs	36,403	0	0	0	0
Game and Fish Fines	56	0	0	0	0
Drug Control Fines	13,918	0	12,037	0	0
Drug Court Fees	4,147	0	0	0	0
Jail Fees	2,484	0	0	0	0
Judicial Commissioner Fees	84,123	0	0	0	0
DUI Treatment Fines	5,466	0	0	0	0
Data Entry Fee - General Sessions Court	14,483	0	0	0	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court (Cont.)					
Courtroom Security Fee	$ 1,868	$ 0	$ 0	$ 0	$ 0
Victims Assistance Assessments	7,917	0	0	0	0
Juvenile Court					
Officers Costs	1,812	0	0	0	0
Chancery Court					
Officers Costs	2,401	0	0	0	0
Data Entry Fee - Chancery Court	3,866	0	0	0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	35,981	0	0
Other Fines, Forfeitures, and Penalties	31,297	0	0	0	0
Total Fines, Forfeitures, and Penalties	$ 270,327	$ 0	$ 63,044	$ 0	$ 0
Charges for Current Services					
General Service Charges					
Other Employee Benefit Charges/Contributions	$ 45,113	$ 0	$ 0	$ 0	$ 0
Residential Waste Collection Charge	10,450	0	0	0	0
Solid Waste Disposal Fee	0	911,371	0	0	0
Surcharge - Waste Tire Disposal	0	19,465	0	0	0
Patient Charges	2,158,991	0	0	0	0
Fees					
Airport Fees	69,263	0	0	0	0
Copy Fees	192	0	0	0	0
Library Fees	7,637	0	0	0	0
Archives and Records Management Fee	19,767	0	0	0	0
Greenbelt Late Application Fee	200	0	0	0	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Charges for Current Services (Cont.)					
Fees (Cont.)					
Telephone Commissions	$ 49,169	$ 0	$ 0	$ 0	$ 0
Additional Fees - Titling and Registration	35,574	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	6,630
Data Processing Fee - Register	14,496	0	0	0	0
Data Processing Fee - Sheriff	2,018	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,900	0	0	0	0
Data Processing Fee - County Clerk	6,276	0	0	0	0
Vehicle Registration Reinstatement Fees	10,065	0	0	0	0
Total Charges for Current Services	$ 2,436,111	$ 930,836	$ 0	$ 0	$ 6,630
Other Local Revenues					
Recurring Items					
Investment Income	$ 1,958,494	$ 151,849	$ 0	$ 0	$ 0
Lease/Rentals/PPP	56,652	2,754	0	0	0
Sale of Materials and Supplies	565	0	0	0	0
Commissary Sales	10,217	0	0	0	0
Sale of Gasoline	440,363	0	0	0	0
Sale of Recycled Materials	0	138,972	0	0	0
Miscellaneous Refunds	61,375	12,086	0	0	0
Nonrecurring Items					
Sale of Equipment	57,781	54,520	0	0	0
Sale of Property	160,602	0	0	0	0
Contributions and Gifts	0	0	0	0	0
Total Other Local Revenues	$ 2,746,049	$ 360,181	$ 0	$ 0	$ 0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	$ 574,699	$ 0	$ 0	$ 0	$ 0
Circuit Court Clerk	85,988	0	0	0	0
General Sessions Court Clerk	228,840	0	0	0	0
Clerk and Master	130,276	0	0	0	0
Juvenile Court Clerk	23,231	0	0	0	0
Register	251,930	0	0	0	0
Sheriff	25,080	0	0	0	0
Trustee	781,899	0	0	0	0
Total Fees Received From County Officials	$ 2,101,943	$ 0	$ 0	$ 0	$ 0
State of Tennessee					
General Government Grants					
Airport Maintenance Program	$ 89,291	$ 0	$ 0	$ 0	$ 0
Public Safety Grants					
Law Enforcement Training Programs	40,000	0	0	0	0
School Resource Officer Grants	525,000	0	0	0	0
Other Public Safety Grants	136,459	0	0	0	0
Health and Welfare Grants					
Health Department Programs	66,978	0	0	0	0
Other Health and Welfare Grants	11,261	0	0	0	0
Public Works Grants					
State Aid Program	0	0	0	0	0
Litter Program	51,967	0	0	0	0
Other State Revenues					
Beer Tax	18,498	0	0	0	0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Vehicle Certificate of Title Fees	$ 8,721	$ 0	$ 0	$ 0	$ 0
Alcoholic Beverage Tax	130,297	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	162,499	0	0	0	0
State Revenue Sharing - T.V.A.	1,136,836	0	0	0	0
State Shared Sports Gaming Privilege Tax	45,482	0	0	0	0
Prisoner Transportation	23,473	0	0	0	0
Contracted Prisoner Boarding	162,975	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	175,643	0	0	0	0
Other State Revenues	102,336	0	0	0	0
Total State of Tennessee	$ 2,902,880	$ 0	$ 0	$ 0	$ 0
Federal Government					
Federal Through State					
Civil Defense Reimbursement	$ 57,557	$ 0	$ 0	$ 0	$ 0
Homeland Security Grants	22,454	0	0	0	0
COVID-19 Grant #1	30,605	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0
Other Federal through State	552,410	0	0	0	0
Direct Federal Revenue					
Asset Forfeiture Funds	0	0	32,396	0	0
Other Direct Federal Revenue	43,682	0	0	0	0
Total Federal Government	$ 706,708	$ 0	$ 32,396	$ 0	$ 0

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

		Special Revenue Funds			
	General	Solid Waste / Sanitation	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	$ 146,964	$ 0	$ 0	$ 0	$ 0
Contributions	37,116	0	0	0	0
Contracted Services	21,957	0	0	0	0
Citizens Groups					
Donations	89,605	0	0	0	0
Other					
Opioid Settlement Funds - Past Remediation	70,677	0	0	0	0
Total Other Governments and Citizens Groups	$ 366,319	$ 0	$ 0	$ 0	$ 0
Total	$ 29,370,900	$ 1,534,358	$ 95,440	$ 991,820	$ 6,630

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Local Taxes					
County Property Taxes					
Current Property Tax	$ 1,116,335	$ 0	$ 0	$ 0	$ 14,771,186
Trustee's Collections - Prior Year	15,727	9	0	0	177,958
Circuit Clerk/Clerk and Master Collections - Prior Years	11,247	0	0	0	131,982
Interest and Penalty	3,279	16	0	0	41,721
Pickup Taxes	1,934	0	0	0	25,244
Payments in-Lieu-of Taxes - Local Utilities	511	0	0	0	6,763
Payments in-Lieu-of Taxes - Other	14,099	0	0	0	186,558
County Local Option Taxes					
Local Option Sales Tax	0	73,377	0	0	1,447,834
Hotel/Motel Tax	0	0	0	0	16,312
Wheel Tax	874,494	2,186,563	0	0	3,279,680
Litigation Tax - General	0	0	0	0	100,873
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	95,052
Business Tax	0	0	0	0	559,999
Adequate Facilities/Development Tax	0	0	0	0	991,820
Statutory Local Taxes					
Bank Excise Tax	0	0	0	0	288,213
Wholesale Beer Tax	0	0	0	0	68,872
Total Local Taxes	$ 2,037,626	$ 2,259,965	$ 0	$ 0	$ 22,190,067
Licenses and Permits					
Licenses					
Animal Registration	$ 0	$ 0	$ 0	$ 0	$ 30,613
Cable TV Franchise	0	0	0	0	174,469

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Licenses and Permits (Cont.)					
Permits					
Beer Permits	$ 0	$ 0	$ 0	$ 0	$ 855
Building Permits	0	0	0	0	977,311
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 0	$ 1,183,248
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	$ 0	$ 0	$ 0	$ 0	$ 3,753
Officers Costs	0	0	0	0	12,657
Drug Control Fines	0	0	0	0	35,642
Drug Court Fees	0	0	0	0	1,928
Jail Fees	0	0	0	0	68
DUI Treatment Fines	0	0	0	0	116
Data Entry Fee - Circuit Court	0	0	0	0	1,834
Courtroom Security Fee	0	0	0	0	32
Victims Assistance Assessments	0	0	0	0	5,022
General Sessions Court					
Fines	0	0	0	0	14,060
Officers Costs	0	0	0	0	36,403
Game and Fish Fines	0	0	0	0	56
Drug Control Fines	0	0	0	0	25,955
Drug Court Fees	0	0	0	0	4,147
Jail Fees	0	0	0	0	2,484
Judicial Commissioner Fees	0	0	0	0	84,123
DUI Treatment Fines	0	0	0	0	5,466
Data Entry Fee - General Sessions Court	0	0	0	0	14,483

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court (Cont.)					
Courtroom Security Fee	$ 0	$ 0	$ 0	$ 0	$ 1,868
Victims Assistance Assessments	0	0	0	0	7,917
Juvenile Court					
Officers Costs	0	0	0	0	1,812
Chancery Court					
Officers Costs	0	0	0	0	2,401
Data Entry Fee - Chancery Court	0	0	0	0	3,866
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	35,981
Other Fines, Forfeitures, and Penalties	0	0	0	0	31,297
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 0	$ 333,371
Charges for Current Services					
General Service Charges					
Other Employee Benefit Charges/Contributions	$ 0	$ 0	$ 0	$ 0	$ 45,113
Residential Waste Collection Charge	0	0	0	0	10,450
Solid Waste Disposal Fee	0	0	0	0	911,371
Surcharge - Waste Tire Disposal	0	0	0	0	19,465
Patient Charges	0	0	0	0	2,158,991
Fees					
Airport Fees	0	0	0	0	69,263
Copy Fees	0	0	0	0	192
Library Fees	0	0	0	0	7,637
Archives and Records Management Fee	0	0	0	0	19,767
Greenbelt Late Application Fee	0	0	0	0	200

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Charges for Current Services (Cont.)					
Fees (Cont.)					
Telephone Commissions	$ 0	$ 0	$ 0	$ 0	$ 49,169
Additional Fees - Titling and Registration	0	0	0	0	35,574
Constitutional Officers' Fees and Commissions	0	0	0	0	6,630
Data Processing Fee - Register	0	0	0	0	14,496
Data Processing Fee - Sheriff	0	0	0	0	2,018
Sexual Offender Registration Fee - Sheriff	0	0	0	0	6,900
Data Processing Fee - County Clerk	0	0	0	0	6,276
Vehicle Registration Reinstatement Fees	0	0	0	0	10,065
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 0	$ 3,373,577
Other Local Revenues					
Recurring Items					
Investment Income	$ 0	$ 0	$ 0	$ 0	$ 2,110,343
Lease/Rentals/PPP	0	0	0	0	59,406
Sale of Materials and Supplies	0	0	0	0	565
Commissary Sales	0	0	0	0	10,217
Sale of Gasoline	0	0	0	0	440,363
Sale of Recycled Materials	35,734	0	0	0	174,706
Miscellaneous Refunds	16,738	0	0	0	90,199
Nonrecurring Items					
Sale of Equipment	0	0	0	0	112,301
Sale of Property	0	0	0	0	160,602
Contributions and Gifts	19,075	0	0	0	19,075
Total Other Local Revenues	$ 71,547	$ 0	$ 0	$ 0	$ 3,177,777

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	$ 0	$ 0	$ 0	$ 0	$ 574,699
Circuit Court Clerk	0	0	0	0	85,988
General Sessions Court Clerk	0	0	0	0	228,840
Clerk and Master	0	0	0	0	130,276
Juvenile Court Clerk	0	0	0	0	23,231
Register	0	0	0	0	251,930
Sheriff	0	0	0	0	25,080
Trustee	0	0	0	0	781,899
Total Fees Received From County Officials	$ 0	$ 0	$ 0	$ 0	$ 2,101,943
State of Tennessee					
General Government Grants					
Airport Maintenance Program	$ 0	$ 0	$ 236,867	$ 0	$ 326,158
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	40,000
School Resource Officer Grants	0	0	0	0	525,000
Other Public Safety Grants	0	0	0	0	136,459
Health and Welfare Grants					
Health Department Programs	0	0	0	0	66,978
Other Health and Welfare Grants	0	0	0	0	11,261
Public Works Grants					
State Aid Program	2,316,733	0	0	0	2,316,733
Litter Program	0	0	0	0	51,967
Other State Revenues					
Beer Tax	0	0	0	0	18,498

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Vehicle Certificate of Title Fees	$ 0	$ 0	$ 0	$ 0	$ 8,721
Alcoholic Beverage Tax	0	0	0	0	130,297
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	162,499
State Revenue Sharing - T.V.A.	0	0	0	0	1,136,836
State Shared Sports Gaming Privilege Tax	0	0	0	0	45,482
Prisoner Transportation	0	0	0	0	23,473
Contracted Prisoner Boarding	0	0	0	0	162,975
Gasoline and Motor Fuel Tax	3,075,091	0	0	0	3,075,091
Hybrid/Electric Vehicle Registration Fee	12,445	0	0	0	12,445
Petroleum Special Tax	27,821	0	0	0	27,821
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	60,789	0	236,432
Other State Revenues	0	0	0	0	102,336
Total State of Tennessee	$ 5,432,090	$ 0	$ 297,656	$ 0	$ 8,632,626
Federal Government					
Federal Through State					
Civil Defense Reimbursement	$ 0	$ 0	$ 0	$ 0	$ 57,557
Homeland Security Grants	0	0	0	0	22,454
COVID-19 Grant #1	0	0	0	0	30,605
American Rescue Plan Act Grant #1	0	0	0	7,989,604	7,989,604
Other Federal through State	0	0	421,135	0	973,545
Direct Federal Revenue					
Asset Forfeiture Funds	0	0	0	0	32,396
Other Direct Federal Revenue	0	0	0	0	43,682
Total Federal Government	$ 0	$ 0	$ 421,135	$ 7,989,604	$ 9,149,843

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects -	Total
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	$ 0	$ 0	$ 0	$ 0	$ 146,964
Contributions	0	313,360	0	0	350,476
Contracted Services	0	0	0	0	21,957
Citizens Groups					
Donations	0	0	0	0	89,605
Other					
Opioid Settlement Funds - Past Remediation	0	0	0	0	70,677
Total Other Governments and Citizens Groups	$ 0	$ 313,360	$ 0	$ 0	$ 679,679
Total	$ 7,541,263	$ 2,573,325	$ 718,791	$ 7,989,604	$ 50,822,131

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
Local Taxes					
County Property Taxes					
Current Property Tax	$ 4,224,119	$ 0	$ 0	$ 0	$ 4,224,119
Trustee's Collections - Prior Year	52,470	0	0	0	52,470
Circuit Clerk/Clerk and Master Collections - Prior Years	42,036	0	0	0	42,036
Interest and Penalty	12,374	0	0	0	12,374
Pickup Taxes	7,219	0	0	0	7,219
Payments in-Lieu-of Taxes - Local Utilities	1,934	0	0	0	1,934
Payments in-Lieu-of Taxes - Other	53,350	0	0	0	53,350
County Local Option Taxes					
Local Option Sales Tax	7,692,194	0	0	0	7,692,194
Mixed Drink Tax	18,717	0	0	0	18,717
Total Local Taxes	$ 12,104,413	$ 0	$ 0	$ 0	$ 12,104,413
Licenses and Permits					
Licenses					
Marriage Licenses	$ 3,373	$ 0	$ 0	$ 0	$ 3,373
Total Licenses and Permits	$ 3,373	$ 0	$ 0	$ 0	$ 3,373
Charges for Current Services					
Education Charges					
Lunch Payments - Adults	$ 0	$ 0	$ 9,309	$ 0	$ 9,309
Income from Breakfast	0	0	28	0	28
Other Charges for Services	1,133	0	89,892	0	91,025
Total Charges for Current Services	$ 1,133	$ 0	$ 99,229	$ 0	$ 100,362

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Other Local Revenues					
Recurring Items					
Investment Income	$ 56,439	$ 0	$ 0	$ 0	$ 56,439
Lease/Rentals/PPP	8,400	0	0	0	8,400
Miscellaneous Refunds	117,437	0	0	0	117,437
Nonrecurring Items					
Sale of Equipment	45,233	0	0	0	45,233
Contributions and Gifts	3,372	0	0	0	3,372
Other Local Revenues					
Other Local Revenues	2,929	0	0	535,009	537,938
Total Other Local Revenues	$ 233,810	$ 0	$ 0	$ 535,009	$ 768,819
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	$ 36,261	$ 0	$ 0	$ 0	$ 36,261
State Education Funds					
Tennessee Investment in Student Achievement	17,431,155	0	0	0	17,431,155
TISA - On-behalf Payments	50,216	0	0	0	50,216
Early Childhood Education	591,674	0	0	0	591,674
School Food Service	0	0	17,127	0	17,127
Other State Education Funds	748,293	0	0	0	748,293
Coordinated School Health	2,000	0	0	0	2,000
Career Ladder Program	30,367	0	0	0	30,367
Other State Revenues					
Other State Grants	240,988	0	0	0	240,988
Other State Revenues	42,331	0	0	0	42,331
Total State of Tennessee	$ 19,173,285	$ 0	$ 17,127	$ 0	$ 19,190,412

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Federal Government					
Federal Through State					
USDA School Lunch Program	$ 0	$ 0	$ 1,304,004	$ 0	$ 1,304,004
USDA - Commodities	0	0	136,720	0	136,720
Breakfast	0	0	575,744	0	575,744
USDA - Other	0	0	168,343	0	168,343
Vocational Education - Basic Grants to States	0	91,592	0	0	91,592
Title I Grants to Local Education Agencies	0	1,263,398	0	0	1,263,398
Special Education - Grants to States	0	1,014,328	0	0	1,014,328
Special Education Preschool Grants	0	38,333	0	0	38,333
English Language Acquisition Grants	0	14,566	0	0	14,566
Education for Homeless Children and Youth	0	74	0	0	74
21st Century Community Learning Centers	317,348	0	0	0	317,348
Eisenhower Professional Development State Grants	0	180,767	0	0	180,767
COVID-19 Grant B	0	424,695	0	0	424,695
American Rescue Plan Act Grant #1	0	2,712,739	0	0	2,712,739
American Rescue Plan Act Grant #2	0	9,299	0	0	9,299
Other Federal through State	62,148	678,766	0	0	740,914
Direct Federal Revenue					
American Rescue Plan Act Grant #6	0	404,118	0	0	404,118
Other Direct Federal Revenue	412,904	0	0	0	412,904
Total Federal Government	$ 792,400	$ 6,832,675	$ 2,184,811	$ 0	$ 9,809,886
Other Governments and Citizens Groups					
Other Governments					
Contributions	$ 1,082,550	$ 0	$ 0	$ 0	$ 1,082,550
Total Other Governments and Citizens Groups	$ 1,082,550	$ 0	$ 0	$ 0	$ 1,082,550
Total	$ 33,390,964	$ 6,832,675	$ 2,301,167	$ 535,009	$ 43,059,815

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2024

General Fund			
General Government			
County Commission			
Board and Committee Members Fees	$ 59,879		
Pensions	1,400		
Contracts with Private Agencies	1,600		
Legal Services	11,550		
Travel	1,400		
Duplicating Supplies	2,095		
Office Supplies	550		
Total County Commission		$	78,474
County Mayor/Executive			
County Official/Administrative Officer	$ 108,513		
Communication	60		
Dues and Memberships	55		
Engineering Services	1,500		
Legal Notices, Recording, and Court Costs	2,439		
Maintenance and Repair Services - Office Equipment	35		
Postal Charges	54		
Printing, Stationery, and Forms	145		
Rentals	572		
Travel	200		
Office Supplies	3,402		
In Service/Staff Development	395		
Total County Mayor/Executive			117,370
Personnel Office			
Supervisor/Director	$ 58,115		
Deputy(ies)	2,395		
Contracts with Private Agencies	2,604		
Total Personnel Office			63,114
County Attorney			
Other Salaries and Wages	$ 84,000		
Other Per Diem and Fees	958		
Legal Services	459		
Total County Attorney			85,417
Election Commission			
Assistant(s)	$ 47,734		
Supervisor/Director	84,621		
Deputy(ies)	75,017		
Part-time Personnel	7,074		
Election Commission	7,087		
Election Workers	35,400		
Communication	3,646		
Data Processing Services	18,477		
Janitorial Services	3,600		
Legal Notices, Recording, and Court Costs	2,826		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
General Government (Cont.)			
Election Commission (Cont.)			
Maintenance and Repair Services - Buildings	$ 4,161		
Maintenance and Repair Services - Office Equipment	955		
Postal Charges	6,988		
Printing, Stationery, and Forms	3,586		
Rentals	2,121		
Travel	1,655		
Office Supplies	5,078		
Other Supplies and Materials	4,524		
Data Processing Equipment	360,947		
Office Equipment	434		
Total Election Commission		$	675,931
Register of Deeds			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	43,586		
Deputy(ies)	77,000		
Communication	991		
Data Processing Services	16,739		
Dues and Memberships	922		
Postal Charges	348		
Printing, Stationery, and Forms	90		
Rentals	699		
Travel	520		
Office Supplies	1,491		
Office Equipment	1,214		
Total Register of Deeds			237,551
Development			
Assistant(s)	$ 48,378		
Deputy(ies)	41,569		
Secretary(ies)	41,958		
Board and Committee Members Fees	6,003		
Communication	4,913		
Consultants	962		
Contracts with Private Agencies	91,740		
Data Processing Services	18,366		
Janitorial Services	4,510		
Legal Notices, Recording, and Court Costs	3,017		
Maintenance and Repair Services - Buildings	2,890		
Rentals	1,418		
Travel	1,518		
Office Supplies	3,120		
In Service/Staff Development	521		
Data Processing Equipment	585		
Total Development			271,468

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
General Government (Cont.)			
Building			
Assistant(s)	$ 54,547		
Supervisor/Director	60,102		
Maintenance and Repair Services - Vehicles	1,000		
Printing, Stationery, and Forms	65		
Gasoline	5,478		
Uniforms	616		
Other Supplies and Materials	700		
In Service/Staff Development	1,036		
Total Building		$	123,544
County Buildings			
Custodial Personnel	$ 37,747		
Temporary Personnel	4,000		
Communication	9,421		
Contracts with Government Agencies	18,000		
Contracts with Other Public Agencies	680		
Contracts with Private Agencies	4,400		
Maintenance and Repair Services - Buildings	48,417		
Maintenance and Repair Services - Vehicles	267		
Postal Charges	51,433		
Rentals	13,113		
Custodial Supplies	3,959		
Gasoline	914		
Office Supplies	110		
Uniforms	570		
Utilities	53,994		
Total County Buildings			247,025
Other Facilities			
Propane Gas	$ 2,822		
Total Other Facilities			2,822
Other General Administration			
Dues and Memberships	$ 73,060		
Total Other General Administration			73,060
Preservation of Records			
Janitorial Services	$ 150		
Postal Charges	82		
Rentals	136		
Travel	540		
Maintenance and Repair Services - Records	800		
Office Supplies	3,003		
Other Supplies and Materials	5,189		
Furniture and Fixtures	741		
Total Preservation of Records			10,641

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Finance			
Accounting and Budgeting			
Supervisor/Director	$ 68,900		
Purchasing Personnel	43,614		
Audit Services	18,056		
Communication	2,468		
Data Processing Services	21,172		
Legal Notices, Recording, and Court Costs	14		
Printing, Stationery, and Forms	381		
Rentals	572		
Travel	1,199		
Duplicating Supplies	611		
Office Supplies	2,354		
In Service/Staff Development	660		
Total Accounting and Budgeting		$	160,001
Property Assessor's Office			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	43,584		
Deputy(ies)	104,547		
Investigator(s)	73,836		
Board and Committee Members Fees	579		
Communication	3,473		
Consultants	24,100		
Data Processing Services	6,131		
Dues and Memberships	1,765		
Maintenance Agreements	3,510		
Maintenance and Repair Services - Vehicles	1,904		
Postal Charges	1,703		
Printing, Stationery, and Forms	479		
Rentals	766		
Travel	150		
Gasoline	3,142		
Office Supplies	1,216		
Other Supplies and Materials	300		
Office Equipment	3,867		
Total Property Assessor's Office			369,003
Reappraisal Program			
Consultants	$ 19,980		
Data Processing Services	13,775		
Total Reappraisal Program			33,755
County Trustee's Office			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	43,588		
Supervisor/Director	43,588		
Deputy(ies)	38,501		
Part-time Personnel	21,339		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Finance (Cont.)			
County Trustee's Office (Cont.)			
Communication	$ 3,807		
Data Processing Services	29,874		
Dues and Memberships	912		
Legal Notices, Recording, and Court Costs	95		
Postal Charges	10,151		
Printing, Stationery, and Forms	8,761		
Rentals	737		
Travel	2,742		
Office Supplies	3,763		
Other Supplies and Materials	12		
In Service/Staff Development	455		
Total County Trustee's Office		$	302,276
County Clerk's Office			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	79,375		
Deputy(ies)	173,396		
Other Salaries and Wages	2,040		
Communication	7,152		
Data Processing Services	35,795		
Dues and Memberships	1,342		
Legal Notices, Recording, and Court Costs	706		
Printing, Stationery, and Forms	1,044		
Rentals	1,093		
Travel	798		
Office Supplies	9,899		
Other Supplies and Materials	340		
In Service/Staff Development	285		
Total County Clerk's Office			407,216
Administration of Justice			
Circuit Court			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	45,746		
Deputy(ies)	41,142		
Jury and Witness Expense	12,316		
Communication	2,241		
Data Processing Services	12,445		
Dues and Memberships	812		
Postal Charges	250		
Printing, Stationery, and Forms	1,473		
Travel	1,092		
Office Supplies	4,431		
In Service/Staff Development	550		
Other Charges	6,224		
Total Circuit Court			222,673

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Administration of Justice (Cont.)			
General Sessions Court			
Assistant(s)	$ 43,585		
Deputy(ies)	148,605		
Data Processing Services	5,830		
Postal Charges	240		
Printing, Stationery, and Forms	3,500		
Rentals	1,290		
Office Supplies	4,571		
Furniture and Fixtures	456		
Total General Sessions Court		$	208,077
General Sessions Judge			
Judge(s)	$ 203,761		
Assistant(s)	54,936		
Communication	660		
Dues and Memberships	280		
Rentals	1,085		
Travel	871		
Office Supplies	171		
Other Supplies and Materials	499		
Total General Sessions Judge			262,263
General Sessions Court Clerk			
Assistant(s)	$ 42,777		
Deputy(ies)	48,529		
Data Processing Services	1,205		
Printing, Stationery, and Forms	734		
Rentals	1,200		
Travel	79		
Office Supplies	590		
Total General Sessions Court Clerk			95,114
Drug Court			
Contracts with Private Agencies	$ 104,582		
Other Contracted Services	230,562		
Total Drug Court			335,144
Chancery Court			
County Official/Administrative Officer	$ 93,951		
Assistant(s)	101,962		
Deputy(ies)	36,136		
Data Processing Services	11,921		
Dues and Memberships	1,002		
Legal Notices, Recording, and Court Costs	4,458		
Postal Charges	188		
Printing, Stationery, and Forms	2,185		
Rentals	898		
Travel	219		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Administration of Justice (Cont.)			
Chancery Court (Cont.)			
Data Processing Supplies	$ 1,321		
Office Supplies	942		
In Service/Staff Development	85		
Office Equipment	990		
Total Chancery Court		$	256,258
Juvenile Court			
Youth Service Officer(s)	$ 54,934		
Communication	148		
Dues and Memberships	80		
Travel	414		
Other Contracted Services	2,996		
Other Supplies and Materials	743		
Total Juvenile Court			59,315
Victim Assistance Programs			
Contracts with Private Agencies	$ 10,290		
Total Victim Assistance Programs			10,290
Public Safety			
Sheriff's Department			
County Official/Administrative Officer	$ 103,346		
Supervisor/Director	76,048		
Deputy(ies)	1,012,887		
Investigator(s)	420,175		
Captain(s)	139,377		
Lieutenant(s)	470,817		
Sergeant(s)	386,370		
Data Processing Personnel	42,100		
Salary Supplements	39,200		
Part-time Personnel	92,671		
School Resource Officer	202,960		
Overtime Pay	163,885		
Employee and Dependent Insurance	335,500		
Advertising	515		
Communication	88,800		
Contracts with Private Agencies	126,528		
Maintenance and Repair Services - Buildings	2,229		
Maintenance and Repair Services - Vehicles	139,742		
Medical and Dental Services	11,805		
Postal Charges	2,111		
Printing, Stationery, and Forms	1,100		
Rentals	7,500		
Travel	15,116		
Gasoline	271,622		
Office Supplies	13,641		
Uniforms	78,669		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Public Safety (Cont.)			
Sheriff's Department (Cont.)			
Other Supplies and Materials	$ 10,454		
Liability Insurance	186,242		
Workers' Compensation Insurance	237,039		
Liability Claims	3,000		
In Service/Staff Development	12,045		
Communication Equipment	10,912		
Law Enforcement Equipment	378,292		
Total Sheriff's Department		$	5,082,698
Drug Enforcement			
Investigator(s)	$ 241,511		
Lieutenant(s)	72,754		
Sergeant(s)	72,163		
Salary Supplements	4,000		
Overtime Pay	73,072		
Social Security	27,245		
Pensions	18,019		
Employee and Dependent Insurance	7,592		
Employer Medicare	6,372		
Uniforms	4,013		
Total Drug Enforcement			526,741
Jail			
Assistant(s)	$ 69,680		
Supervisor/Director	79,193		
Captain(s)	65,139		
Lieutenant(s)	189,559		
Sergeant(s)	145,812		
Data Processing Personnel	93,180		
Salary Supplements	800		
Dispatchers/Radio Operators	481,381		
Guards	509,891		
Secretary(ies)	125,205		
Maintenance Personnel	96,204		
Part-time Personnel	63,293		
Overtime Pay	256,087		
Employee and Dependent Insurance	271,621		
Contracts with Private Agencies	62,698		
Data Processing Services	40,000		
Maintenance and Repair Services - Buildings	341,903		
Medical and Dental Services	1,061,398		
Postal Charges	828		
Travel	7,875		
Custodial Supplies	23,768		
Food Supplies	273,791		
Gasoline	2,412		
Office Supplies	1,602		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Prisoners Clothing	$ 5,764	
Uniforms	12,154	
Utilities	275,872	
Other Supplies and Materials	4,407	
Liability Insurance	107,205	
In Service/Staff Development	2,190	
Communication Equipment	1,533	
Law Enforcement Equipment	14,463	
Total Jail		$ 4,686,908
Fire Prevention and Control		
Assistant(s)	$ 50,477	
Supervisor/Director	70,100	
Deputy(ies)	50,796	
Salary Supplements	17,400	
Mechanic(s)	62,928	
Attendants	90,878	
Overtime Pay	3,292	
Other Salaries and Wages	160,550	
Communication	14,144	
Contracts with Government Agencies	145,750	
Contracts with Other Public Agencies	12,040	
Dues and Memberships	1,480	
Evaluation and Testing	90	
Forest Resource Services	2,000	
Maintenance and Repair Services - Buildings	18,801	
Maintenance and Repair Services - Equipment	4,374	
Maintenance and Repair Services - Vehicles	35,036	
Postal Charges	188	
Printing, Stationery, and Forms	1,328	
Rentals	5,100	
Travel	23,620	
Data Processing Supplies	11,110	
Diesel Fuel	17,247	
Gasoline	24,257	
Natural Gas	3,205	
Office Supplies	1,417	
Propane Gas	5,638	
Uniforms	4,756	
Utilities	19,352	
Other Supplies and Materials	117,897	
Building and Contents Insurance	20,782	
Liability Insurance	7,565	
Vehicle and Equipment Insurance	92,233	
Workers' Compensation Insurance	12,790	
In Service/Staff Development	5,795	
Other Charges	52,767	

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Public Safety (Cont.)			
Fire Prevention and Control (Cont.)			
Administration Equipment	$ 548		
Communication Equipment	12,952		
Motor Vehicles	49,380		
Office Equipment	1,990		
Other Equipment	157,359		
Total Fire Prevention and Control		$	1,389,412
Civil Defense			
Assistant(s)	$ 45,582		
Supervisor/Director	70,100		
Deputy(ies)	50,477		
Captain(s)	45,667		
Communication	5,530		
Dues and Memberships	1,105		
Maintenance and Repair Services - Buildings	2,591		
Maintenance and Repair Services - Equipment	697		
Maintenance and Repair Services - Vehicles	10,974		
Postal Charges	188		
Rentals	524		
Travel	858		
Gasoline	6,503		
Instructional Supplies and Materials	390		
Office Supplies	500		
Utilities	8,480		
Other Supplies and Materials	21,769		
Liability Insurance	25,797		
Workers' Compensation Insurance	2,645		
Communication Equipment	2,880		
Other Equipment	1,800		
Total Civil Defense			305,057
Rescue Squad			
Maintenance and Repair Services - Vehicles	$ 840		
Other Supplies and Materials	848		
Total Rescue Squad			1,688
Other Emergency Management			
Other Contracted Services	$ 4,432		
Other Supplies and Materials	4,163		
Total Other Emergency Management			8,595
County Coroner/Medical Examiner			
Contracts with Government Agencies	$ 28,220		
Medical and Dental Services	2,500		
Transportation - Other than Students	6,900		
Total County Coroner/Medical Examiner			37,620

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Public Safety (Cont.)			
Other Public Safety			
Mechanic(s)	$ 99,840		
Employee and Dependent Insurance	21,025		
Maintenance and Repair Services - Vehicles	1,084		
Equipment Parts - Light	27,033		
Gasoline	8,500		
Uniforms	1,124		
Utilities	2,613		
Total Other Public Safety		$	161,219
Public Health and Welfare			
Local Health Center			
Communication	$ 2,927		
Dues and Memberships	405		
Janitorial Services	16,350		
Maintenance and Repair Services - Buildings	25,415		
Postal Charges	188		
Drugs and Medical Supplies	98		
Office Supplies	1,358		
Utilities	11,834		
Total Local Health Center			58,575
Rabies and Animal Control			
Deputy(ies)	$ 39,876		
Investigator(s)	43,680		
Overtime Pay	594		
Communication	1,326		
Maintenance and Repair Services - Buildings	48		
Maintenance and Repair Services - Vehicles	318		
Gasoline	8,187		
Uniforms	675		
Utilities	2,882		
Other Supplies and Materials	2,735		
In Service/Staff Development	175		
Total Rabies and Animal Control			100,496
Ambulance/Emergency Medical Services			
Supervisor/Director	$ 137,800		
Lieutenant(s)	113,945		
Secretary(ies)	48,662		
Attendants	1,081,420		
Part-time Personnel	141,472		
Overtime Pay	705,821		
Social Security	128,722		
Pensions	81,937		
Employee and Dependent Insurance	216,992		
Employer Medicare	30,104		
Communication	13,884		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)
Public Health and Welfare (Cont.)
Ambulance/Emergency Medical Services (Cont.)

Contracts with Private Agencies	$ 58,535		
Debt Collection Services	177,059		
Dues and Memberships	560		
Licenses	3,248		
Maintenance and Repair Services - Buildings	10,180		
Maintenance and Repair Services - Office Equipment	3,300		
Maintenance and Repair Services - Vehicles	110,031		
Rentals	2,249		
Custodial Supplies	3,004		
Diesel Fuel	33,311		
Drugs and Medical Supplies	114,230		
Gasoline	51,662		
Office Supplies	2,023		
Uniforms	2,502		
Utilities	8,184		
Other Supplies and Materials	81		
Liability Insurance	35,325		
Vehicle and Equipment Insurance	66,587		
Workers' Compensation Insurance	171,528		
In Service/Staff Development	2,180		
Communication Equipment	3,524		
Data Processing Equipment	2,140		
Motor Vehicles	283,500		
Total Ambulance/Emergency Medical Services		$	3,845,702

Dental Health Program

Paraprofessionals	$ 48,610		
Social Security	2,862		
Pensions	1,939		
Employee and Dependent Insurance	7,263		
Employer Medicare	669		
Travel	2,895		
Workers' Compensation Insurance	1,413		
Total Dental Health Program			65,651

Alcohol and Drug Programs

Supervisor/Director	$ 30,400		
Social Security	1,544		
Pensions	468		
Employee and Dependent Insurance	6,740		
Employer Medicare	361		
Advertising	847		
Contracts with Private Agencies	7,200		
Travel	2,905		
Office Supplies	3,072		
Total Alcohol and Drug Programs			53,537

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Public Health and Welfare (Cont.)			
Crippled Children Services			
Contracts with Government Agencies	$ 2,216		
Total Crippled Children Services		$	2,216
Sanitation Education/Information			
Foremen	$ 97,551		
Social Security	5,749		
Pensions	3,898		
Employee and Dependent Insurance	7,263		
Employer Medicare	1,344		
Maintenance and Repair Services - Vehicles	94		
Uniforms	550		
Other Supplies and Materials	3,599		
Workers' Compensation Insurance	2,030		
Other Charges	12,944		
Total Sanitation Education/Information			135,022
Social, Cultural, and Recreational Services			
Libraries			
Assistant(s)	$ 70,707		
Supervisor/Director	44,520		
Librarians	33,497		
Part-time Personnel	28,881		
Social Security	10,011		
Pensions	5,598		
Employee and Dependent Insurance	21,850		
Employer Medicare	2,341		
Communication	4,104		
Janitorial Services	7,800		
Maintenance and Repair Services - Buildings	14,206		
Travel	39		
Library Books/Media	25,883		
Office Supplies	2,423		
Utilities	9,922		
Other Supplies and Materials	506		
Other Charges	514		
Data Processing Equipment	1,893		
Total Libraries			284,695
Agriculture and Natural Resources			
Agricultural Extension Service			
Board and Committee Members Fees	$ 1,239		
Communication	4,077		
Contracts with Government Agencies	64,286		
Contributions	2,000		
Dues and Memberships	1,585		
Maintenance and Repair Services - Buildings	3,780		
Rentals	14,036		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Agriculture and Natural Resources (Cont.)			
Agricultural Extension Service (Cont.)			
Travel	$ 4,430		
Custodial Supplies	218		
Utilities	5,453		
Office Equipment	2,096		
Total Agricultural Extension Service		$	103,200
Soil Conservation			
Secretary(ies)	$ 42,264		
Educational Assistants	32,163		
Dues and Memberships	1,410		
Rentals	4,800		
Travel	5,608		
Office Supplies	627		
Furniture and Fixtures	1,050		
Total Soil Conservation			87,922
Other Operations			
Industrial Development			
Engineering Services	$ 268		
Utilities	632		
Total Industrial Development			900
Airport			
Supervisor/Director	$ 88,547		
Maintenance Personnel	47,700		
Part-time Personnel	76,500		
Advertising	1,199		
Communication	9,760		
Contracts with Private Agencies	127,394		
Dues and Memberships	250		
Engineering Services	5,500		
Janitorial Services	3,135		
Maintenance and Repair Services - Buildings	59,943		
Travel	2,061		
Diesel Fuel	5,884		
Gasoline	293,679		
Office Supplies	1,262		
Uniforms	198		
Utilities	24,498		
Liability Insurance	21,314		
Workers' Compensation Insurance	11,311		
Total Airport			780,135
Veterans' Services			
Supervisor/Director	$ 26,129		
Communication	2,122		
Maintenance and Repair Services - Buildings	1,483		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)			
Other Operations (Cont.)			
Veterans' Services (Cont.)			
Travel	$ 652		
Office Supplies	1,771		
Other Supplies and Materials	841		
Total Veterans' Services		$ 32,998	
Other Charges			
Liability Insurance	$ 166,095		
Premiums on Corporate Surety Bonds	17,366		
Trustee's Commission	374,224		
Tax Relief Program	76,937		
Total Other Charges		634,622	
Contributions to Other Agencies			
Contracts with Other Public Agencies	$ 26,424		
Contributions	14,500		
Total Contributions to Other Agencies		40,924	
Employee Benefits			
Longevity Pay	$ 163,800		
Social Security	551,590		
Pensions	336,964		
Employee and Dependent Insurance	508,696		
Unemployment Compensation	2,341		
Employer Medicare	129,137		
Medical and Dental Services	6,929		
Workers' Compensation Insurance	56,592		
Total Employee Benefits		1,756,049	
COVID-19 Grant #2			
Maintenance and Repair Services - Buildings	$ 18,558		
Total COVID-19 Grant #2		18,558	
Miscellaneous			
Contracts with Government Agencies	$ 1,575		
Refunds	18,791		
Total Miscellaneous		20,366	
Total General Fund			$ 24,929,308
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Convenience Centers			
Contracts with Public Carriers	$ 449,445		
Total Convenience Centers		$ 449,445	
Landfill Operation and Maintenance			
Supervisor/Director	$ 68,950		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Landfill Operation and Maintenance (Cont.)			
Accountants/Bookkeepers	$ 71,387		
Equipment Operators - Heavy	237,325		
Temporary Personnel	32,687		
Longevity Pay	5,800		
Overtime Pay	19,705		
Board and Committee Members Fees	531		
In-service Training	199		
Social Security	25,167		
Pensions	15,385		
Employee and Dependent Insurance	55,957		
Employer Medicare	5,886		
Advertising	1,364		
Communication	3,007		
Contracts with Government Agencies	7,476		
Data Processing Services	9,853		
Evaluation and Testing	832		
Licenses	5,765		
Maintenance and Repair Services - Buildings	28,304		
Maintenance and Repair Services - Equipment	48,942		
Medical and Dental Services	90		
Travel	125		
Diesel Fuel	25,395		
Equipment and Machinery Parts	30,703		
Gasoline	11,229		
Lubricants	2,166		
Office Supplies	4,403		
Tires and Tubes	3,747		
Utilities	8,960		
Other Supplies and Materials	1,036		
Liability Insurance	81,209		
Trustee's Commission	13,871		
Workers' Compensation Insurance	31,281		
Other Charges	6,232		
Site Development	25,628		
Solid Waste Equipment	317,115		
Total Landfill Operation and Maintenance		$ 1,207,712	
Total Solid Waste/Sanitation Fund			$ 1,657,157
Drug Control Fund			
Public Safety			
Drug Enforcement			
Contributions	$ 2,500		
Confidential Drug Enforcement Payments	4,000		
Veterinary Services	713		
Instructional Supplies and Materials	10,713		
Law Enforcement Supplies	2,879		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Drug Control Fund (Cont.)			
Public Safety (Cont.)			
Drug Enforcement (Cont.)			
Trustee's Commission	$ 487		
In Service/Staff Development	55		
Law Enforcement Equipment	36,555		
Motor Vehicles	35,238		
Other Equipment	5,300		
Total Drug Enforcement		$ 98,440	
Other Public Safety			
Law Enforcement Supplies	$ 137,396		
Total Other Public Safety		137,396	
Total Drug Control Fund			$ 235,836
Adequate Facilities/ Development Tax Fund			
Other Operations			
Other Charges			
Trustee's Commission	$ 9,918		
Total Other Charges		$ 9,918	
Total Adequate Facilities/ Development Tax Fund			9,918
Constitutional Officers - Fees Fund			
Administration of Justice			
Chancery Court			
Constitutional Officers' Operating Expenses	$ 6,630		
Total Chancery Court		$ 6,630	
Total Constitutional Officers - Fees Fund			6,630
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 103,346		
Accountants/Bookkeepers	101,340		
Board and Committee Members Fees	6,840		
Data Processing Services	34,858		
Dues and Memberships	4,739		
Rentals	1,240		
Travel	1,459		
Office Supplies	2,700		
Other Charges	10,011		
Total Administration		$ 266,533	
Highway and Bridge Maintenance			
Supervisor/Director	$ 264,184		
Foremen	112,362		
Equipment Operators	240,760		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)
Highways (Cont.)

Highway and Bridge Maintenance (Cont.)			
Equipment Operators - Light	$ 197,018		
Truck Drivers	427,342		
Laborers	259,882		
Longevity Pay	53,600		
Overtime Pay	81,828		
Freight Expenses	165,042		
Other Contracted Services	108,798		
Asphalt - Liquid	148,461		
Crushed Stone	89,329		
Road Signs	7,620		
Small Tools	2,378		
Other Supplies and Materials	10,820		
Total Highway and Bridge Maintenance		$	2,169,424
Operation and Maintenance of Equipment			
Mechanic(s)	$ 210,189		
Maintenance and Repair Services - Equipment	25,632		
Diesel Fuel	144,478		
Equipment and Machinery Parts	153,777		
Garage Supplies	849		
Gasoline	60,510		
Lubricants	13,964		
Small Tools	804		
Tires and Tubes	13,703		
Other Supplies and Materials	5,944		
Other Capital Outlay	8,380		
Total Operation and Maintenance of Equipment			638,230
Other Charges			
Communication	$ 6,694		
Utilities	20,486		
Liability Insurance	144,313		
Trustee's Commission	66,156		
Liability Claims	500		
Total Other Charges			238,149
Employee Benefits			
Social Security	$ 154,012		
Pensions	76,135		
Employee and Dependent Insurance	342,390		
Evaluation and Testing	2,549		
Workers' Compensation Insurance	129,921		
Total Employee Benefits			705,007
Capital Outlay			
Bridge Construction	$ 206,679		
Highway Equipment	190,221		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Capital Outlay (Cont.)			
State Aid Projects	$ 2,401,883		
Other Construction	951,455		
Total Capital Outlay		$ 3,750,238	
Total Highway/Public Works Fund			$ 7,767,581
General Debt Service Fund			
Principal on Debt			
General Government			
Principal on Bonds	$ 886,300		
Total General Government		$ 886,300	
Education			
Principal on Bonds	$ 1,333,700		
Total Education		1,333,700	
Interest on Debt			
General Government			
Interest on Bonds	$ 166,887		
Total General Government		166,887	
Education			
Interest on Bonds	$ 269,259		
Total Education		269,259	
Other Debt Service			
General Government			
Trustee's Commission	$ 23,419		
Other Debt Service	530		
Total General Government		23,949	
Education			
Other Debt Service	$ 3,470		
Total Education		3,470	
Total General Debt Service Fund			2,683,565
General Capital Projects Fund			
General Government			
Building			
Motor Vehicles	$ 34,747		
Total Building		$ 34,747	
Other Facilities			
Maintenance and Repair Services - Buildings	$ 2,670,513		
Building Construction	3,500		
Total Other Facilities		2,674,013	

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Capital Projects Fund (Cont.)			
Public Safety			
Sheriff's Department			
Data Processing Equipment	$ 53,191		
Law Enforcement Equipment	61,859		
Motor Vehicles	417,040		
Office Equipment	8,619		
Total Sheriff's Department		$ 540,709	
Jail			
Data Processing Equipment	$ 28,545		
Total Jail		28,545	
Fire Prevention and Control			
Maintenance and Repair Services - Buildings	$ 29,743		
Motor Vehicles	39,380		
Total Fire Prevention and Control		69,123	
Public Health and Welfare			
Local Health Center			
Building Improvements	$ 81,052		
Total Local Health Center		81,052	
Other Operations			
Airport			
Architects	$ 2,800		
Maintenance and Repair Services - Buildings	17,000		
Other Supplies and Materials	29,702		
Motor Vehicles	32,798		
Site Development	951,559		
Total Airport		1,033,859	
Capital Projects			
General Administration Projects			
Trustee's Commission	$ 8,911		
Total General Administration Projects		8,911	
Total General Capital Projects Fund			$ 4,470,959
Community Development/Industrial Park Fund			
Capital Projects			
Other General Government Projects			
Building Construction	$ 1,308,017		
Total Other General Government Projects		$ 1,308,017	
Total Community Development/Industrial Park Fund			1,308,017

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

HUD Grant Projects Fund			
Other Operations			
Other Economic and Community Development			
Other Capital Outlay	$ 493,786		
Total Other Economic and Community Development		$ 493,786	
Total HUD Grant Projects Fund			$ 493,786
Total Governmental Funds - Primary Government			$ 43,562,757

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures - All Governmental Fund Types
Discretely Presented Fayette County School Department
For the Year Ended June 30, 2024

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 7,890,083	
Career Ladder Program	17,500	
Educational Assistants	431,380	
Bonus Payments	6,625	
Other Salaries and Wages	188,062	
Certified Substitute Teachers	130,393	
Non-certified Substitute Teachers	236,877	
Social Security	518,843	
Pensions	659,649	
Medical Insurance	907,560	
Employer Medicare	121,331	
Other Contracted Services	1,055,946	
Instructional Supplies and Materials	58,508	
Textbooks - Bound	304,792	
Other Supplies and Materials	88	
Other Charges	452	
Total Regular Instruction Program		$ 12,528,089
Special Education Program		
Teachers	$ 997,015	
Career Ladder Program	3,000	
Homebound Teachers	45,071	
Educational Assistants	322,383	
Speech Pathologist	184,030	
Other Salaries and Wages	49,859	
Certified Substitute Teachers	15,398	
Non-certified Substitute Teachers	11,514	
Social Security	92,709	
Pensions	102,144	
Medical Insurance	195,197	
Employer Medicare	21,869	
Other Fringe Benefits	77,083	
Contracts with Private Agencies	176,588	
Other Contracted Services	111,820	
Instructional Supplies and Materials	37,288	
Other Supplies and Materials	5,280	
TISA - On-behalf Payments	50,216	
Special Education Equipment	26,194	
Total Special Education Program		2,524,658
Career and Technical Education Program		
Teachers	$ 343,998	
Career Ladder Program	600	
Other Salaries and Wages	11,350	
Non-certified Substitute Teachers	1,405	
Social Security	21,506	

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Instruction (Cont.)			
Career and Technical Education Program (Cont.)			
Pensions	$ 28,327		
Medical Insurance	33,840		
Employer Medicare	4,936		
Other Contracted Services	96,066		
Instructional Supplies and Materials	51,993		
Textbooks - Bound	1,422		
Software	1,950		
Other Supplies and Materials	9,490		
Other Charges	1,600		
Vocational Instruction Equipment	32,756		
Total Career and Technical Education Program		$	641,239
Support Services			
Attendance			
Supervisor/Director	$ 63,935		
Career Ladder Program	1,000		
Clerical Personnel	17,182		
Other Salaries and Wages	43,670		
Social Security	7,582		
Pensions	6,856		
Medical Insurance	6,326		
Employer Medicare	1,773		
Other Contracted Services	28,854		
In Service/Staff Development	5,014		
Other Charges	20		
Total Attendance			182,212
Health Services			
Supervisor/Director	$ 53,818		
Medical Personnel	278,820		
Bonus Payments	1,791		
Social Security	19,755		
Pensions	13,377		
Medical Insurance	35,792		
Employer Medicare	4,620		
Contracts with Private Agencies	1,190		
Travel	770		
Other Contracted Services	4,049		
Drugs and Medical Supplies	2,177		
Other Supplies and Materials	18,349		
In Service/Staff Development	3,137		
Total Health Services			437,645
Other Student Support			
Guidance Personnel	$ 450,265		
Guards	358,139		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Other Student Support (Cont.)			
Clerical Personnel	$ 31,230		
Attendants	4,928		
Other Salaries and Wages	423,608		
Social Security	72,947		
Pensions	66,973		
Life Insurance	1,194		
Medical Insurance	72,528		
Employer Medicare	17,060		
Contracts with Other School Systems	31,524		
Internet Connectivity	1,082,550		
Travel	36,644		
Other Contracted Services	695,287		
Software	4,860		
Other Supplies and Materials	33,085		
In Service/Staff Development	1,386		
Other Charges	35,344		
Other Equipment	11,659		
Total Other Student Support		$	3,431,211
Regular Instruction Program			
Supervisor/Director	$ 231,448		
Career Ladder Program	1,000		
Librarians	356,757		
Other Salaries and Wages	22,110		
Non-certified Substitute Teachers	504		
Social Security	36,264		
Pensions	40,303		
Medical Insurance	47,613		
Employer Medicare	8,481		
Consultants	17,138		
Travel	11,674		
Other Contracted Services	166,939		
Periodicals	210		
Software	8,303		
Other Charges	200		
Other Equipment	844		
Total Regular Instruction Program			949,788
Special Education Program			
Supervisor/Director	$ 89,953		
Psychological Personnel	74,450		
Assessment Personnel	26,301		
Clerical Personnel	33,230		
Other Salaries and Wages	170		
Social Security	12,016		
Pensions	15,103		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Special Education Program (Cont.)			
Medical Insurance	$ 39,108		
Employer Medicare	2,836		
Other Fringe Benefits	2,547		
Travel	7,083		
Other Contracted Services	13,485		
Other Supplies and Materials	3,893		
In Service/Staff Development	4,599		
Total Special Education Program		$	324,774
Career and Technical Education Program			
Supervisor/Director	$ 77,418		
Secretary(ies)	4,514		
Other Salaries and Wages	112,722		
Social Security	12,015		
Pensions	13,651		
Employer Medicare	2,810		
In Service/Staff Development	337		
Total Career and Technical Education Program			223,467
Technology			
Supervisor/Director	$ 129,662		
Social Security	7,704		
Pensions	7,200		
Medical Insurance	12,302		
Employer Medicare	1,802		
Communication	231,142		
Postal Charges	350		
Internet Connectivity	101,659		
Travel	2,953		
Other Contracted Services	7,102		
Software	33,603		
Other Supplies and Materials	914		
Other Equipment	3,563		
Total Technology			539,956
Other Programs			
On-behalf Payments to OPEB	$ 36,261		
Total Other Programs			36,261
Board of Education			
Longevity Pay	$ 25,100		
Other Salaries and Wages	450		
Board and Committee Members Fees	42,150		
Social Security	4,197		
Pensions	1,063		
Life Insurance	11,235		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Board of Education (Cont.)			
Unemployment Compensation	$ 1,241		
Employer Medicare	982		
Audit Services	6,000		
Dues and Memberships	6,248		
Legal Services	85,020		
Travel	6,662		
Other Contracted Services	26,500		
Other Supplies and Materials	360		
Liability Insurance	83,652		
Trustee's Commission	222,329		
Workers' Compensation Insurance	131,399		
In Service/Staff Development	15,313		
Refund to Applicant for Criminal Investigation	2,032		
Other Charges	6,426		
Total Board of Education		$	678,359
Director of Schools			
County Official/Administrative Officer	$ 155,000		
Career Ladder Program	1,000		
Secretary(ies)	101,449		
Clerical Personnel	18,594		
Social Security	17,418		
Pensions	22,675		
Medical Insurance	12,807		
Employer Medicare	4,293		
Dues and Memberships	6,598		
Travel	3,338		
Office Supplies	319		
Other Supplies and Materials	4,548		
In Service/Staff Development	5,452		
Other Charges	4,928		
Total Director of Schools			358,419
Office of the Principal			
Principals	$ 632,750		
Assistant Principals	544,592		
Secretary(ies)	202,499		
Clerical Personnel	183,626		
Social Security	91,066		
Pensions	99,506		
Medical Insurance	139,751		
Employer Medicare	21,361		
Other Contracted Services	6,763		
Other Supplies and Materials	20		
Administration Equipment	2,588		
Total Office of the Principal			1,924,522

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Fiscal Services			
Supervisor/Director	$ 83,958		
Other Salaries and Wages	165,785		
Social Security	15,010		
Pensions	6,631		
Medical Insurance	13,576		
Employer Medicare	3,511		
Travel	211		
Other Contracted Services	39,271		
Data Processing Supplies	1,349		
Office Supplies	4,675		
In Service/Staff Development	3,249		
Other Charges	524		
Total Fiscal Services		$	337,750
Human Services/Personnel			
Supervisor/Director	$ 87,665		
Other Salaries and Wages	54,864		
Social Security	8,490		
Pensions	8,165		
Medical Insurance	14,000		
Employer Medicare	1,986		
Travel	3,468		
Office Supplies	1,325		
Other Supplies and Materials	377		
In Service/Staff Development	450		
Other Charges	5,775		
Total Human Services/Personnel			186,565
Operation of Plant			
Supervisor/Director	$ 153,640		
Custodial Personnel	559,239		
Other Salaries and Wages	43,625		
Social Security	44,841		
Pensions	26,081		
Medical Insurance	51,702		
Employer Medicare	10,487		
Rentals	400		
Disposal Fees	29,170		
Other Contracted Services	150,157		
Custodial Supplies	91,194		
Electricity	715,785		
General Construction Materials	160		
Natural Gas	69,326		
Water and Sewer	76,409		
Other Supplies and Materials	133		
Boiler Insurance	5,527		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Operation of Plant (Cont.)			
Building and Contents Insurance	$ 296,717		
Other Charges	5,489		
Total Operation of Plant		$	2,330,082
Maintenance of Plant			
Supervisor/Director	$ 54,345		
Maintenance Personnel	159,893		
Other Salaries and Wages	116,966		
Social Security	19,394		
Pensions	12,570		
Medical Insurance	36,361		
Employer Medicare	4,536		
Maintenance and Repair Services - Buildings	27,680		
Maintenance and Repair Services - Equipment	7,359		
Other Contracted Services	60,535		
General Construction Materials	142,642		
Other Supplies and Materials	1,652		
In Service/Staff Development	1,003		
Other Charges	560		
Administration Equipment	77,191		
Maintenance Equipment	18,743		
Total Maintenance of Plant			741,430
Transportation			
Supervisor/Director	$ 54,345		
Mechanic(s)	184,485		
Bus Drivers	927,420		
Clerical Personnel	64,268		
Other Salaries and Wages	339,398		
Social Security	93,278		
Pensions	48,523		
Medical Insurance	67,423		
Employer Medicare	22,149		
Other Fringe Benefits	7,003		
Maintenance and Repair Services - Vehicles	101,310		
Other Contracted Services	64,734		
Diesel Fuel	369,222		
Equipment and Machinery Parts	1,240		
Gasoline	10,549		
Lubricants	8,685		
Tires and Tubes	35,372		
Vehicle Parts	70,169		
Other Supplies and Materials	3,717		
Vehicle and Equipment Insurance	69,394		
In Service/Staff Development	911		
Other Charges	640		
Total Transportation			2,544,235

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Operation of Non-Instructional Services			
Food Service			
Cafeteria Personnel	$ 4,060		
Social Security	252		
Pensions	162		
Employer Medicare	59		
Total Food Service		$	4,533
Community Services			
Supervisor/Director	$ 44,975		
Teachers	87,009		
Educational Assistants	41,847		
Social Security	10,756		
Pensions	9,286		
Employer Medicare	2,516		
Travel	514		
Other Contracted Services	30,040		
Instructional Supplies and Materials	12,202		
Other Supplies and Materials	5,344		
In Service/Staff Development	3,297		
Other Equipment	5,391		
Total Community Services			253,177
Early Childhood Education			
Supervisor/Director	$ 71,630		
Teachers	497,656		
Career Ladder Program	1,000		
Educational Assistants	202,336		
Other Salaries and Wages	8,000		
Certified Substitute Teachers	650		
Non-certified Substitute Teachers	2,916		
Social Security	45,046		
Pensions	50,507		
Medical Insurance	76,826		
Employer Medicare	10,535		
Travel	177		
Other Contracted Services	1,776		
Instructional Supplies and Materials	58,336		
Other Supplies and Materials	5,215		
In Service/Staff Development	4,120		
Regular Instruction Equipment	5,651		
Total Early Childhood Education			1,042,377
Capital Outlay			
Regular Capital Outlay			
Architects	$ 76,659		
Building Improvements	81,431		
Other Capital Outlay	290,105		
Total Regular Capital Outlay			448,195

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

General Purpose School Fund (Cont.)			
Other Debt Service			
Education			
Debt Service Contribution to Primary Government	$ 313,360		
Total Education		$ 313,360	
Total General Purpose School Fund			$ 32,982,304
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Bonus Payments	$ 36,550		
Other Salaries and Wages	35,685		
Social Security	4,326		
Pensions	4,608		
Medical Insurance	5,914		
Employer Medicare	1,012		
Instructional Supplies and Materials	123,771		
Textbooks - Bound	452,292		
Software	192,056		
Fee Waivers	3,385		
Regular Instruction Equipment	265,415		
Total Regular Instruction Program		$ 1,125,014	
Special Education Program			
Educational Assistants	$ 390,543		
Other Salaries and Wages	24,301		
Certified Substitute Teachers	130		
Non-certified Substitute Teachers	1,470		
Social Security	24,589		
Pensions	16,623		
Medical Insurance	28,969		
Employer Medicare	5,751		
Contracts with Other Public Agencies	66,537		
Contracts with Private Agencies	75,094		
Evaluation and Testing	381		
Other Contracted Services	7,110		
Instructional Supplies and Materials	23,039		
Other Supplies and Materials	7,355		
Special Education Equipment	9,324		
Total Special Education Program		681,216	
Career and Technical Education Program			
Teachers	$ 61,808		
Other Salaries and Wages	64,431		
Social Security	7,489		
Pensions	5,340		
Medical Insurance	9,428		
Employer Medicare	1,751		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Instruction (Cont.)			
Career and Technical Education Program (Cont.)			
Other Contracted Services	$ 152,884		
Instructional Supplies and Materials	33,332		
Other Supplies and Materials	9,960		
Vocational Instruction Equipment	93,698		
Total Career and Technical Education Program		$	440,121
Support Services			
Health Services			
Contracts with Private Agencies	$ 70		
Other Supplies and Materials	14,512		
Total Health Services			14,582
Other Student Support			
Supervisor/Director	$ 52,485		
Social Workers	137,235		
Other Salaries and Wages	54,827		
Social Security	14,856		
Pensions	10,537		
Medical Insurance	35,819		
Employer Medicare	3,474		
Contracts with Private Agencies	70,469		
Travel	9,909		
Other Contracted Services	6,188		
Other Supplies and Materials	72,725		
In Service/Staff Development	7,849		
Other Charges	42,418		
Other Equipment	3,414		
Total Other Student Support			522,205
Regular Instruction Program			
Supervisor/Director	$ 69,856		
Instructional Coaches	465,269		
Other Salaries and Wages	524,803		
Social Security	61,456		
Pensions	68,486		
Medical Insurance	109,471		
Employer Medicare	14,373		
Other Contracted Services	108,327		
Other Supplies and Materials	15,298		
In Service/Staff Development	160,849		
Other Charges	1,565		
Total Regular Instruction Program			1,599,753
Special Education Program			
Medical Personnel	$ 67,425		
Social Security	3,820		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Special Education Program (Cont.)			
Pensions	$ 4,592		
Medical Insurance	6,161		
Employer Medicare	893		
Evaluation and Testing	11,327		
Travel	25,418		
Other Contracted Services	102,414		
Other Supplies and Materials	6,876		
In Service/Staff Development	12,320		
Total Special Education Program		$ 241,246	
Career and Technical Education Program			
Clerical Personnel	$ 3,687		
Social Security	229		
Pensions	251		
Employer Medicare	53		
In Service/Staff Development	10,515		
Total Career and Technical Education Program		14,735	
Technology			
Internet Connectivity	$ 450,963		
Other Equipment	135,713		
Total Technology		586,676	
Transportation			
Other Salaries and Wages	$ 119,084		
Social Security	7,361		
Pensions	3,643		
Employer Medicare	1,722		
Contracts with Parents	7,980		
Transportation Equipment	88,698		
Total Transportation		228,488	
Capital Outlay			
Regular Capital Outlay			
Architects	$ 39,680		
Building Improvements	1,186,755		
Total Regular Capital Outlay		1,226,435	
Total School Federal Projects Fund			$ 6,680,471
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 62,790		
Accountants/Bookkeepers	44,813		
Cafeteria Personnel	779,444		

(Continued)

FAYETTE COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Fayette County School Department (Cont.)

Central Cafeteria Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Food Service (Cont.)			
Maintenance Personnel	$ 47,645		
Longevity Pay	2,000		
Social Security	57,819		
Pensions	38,167		
Medical Insurance	28,890		
Unemployment Compensation	712		
Employer Medicare	13,522		
Maintenance and Repair Services - Equipment	6,336		
Travel	11,392		
Other Contracted Services	56,686		
Food Supplies	1,003,204		
Gasoline	134		
USDA - Commodities	136,720		
Other Supplies and Materials	138,793		
Workers' Compensation Insurance	24,113		
In Service/Staff Development	2,032		
Other Charges	19,934		
Food Service Equipment	7,625		
Total Food Service		$ 2,482,771	
Total Central Cafeteria Fund			$ 2,482,771
Internal School Fund			
Operation of Non-Instructional Services			
Community Services			
Other Charges	$ 517,593		
Total Community Services		$ 517,593	
Total Internal School Fund			517,593
Total Governmental Funds - Fayette County School Department			$ 42,663,139

Single Audit Section

Jason E. Mumpower
Comptroller

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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fayette County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fayette County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 25, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Fayette County School Department (a discretely presented component unit), as described in our report on Fayette 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 Fayette County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fayette County's internal control. Accordingly, we do not express an opinion on the effectiveness of Fayette County's internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: 2024-001.

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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies: 2024-004 and 2024-005(C).

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fayette 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: 2024-002, 2024-003, and 2024-005(A,B).

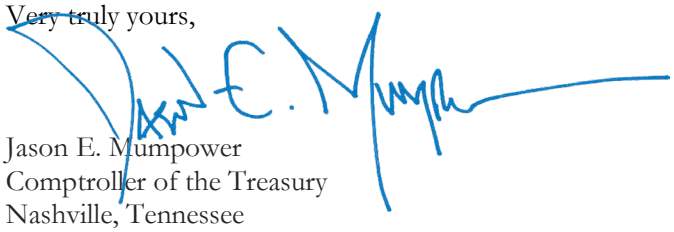
Fayette County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Fayette County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Fayette 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 Fayette 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 25, 2024

JEM/gc

Jason E. Mumpower
Comptroller

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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fayette 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 Fayette County's major federal programs for the year ended June 30, 2024. Fayette 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, Fayette 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, 2024.

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; the standards applicable to financial audits contained in *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 Fayette 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 Fayette County's compliance with the compliance requirements referred to above.

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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 Fayette 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 Fayette 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 generally accepted auditing standards, *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 noncompliance 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 Fayette County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Fayette 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 Fayette 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 Fayette 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 Fayette County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fayette County's basic financial statements. We issued our report thereon dated October 25, 2024, which contained unmodified opinions on those financial statements. Our audit was performed 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 25, 2024

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FAYETTE COUNTY, TENNESSEE, AND THE FAYETTE COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8)
For the Year-Ended June 30, 2024

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-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	$ 575,744
National School Lunch Program	10.555	N/A	1,413,721 (7)
Fresh Fruit and Vegetable Program	10.582	N/A	52,107
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	136,720 (7)
Rebate of Storage and Distribution Fees	10.555	N/A	3,263 (7)
Total U.S. Department of Agriculture			$ 2,184,811
U.S. Department of Justice:			
Direct Programs:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	$ 412,904
Federal Asset Forfeiture Program	16.U01	N/A	32,396
Total U.S. Department of Justice			$ 445,300
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	AERO-23-317-00	$ 421,135
Total U.S. Department of Transportation			$ 421,135
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	$ 7,989,604 (7)
Passed-through State Department of Education:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	62,148 (7)
Total U.S. Department of the Treasury			$ 8,051,752
Federal Communications Commission:			
Direct Program:			
Emergency Connectivity Fund Program	32.009	N/A	$ 404,118
Total Federal Communications Commission			$ 404,118
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	$ 1,180,393
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	1,020,416 (7)
COVID 19 - Special Education - Grants to States (ARP)	84.027X	N/A	9,509 (7)
Special Education - Preschool Grants	84.173	N/A	36,153
Career and Technical Education - Basic Grants to States	84.048	N/A	92,442
Twenty-first Century Community Learning Centers	84.287	N/A	317,348
English Language Acquisition State Grants	84.365	N/A	14,466
Supporting Effective Instruction State Grants	84.367	N/A	190,133
Student Support and Academic Enrichment Program	84.424	N/A	109,847
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	424,695 (7)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	2,697,870 (7)
Passed-through State Higher Education Commission:			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	156,345
Total U.S. Department of Education			$ 6,249,617

(Continued)

FAYETTE COUNTY, TENNESSEE, AND THE FAYETTE 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	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	30501-01623-24	$ 299,012
2018 HAVA Election Security Grants	90.404	(5)	22,834
Total U.S. Election Assistance Commission			$ 321,846
U.S. Department of Health and Human Services:			
Passed-through State Department of Mental Health and Substance Abuse Services:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	(6)	$ 230,562 (7)
Passed-through State Department of Education:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	274,455 (7)
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(6)	269,423
Total U.S. Department of Health and Human Services			$ 774,440
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
COVID 19 - Disaster Grants - Public Assistance	97.036	34101-41923	$ 30,605
Emergency Management Performance Grants	97.042	N/A	57,557
Homeland Security Grant Program	97.067	34101-12324	22,454
Total U.S. Department of Homeland Security			$ 110,616
Total Expenditures of Federal Grants			$ 18,963,635

State Grants		Contract Number	
Tennessee Law Enforcement Hiring, Training and Recruitment Program - State Department of Commerce and Insurance	N/A	(6)	$ 4,000
Volunteer Firefighter Equipment and Training Grant Program - State Department of Commerce and Insurance	N/A	(6)	56,000
Coordinated School Health - State Department of Education	N/A	N/A	2,000
Early Childhood Education - State Department of Education	N/A	N/A	585,294
Lottery for Education: Afterschool Programs - State Department of Education	N/A	N/A	56,244
Public School Safety - State Department of Education	N/A	N/A	90,300
Safe School - State Department of Education	N/A	N/A	18,044
Special Education Preschool - State Department of Education	N/A	N/A	6,380
State School Improvement - State Department of Education	N/A	N/A	150,688
Summer Learning Camp - State Department of Education	N/A	N/A	273,424
Summer Learning Transportation - State Department of Education	N/A	N/A	56,695
Innovative School Models - State Department of Education	N/A	N/A	203,157
Local Health Services - State Department of Health	N/A	34360-17024	78,239
Archives Development Grant - State Department of Library and Archives	N/A	(6)	5,000
Recovery Courts - State Department of Mental Health and Substance Abuse Services	N/A	N/A	94,339
Community-Based Traffic Safety Enforcement and Education - State Department of Safety and Homeland Security	N/A	Z24THS103	36,728
SRO Grant Program - State Department of Safety and Homeland Security	N/A	(6)	525,000
Help America Vote Act - Tennessee Secretary of State	N/A	(6)	20,306
Grounds Maintenance Equipment - State Department of Transportation	N/A	(6)	89,291
Litter Grant Program - State Department of Transportation	N/A	(6)	51,967
VCIF Grant - State Office of Criminal Justice Programs	N/A	(6)	95,731
Local Health Department Capital Investment Program - State Department of Health	N/A	(6)	60,789
Airport Improvement Program - State Department of Transportation	N/A	(6)	2,800
Grounds Maintenance Equipment - State Department of Transportation	N/A	(6)	59,498
T Hangar - Pavement Construction - State Department of Transportation	N/A	(6)	174,569
Total State Grants			$ 2,796,481

(Continued)

ALN = Assistance Listing Number
N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Fayette 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 $2,181,555; Special Education Cluster total $1,066,078.
(5) 30501-02524-124: $20,832; 30501-02524-224: $2,002.
(6) Information not available.
(7) Total for ALN 10.555 is $1,553,704; Total for ALN 1.027 is $8,051,752; Total for ALN 84.027 is $1,029,925; Total for ALN 84.425 is $3,122,565; Total for ALN 93.243 is $505,017.
(8) The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I	84.010	$ 139,032
English Language Acquisition Grants	84.365	96
Supporting Effective Instruction State Grant	84.367	33,510
Student Support and Academic Enrichment	84.424	766
Total amounts consolidated for School-wide Program		$ 173,404

FAYETTE COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2024

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 Fayette County, Tennessee, for the year ended June 30, 2024.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
OFFICES OF COUNTY MAYOR AND DIRECTOR OF SCHOOLS					
2023	214	2023-001	The Community Development/Industrial Park and School Federal Projects funds had cash overdrafts on June 30, 2023.	N/A	Corrected
OFFICE OF PUBLIC WORKS SUPERINTENDENT					
2023	215	2023-002	Expenditures exceeded appropriations.	N/A	Corrected
OFFICE OF DIRECTOR OF SCHOOLS					
2023	215	2023-003	Deficiencies were noted in the amounts withheld, paid, and reported to the Tennessee Consolidated Retirement System.	N/A	Part A: Corrected; Part B: - Not Corrected - See Explanation on Corrective Action Plan
2023	216	2023-004	Deficiencies were noted with the purchase of pizza ovens, equipment, and supplies.	N/A	Corrected

Prior-year Federal Awards Findings

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

FAYETTE COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Fayette County is unmodified.

2. Internal Control Over Financial Reporting:

   * Material weakness identified? **YES**

   * Significant deficiency identified? **YES**

3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:

   * Material weakness identified? **NO**

   * Significant deficiency identified? **NONE REPORTED**

5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**

7. Identification of Major Federal Program:

* Assistance Listing Numbers: 10.553, 10.555, and 10.582	Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Fresh Fruit and Vegetable Program
* Assistance Listing Number: 21.027	COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)
* Assistance Listing Numbers: 84.027 and 84.173	Special Education Cluster: Special Education - 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. **$750,000**

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 all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2024-001

THE GENERAL CAPITAL PROJECTS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

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

On June 30, 2024, certain general ledger account balances in the General Capital Projects Fund were not materially correct, and audit adjustments for accounts receivable totaling $483,000 were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Fayette County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. We will work to correct the errors noted in this fund.

FINDING 2024-002

RECEIPTS WERE MISSING AT THE AMBULANCE SERVICE

(Noncompliance Under *Government Auditing Standards*)

The Fayette County Ambulance Service manually issues official prenumbered receipts for collections. Auditors were advised that receipt books for the period July 1, 2023, through December 31, 2023, had purportedly been misplaced and could not be located. The ambulance service had begun issuing receipts from a new book as of January 1, 2024. Since receipts were not available, we were unable to determine if the ambulance service had complied with Section 5-8-207, *Tennessee Code Annotated*. This statute requires officials to deposit all collections within three days of receipt. The failure to properly maintain receipts at the time of collection increases the risks that collections will not be accounted for properly. This deficiency is the result of a lack of management oversight.

RECOMMENDATION

Official prenumbered receipts should be issued for all collections, and all receipts should be available for audit inspection.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with the finding. I will encourage the ambulance service to provide better safeguards over their accounting records, including receipt books.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2024-003

FUNDS WERE TRANSFERRED FROM THE GENERAL PURPOSE SCHOOL FUND TO THE SCHOOL FEDERAL PROJECTS FUND WITHOUT COUNTY COMMISSION AND BOARD OF EDUCATION APPROVAL

(Noncompliance Under *Government Auditing Standards*)

On August 15, 2023, and September 13, 2023, the General Purpose School Fund transferred $647,556 and $863,000, respectively, to the School Federal Projects Fund to provide funds for cash flow without approval of the county commission and Board of Education. Section 5-9-401, *Tennessee Code Annotated*, provides that "all funds from whatever source derived, including, but not limited to, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such use by the county legislative bodies. The School Federal Projects Fund transferred $647,556 and $863,000 back to the General Purpose School Fund on August 31, 2023, and September 27, 2023, respectively. This deficiency was the result of a lack of management oversight and the failure to follow state statute.

RECOMMENDATION

All school department transfers between funds should be approved by the county commission and the Board of Education.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with the finding. In the future, proper approvals will be obtained before transferring amounts between funds.

FINDING 2024-004

PAYROLL LIABILITY ACCOUNTS FOR TCRS WITHHOLDINGS WERE NOT RECONCILED WITH PAYROLL REPORTS AND PAYMENTS

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

General ledger payroll liability accounts for TCRS withholdings were not reconciled with subsidiary payroll records and payments each month in the General Purpose School and Central Cafeteria funds. As a result, unidentified balances have accumulated in the liability accounts. Sound business practices dictate that payroll liability accounts should be reconciled with payroll reports and payments monthly. The failure to regularly reconcile payroll liability accounts is a significant deficiency that increases the risk that errors will not be

discovered and corrected in a timely manner. This deficiency is a result of a lack of management oversight, a lack of understanding of internal controls and sound business practices, management's failure to correct the finding noted in the prior-year audit report, and management's failure to implement their corrective action plan.

RECOMMENDATION

General ledger payroll deduction accounts should be reconciled monthly with payroll reports and payments, and any errors should be corrected promptly.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with the finding. We will work to ensure all payroll withholding accounts are reconciled monthly and the proper amounts are remitted.

FINDING 2024-005

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

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

Our examination revealed numerous deficiencies in budget operations of the office. These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures, and management failed to provide sufficient oversight.

A. Expenditures exceeded appropriations approved by the county commission in five of 24 major appropriation categories (the legal level of control) of the General Purpose School Fund as reflected in the following table:

Major Appropriation Category		Amount
Instruction - Regular Instruction Program	$	1,521,718
Support Services - Technology		33,732
Support Services - Office of the Principal		14,550
Support Services - Operation of Plant		41,118
Operation of Non-Instructional Services - Food Service		4,533

B. Salaries exceeded appropriations in 28 of 86 salary line-items of the General Purpose School Fund by amounts ranging from $170 to $722,528 and in one of five salary line-items of the Central Cafeteria Fund by $2,145. The budget resolution approved by the county commission states that the salary, wages, or enumeration of each official, employee, or agent of the county shall not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

C. Budget amendments were posted in the General Purpose School Fund that were not approved by the county commission. Accurate budgetary statements are necessary to provide county officials and departments with available spending limits. We have recognized only those budget amendments approved by the county commission in the financial statements of this report.

Section 5-9-401, *Tennessee Code Annotated*, states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies."

RECOMMENDATION

Expenditures should be held within appropriations approved by the county commission. Budget amendments should be posted to the accounting records only after approval by the county commission.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with the finding. We will monitor the budget more closely going forward and also will obtain the approval of the county commission for all applicable budget amendments.

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, 2024.

FAYETTE COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2024

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
OFFICE OF COUNTY MAYOR		
2024-001	The General Capital Projects Fund required material audit adjustments for proper financial statement presentation.	214
2024-002	Receipts were missing at the ambulance service.	215
OFFICE OF DIRECTOR OF SCHOOLS		
2024-003	Funds were transferred from the General Purpose School Fund to the School Federal Projects Fund without county commission and board of education approval.	216
2024-004	Payroll liability accounts for TCRS withholdings were not reconciled with payroll reports and payments.	217
2024-005	The office had deficiencies in budget operations.	218

Fayette County Government

Rhea Taylor / County Mayor

Corrective Action Plan

FINDING — THE GENERAL CAPITAL PROJECTS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

Response and Corrective Action Plan Prepared by:
Rhea Taylor, County Mayor

Person Responsible for Implementing the Corrective Action:
Rhea Taylor, County Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2025

Repeat Finding:
No

Planned Corrective Action:
We will work to correct the errors noted in this fund.

Fayette County Government

Rhea Taylor / County Mayor

Corrective Action Plan

FINDING RECEIPTS WERE MISSING AT THE AMBULANCE SERVICE DEPARTMENT

Response and Corrective Action Plan Prepared by:
Rhea Taylor, County Mayor

Person Responsible for Implementing the Corrective Action:
Rhea Taylor, County Mayor

Anticipated Completion Date of Corrective Action:
Immediately

Repeat Finding:
No

Planned Corrective Action:
I will encourage the ambulance service to provide better safeguards over their accounting records, including receipt books.

Signature

Fayette County Public Schools

Family – Optimism – Courage – Unity – Service

Corrective Action Plan

FINDING: FUNDS WERE TRANSFERRED FROM THE GENERAL PURPOSE SCHOOL FUND TO THE SCHOOL FEDERAL PROJECTS FUND WITHOUT COUNTY COMMISSION AND BOARD OF EDUCATION APPROVAL

Response and Corrective Action Plan Prepared by:
Versie Hamlett, Director of Schools

Person Responsible for Implementing the Corrective Action:
Versie Hamlett, Director of Schools and Vincent Harvell, Director of Finance

Anticipated Completion Date of Corrective Action:
Immediately

Repeat Finding:
No

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

Planned Corrective Action:
In the future, the proper approvals will be obtained before transferring amounts between funds.

Fayette County Public Schools

Family – Optimism – Courage – Unity – Service

Corrective Action Plan

FINDING: PAYROLL LIABILITY ACCOUNTS FOR TCRS WITHHOLDINGS WERE NOT RECONCILED WITH PAYROLL REPORTS AND PAYMENTS

Response and Corrective Action Plan Prepared by:
Versie Hamlett, Director of Schools

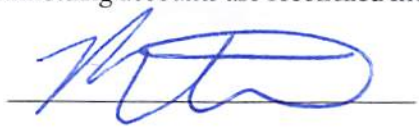
Person Responsible for Implementing the Corrective Action:
Versie Hamlett, Director of Schools and Vincent Harvell, Director of Finance

Anticipated Completion Date of Corrective Action:
June 30, 2025

Repeat Finding:
Yes

Reason Corrective Action was not Taken in the Prior Year:
Although improvements were made, we failed to complete the reconciliation process by year-end.

Planned Corrective Action:
We will work to ensure all payroll withholding accounts are reconciled monthly and the proper amounts are remitted.



Fayette County Public Schools

Family – Optimism – Courage – Unity – Service

Corrective Action Plan

FINDING: THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

Response and Corrective Action Plan Prepared by:
Versie Hamlett, Director of Schools

Person Responsible for Implementing the Corrective Action:
Versie Hamlett, Director of Schools and Vincent Harvell, Director of Finance

Anticipated Completion Date of Corrective Action:
June 30, 2025

Repeat Finding:
No

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

Planned Corrective Action:
We will monitor the budget more closely going forward and also will obtain the approval of the county commission for all applicable budget amendments.

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 Fayette County.

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

Fayette 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.