



ANNUAL FINANCIAL REPORT

Fentress County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
FENTRESS 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

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

FENTRESS COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Fentress 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 FINANCE DIRECTOR

- ◆ General ledger payroll liability accounts were not reconciled monthly.
- ◆ The solid waste department did not review its software audit logs.



INTRODUCTORY SECTION

FENTRESS COUNTY OFFICIALS

June 30, 2024

Officials

Jimmy Johnson, County Executive
Ryan Reed, Road Supervisor
Kristi Hall, Director of Schools
Angie Sweet, Trustee
Melynda Sullivan, Assessor of Property
Amanda Hicks, County Clerk
Gina Mullinix, Circuit and General Sessions Courts Clerk
Linda Smith, Clerk and Master
Patricia Slaven, Register of Deeds
Michael Reagon, Sheriff
Tyler Arms, Finance Director

Board of County Commissioners

Jimmy Johnson, County Executive, Chairman	
Ben Cooper	Lester Gooding
Larry Cooper	Benny Hughes
Robert Cooper	Justin Miller
Mark Crabtree	Jerry Reagan
Kim Davidson	Leon Stepp

Board of Education

Eddie Cook, Chairman	Sierra Koger
Darlene Brannon	Gary Peters
Melissa Branstetter	Seth Vaughn
William Cody	Nicole Voiles
Felicia Garrett	Kathy Williams

Financial Management Committee

Larry Cooper, Chairman
Kim Davidson
Lester Gooding
Benny Hughes
Jimmy Johnson, County Executive
Ryan Reed, Road Supervisor
Kristi Hall, Director of Schools

Audit Committee

Tiffany Crabtree, Chairman
Kim Davidson
Lester Gooding
Bart Neely
Jacob Rosenbaum

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fentress 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 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 Fentress County, Tennessee, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparisons for the General, Solid Waste/Sanitation, American Rescue Plan, 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 Fentress County Emergency Communications District, a discretely presented component unit. We were unable to determine Fentress County Emergency Communications District's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Industrial Development Board of Fentress County, a component unit requiring discrete presentation, was not included in the county's financial statements. We also did not audit the financial statements of the Internal School Fund of the Fentress County School Department (a discretely presented component unit), which represent 1.47 percent, 1.58 percent, and 3.07 percent, respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Fentress County Emergency Communications District and the Fentress County School Department's Internal School Fund are based solely on the reports 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 Fentress 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.

Change in Accounting Principle

As described in Note V.B., Fentress 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 Fentress 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 Fentress 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 Fentress County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedules of changes in the county and school 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 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 Fentress County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Fentress County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor

governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Fentress 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 February 13, 2025, on our consideration of Fentress 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 Fentress 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 Fentress County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 13, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government	Component Units	
		Fentress County	Fentress County Emergency Communications District
		Governmental School Department	
ASSETS			
Cash	\$ 33,537	\$ 500,312	\$ 1,152,162
Equity in Pooled Cash and Investments	11,642,175	11,928,585	0
Accounts Receivable	607,373	0	75,798
Allowance for Uncollectibles	(95,731)	0	0
Due from Other Governments	1,002,248	2,298,444	0
Due from Primary Government	0	23,981	0
Property Taxes Receivable	7,507,721	552,310	0
Allowance for Uncollectible Property Taxes	(132,782)	(9,769)	0
Prepaid Items	0	0	30,135
Cash Shortage	27,000	0	0
Leases Receivable	391,500	0	0
Net Pension Asset - Agent Plan	0	586,515	0
Net Pension Asset - Teacher Retirement Plan	0	70,459	0
Net Pension Asset - Teacher Legacy Pension Plan	0	2,654,125	0
Restricted Assets:			
Amounts Accumulated for Pension Benefits	0	255,788	0
Capital Assets:			
Assets Not Depreciated:			
Land	5,849,220	389,825	0
Construction in Progress	3,282,584	2,633,585	3,271
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	16,054,167	10,111,085	0
Infrastructure	22,360,397	0	0
Other Capital Assets	3,443,872	2,002,394	492,087
Total Assets	<u>\$ 71,973,281</u>	<u>\$ 33,997,639</u>	<u>\$ 1,753,453</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Changes in Experience	\$ 243,889	\$ 984,325	\$ 135,698
Pension Changes in Investment Earnings	129,990	559,344	9,029
Pension Changes in Assumptions	519,165	1,110,155	45,157
Pension Changes in Proportion	0	125,660	0
Pension Contributions after Measurement Date	569,851	828,797	34,720
OPEB Changes in Experience	0	217,244	895
OPEB Changes in Assumptions	0	491,031	5,407
OPEB Changes in Proportion	0	34,342	0
OPEB Contributions after Measurement Date	0	92,001	0
Total Deferred Outflows of Resources	<u>\$ 1,462,895</u>	<u>\$ 4,442,899</u>	<u>\$ 230,906</u>

(Continued)

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

	Primary Government Governmental Activities	Component Units	
		Fentress County School Department	Fentress County Emergency Communications District
LIABILITIES			
Accounts Payable	\$ 142	\$ 2,326	\$ 1,183
Accrued Payroll	0	187,364	3,693
Payroll Deductions Payable	515	588,270	0
Contracts Payable	19,199	0	0
Due to Component Units	23,981	0	0
Due to State of Tennessee	0	16,466	0
Due to Other Governments	933,740	0	0
Accrued Interest Payable	60,926	0	0
Noncurrent Liabilities:			
Due Within One Year - Debt	783,000	0	0
Due Within One Year - Other	251,436	536,187	26,304
Due in More Than One Year - Debt	10,648,551	0	0
Due in More Than One Year - Other	1,509,204	3,558,798	130,754
Total Liabilities	<u>\$ 14,230,694</u>	<u>\$ 4,889,411</u>	<u>\$ 161,934</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 7,018,959	\$ 501,354	\$ 0
Deferred Lease Receivable	391,500	0	0
Pension Changes in Experience	16,340	248,466	26,227
Pension Changes in Proportion	0	197,150	0
OPEB Changes in Experience	3,230	252,849	7,824
OPEB Changes in Assumptions	73	324,424	5,108
OPEB Changes in Proportion	0	313,535	0
Total Deferred Inflows of Resources	<u>\$ 7,430,102</u>	<u>\$ 1,837,778</u>	<u>\$ 39,159</u>
NET POSITION			
Net Investment in Capital Assets	\$ 40,366,689	\$ 15,136,889	\$ 495,357
Restricted for:			
General Government	18,635	0	0
Finance	22,845	0	0
Administration of Justice	7,223	0	0
Public Safety	64,934	0	0
Public Health and Welfare	390,549	0	0
Social, Cultural, and Recreational Services	164,340	0	0
Highways/Public Works	1,928,739	0	0
Capital Outlay	397,013	0	0
Education	0	1,939,521	0
Capital Projects	48,982	0	0
Pensions	0	3,566,887	0
Other Purposes	27,000	0	0
Unrestricted	<u>8,338,431</u>	<u>11,070,052</u>	<u>1,287,909</u>
Total Net Position	<u>\$ 51,775,380</u>	<u>\$ 31,713,349</u>	<u>\$ 1,783,266</u>

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						
	Program Revenues				Primary Government Total Governmental Activities	Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Fentress County School Department	Fentress County Emergency Communications District
Primary Government:							
Governmental Activities:							
General Government	\$ 2,443,771	\$ 234,294	\$ 85,421	\$ 181,605	\$ (1,942,451)	\$ 0	\$ 0
Finance	1,739,709	601,598	0	0	(1,138,111)	0	0
Administration of Justice	920,225	256,370	130,849	0	(533,006)	0	0
Public Safety	4,653,670	900,013	704,365	0	(3,049,292)	0	0
Public Health and Welfare	5,133,458	2,442,852	114,845	104,423	(2,471,338)	0	0
Social, Cultural, and Recreational Services	815,008	140,801	314,709	23,981	(335,517)	0	0
Agriculture and Natural Resources	178,328	0	3,662	0	(174,666)	0	0
Highways/Public Works	6,388,476	1,468	2,876,150	4,284,229	773,371	0	0
Interest on Long-term Debt	332,707	0	0	0	(332,707)	0	0
Total Primary Government	<u>\$ 22,605,352</u>	<u>\$ 4,577,396</u>	<u>\$ 4,230,001</u>	<u>\$ 4,594,238</u>	<u>\$ (9,203,717)</u>	<u>\$ 0</u>	<u>\$ 0</u>
Component Unit:							
Fentress County School Department	\$ 28,613,794	\$ 37,373	\$ 7,660,097	\$ 233,448	\$ 0	\$ (20,682,876)	\$ 0
Fentress County Emergency Communications District	852,634	569,260	301,381	0	0	0	18,007
Total Component Unit	<u>\$ 29,466,428</u>	<u>\$ 606,633</u>	<u>\$ 7,961,478</u>	<u>\$ 233,448</u>	<u>\$ 0</u>	<u>\$ (20,682,876)</u>	<u>\$ 18,007</u>

(Continued)

Exhibit B

FENTRESS COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position						
		Program Revenues			Primary Government Total Governmental Activities	Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Fentress County School Department	Fentress County Emergency Communications District	
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 6,811,609	\$ 818,315	\$	0
Property Taxes Levied for Debt Service					323,206	0		0
Local Option Sales Tax					2,026,202	3,111,706		0
Wheel Tax					0	483,034		0
Hotel/Motel Tax					101,644	0		0
Litigation Taxes					106,908	0		0
Business Tax					161,286	46,384		0
Mineral Severance Tax					75,278	0		0
Wholesale Beer Tax					169,613	0		0
Other Local Taxes					9,503	1,302		0
Grants and Contributions Not Restricted for Specific Programs					1,340,076	18,667,729		22,488
Unrestricted Investment Earnings					389,152	398,703		60,260
Miscellaneous					149,347	135,628		0
Amortized Premium					37,277	0		0
Total General Revenues					\$ 11,701,101	\$ 23,662,801	\$	82,748
Change in Net Position					\$ 2,497,384	\$ 2,979,925	\$	100,755
Error Correction					0	0		(36,490)
Net Position, July 1, 2023					49,277,996	28,733,424		1,719,001
Net Position, June 30, 2024					\$ 51,775,380	\$ 31,713,349	\$	1,783,266

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

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

	Major Funds				
	General	Solid Waste / Sanitation	American Rescue Plan	Highway / Public Works	General Debt Service
ASSETS					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	4,642,602	889,030	688,827	1,527,619	2,886,795
Accounts Receivable	584,270	18,888	0	0	4,215
Allowance for Uncollectibles	(95,731)	0	0	0	0
Due from Other Governments	205,644	199,110	0	430,983	120,542
Due from Other Funds	33,537	0	0	0	0
Property Taxes Receivable	6,501,739	477,631	0	0	468,647
Allowance for Uncollectible Property Taxes	(114,991)	(8,447)	0	0	(8,288)
Cash Shortage	27,000	0	0	0	0
Leases Receivable - Long-term	391,500	0	0	0	0
Total Assets	<u>\$ 12,175,570</u>	<u>\$ 1,576,212</u>	<u>\$ 688,827</u>	<u>\$ 1,958,602</u>	<u>\$ 3,471,911</u>
LIABILITIES					
Accounts Payable	\$ 142	\$ 0	\$ 0	\$ 0	0
Payroll Deductions Payable	515	0	0	0	0
Contracts Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Due to Component Units	23,981	0	0	0	0
Due to Other Governments	0	0	933,740	0	0
Total Liabilities	<u>\$ 24,638</u>	<u>\$ 0</u>	<u>\$ 933,740</u>	<u>\$ 0</u>	<u>0</u>

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Major Funds				
	General	Solid Waste / Sanitation	American Rescue Plan	Highway / Public Works	General Debt Service
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 6,071,957	\$ 445,648	\$ 0	\$ 0	\$ 445,648
Deferred Delinquent Property Taxes	226,472	16,932	0	0	10,583
Deferred Leases Receivable	391,500	0	0	0	0
Other Deferred/Unavailable Revenue	246,252	90,000	0	191,000	50,000
Total Deferred Inflows of Resources	<u>\$ 6,936,181</u>	<u>\$ 552,580</u>	<u>\$ 0</u>	<u>\$ 191,000</u>	<u>\$ 506,231</u>
FUND BALANCES					
Nonspendable:					
Long-term Notes Receivable	\$ 27,000	\$ 0	\$ 0	\$ 0	0
Restricted:					
Restricted for General Government	18,635	0	0	0	0
Restricted for Finance	22,845	0	0	0	0
Restricted for Administration of Justice	7,223	0	0	0	0
Restricted for Public Safety	28,804	0	0	0	0
Restricted for Public Health and Welfare	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	0
Restricted for Highways/Public Works	0	0	0	1,767,602	0
Restricted for Capital Outlay	0	0	0	0	0
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for General Government	207,863	0	0	0	0
Committed for Public Health and Welfare	0	1,023,632	0	0	0
Committed for Social, Cultural, and Recreational Services	25,396	0	0	0	0
Committed for Debt Service	0	0	0	0	2,965,680

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

FUND BALANCES (Cont.)

Assigned:

	Major Funds				
	General	Solid Waste / Sanitation	American Rescue Plan	Highway / Public Works	General Debt Service
Assigned for General Government	\$ 8,500	\$ 0	\$ 0	\$ 0	0
Assigned for Finance	118	0	0	0	0
Assigned for Administration of Justice	2,945	0	0	0	0
Assigned for Public Safety	26,745	0	0	0	0
Assigned for Public Health and Welfare	554,133	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	2,778	0	0	0	0
Assigned for Agriculture and Natural Resources	18,332	0	0	0	0
Assigned for Other Operations	0	0	325,416	0	0
Unassigned	4,263,434	0	(570,329)	0	0
Total Fund Balances	\$ 5,214,751	\$ 1,023,632	\$ (244,913)	\$ 1,767,602	\$ 2,965,680
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,175,570	\$ 1,576,212	\$ 688,827	\$ 1,958,602	\$ 3,471,911

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Nonmajor Funds	
	<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash	\$ 33,537	\$ 33,537
Equity in Pooled Cash and Investments	1,007,302	11,642,175
Accounts Receivable	0	607,373
Allowance for Uncollectibles	0	(95,731)
Due from Other Governments	45,969	1,002,248
Due from Other Funds	0	33,537
Property Taxes Receivable	59,704	7,507,721
Allowance for Uncollectible Property Taxes	(1,056)	(132,782)
Cash Shortage	0	27,000
Leases Receivable - Long-term	0	391,500
	<hr/>	<hr/>
Total Assets	\$ 1,145,456	\$ 21,016,578
LIABILITIES		
Accounts Payable	\$ 0	\$ 142
Payroll Deductions Payable	0	515
Contracts Payable	19,199	19,199
Due to Other Funds	33,537	33,537
Due to Component Units	0	23,981
Due to Other Governments	0	933,740
	<hr/>	<hr/>
Total Liabilities	\$ 52,736	\$ 1,011,114

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

DEFERRED INFLOWS OF RESOURCES

	Nonmajor Funds	
	Other Govern- mental Funds	Total Governmental Funds
Deferred Current Property Taxes	\$ 55,706	\$ 7,018,959
Deferred Delinquent Property Taxes	2,117	256,104
Deferred Leases Receivable	0	391,500
Other Deferred/Unavailable Revenue	0	577,252
Total Deferred Inflows of Resources	<u>\$ 57,823</u>	<u>\$ 8,243,815</u>

FUND BALANCES

Nonspendable:		
Long-term Notes Receivable	\$ 0	\$ 27,000
Restricted:		
Restricted for General Government	0	18,635
Restricted for Finance	0	22,845
Restricted for Administration of Justice	0	7,223
Restricted for Public Safety	36,130	64,934
Restricted for Public Health and Welfare	390,549	390,549
Restricted for Social, Cultural, and Recreational Services	164,340	164,340
Restricted for Highways/Public Works	0	1,767,602
Restricted for Capital Outlay	394,896	394,896
Restricted for Capital Projects	48,982	48,982
Committed:		
Committed for General Government	0	207,863
Committed for Public Health and Welfare	0	1,023,632
Committed for Social, Cultural, and Recreational Services	0	25,396
Committed for Debt Service	0	2,965,680

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

FUND BALANCES (Cont.)

Assigned:

Assigned for General Government

Assigned for Finance

Assigned for Administration of Justice

Assigned for Public Safety

Assigned for Public Health and Welfare

Assigned for Social, Cultural, and Recreational Services

Assigned for Agriculture and Natural Resources

Assigned for Other Operations

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Nonmajor Funds	
Other Govern- mental Funds	Total Governmental Funds
\$ 0	\$ 8,500
0	118
0	2,945
0	26,745
0	554,133
0	2,778
0	18,332
0	325,416
0	3,693,105
<u>\$ 1,034,897</u>	<u>\$ 11,761,649</u>
<u>\$ 1,145,456</u>	<u>\$ 21,016,578</u>

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

FENTRESS 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)		\$ 11,761,649
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 5,849,220	
Add: construction in progress	3,282,584	
Add: buildings and improvements net of accumulated depreciation	16,054,167	
Add: infrastructure net of accumulated depreciation	22,360,397	
Add: other capital assets net of accumulated depreciation	<u>3,443,872</u>	50,990,240
(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	\$ (7,360,000)	
Less: notes payable	(2,313,000)	
Less: other loans payable	(808,000)	
Less: unamortized premium on debt	(950,551)	
Less: accrued interest on bonds, notes, and other loans	(60,926)	
Less: compensated absences payable	(467,614)	
Less: net OPEB liability	(10,835)	
Less: net pension liability	(1,089,209)	
Less: landfill postclosure care costs	<u>(192,982)</u>	(13,253,117)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,462,895	
Less: deferred inflows of resources related to pensions	(16,340)	
Less: deferred inflows of resources related to OPEB	<u>(3,303)</u>	1,443,252
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>833,356</u>
Net position of governmental activities (Exhibit A)		<u>\$ 51,775,380</u>

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

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

	Major Funds				
	General	Solid Waste / Sanitation	American Rescue Plan	Highway / Public Works	General Debt Service
Revenues					
Local Taxes	\$ 6,859,296	\$ 1,725,281	\$ 0	\$ 75,278	\$ 1,117,080
Licenses and Permits	58,636	0	0	0	0
Fines, Forfeitures, and Penalties	40,881	0	0	0	0
Charges for Current Services	2,600,792	268,477	0	0	0
Other Local Revenues	649,122	120,337	11,569	77,825	62,680
Fees Received From County Officials	886,799	0	0	0	0
State of Tennessee	1,401,389	66,062	0	6,882,204	0
Federal Government	372,938	0	966,118	363,007	0
Other Governments and Citizens Groups	238,051	0	0	0	0
Total Revenues	\$ 13,107,904	\$ 2,180,157	\$ 977,687	\$ 7,398,314	\$ 1,179,760
Expenditures					
Current:					
General Government	\$ 1,707,407	\$ 0	\$ 0	\$ 0	\$ 0
Finance	1,309,420	0	0	0	0
Administration of Justice	838,943	0	0	0	0
Public Safety	4,322,885	0	0	0	0
Public Health and Welfare	2,549,092	2,126,489	0	0	0
Social, Cultural, and Recreational Services	405,571	0	0	0	0
Agriculture and Natural Resources	162,670	0	0	0	0
Other Operations	1,118,119	79,892	534,750	0	0
Highways	0	0	0	6,800,995	0

(Continued)

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

	Major Funds				
	General	Solid Waste / Sanitation	American Rescue Plan	Highway / Public Works	General Debt Service
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	\$ 0	\$ 0	\$ 0	58,000	694,000
Interest on Debt	0	0	0	11,798	\$ 323,054
Other Debt Service	0	0	0	0	28,697
Capital Projects	0	0	0	0	0
Total Expenditures	<u>\$ 12,414,107</u>	<u>\$ 2,206,381</u>	<u>\$ 534,750</u>	<u>\$ 6,870,793</u>	<u>\$ 1,045,751</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 693,797</u>	<u>\$ (26,224)</u>	<u>\$ 442,937</u>	<u>\$ 527,521</u>	<u>\$ 134,009</u>
Other Financing Sources (Uses)					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers Out	0	0	0	0	(311,068)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(311,068)</u>
Net Change in Fund Balances	\$ 693,797	\$ (26,224)	\$ 442,937	\$ 527,521	\$ (177,059)
Fund Balance, July 1, 2023	<u>4,520,954</u>	<u>1,049,856</u>	<u>(687,850)</u>	<u>1,240,081</u>	<u>3,142,739</u>
Fund Balance, June 30, 2024	<u>\$ 5,214,751</u>	<u>\$ 1,023,632</u>	<u>\$ (244,913)</u>	<u>\$ 1,767,602</u>	<u>\$ 2,965,680</u>

(Continued)

FENTRESS COUNTY, TENNESSEE**Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Governmental Funds (Cont.)

	Nonmajor Funds	
	Other Govern- mental Funds	Total Governmental Funds
Revenues		
Local Taxes	\$ 54,391	\$ 9,831,326
Licenses and Permits	0	58,636
Fines, Forfeitures, and Penalties	45,656	86,537
Charges for Current Services	0	2,869,269
Other Local Revenues	3,895	925,428
Fees Received From County Officials	0	886,799
State of Tennessee	142,931	8,492,586
Federal Government	164,809	1,866,872
Other Governments and Citizens Groups	123,725	361,776
Total Revenues	<u>\$ 535,407</u>	<u>\$ 25,379,229</u>
Expenditures		
Current:		
General Government	\$ 0	\$ 1,707,407
Finance	0	1,309,420
Administration of Justice	0	838,943
Public Safety	189,344	4,512,229
Public Health and Welfare	0	4,675,581
Social, Cultural, and Recreational Services	178,893	584,464
Agriculture and Natural Resources	0	162,670
Other Operations	1,077	1,733,838
Highways	0	6,800,995

(Continued)

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

	<u>Nonmajor Funds</u>	
	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)		
Debt Service:		
Principal on Debt	\$ 0	\$ 752,000
Interest on Debt	0	334,852
Other Debt Service	0	28,697
Capital Projects	325,266	325,266
Total Expenditures	<u>\$ 694,580</u>	<u>\$ 23,766,362</u>
Excess (Deficiency) of Revenues		
Over Expenditures	<u>\$ (159,173)</u>	<u>\$ 1,612,867</u>
Other Financing Sources (Uses)		
Transfers In	\$ 311,068	\$ 311,068
Transfers Out	0	(311,068)
Total Other Financing Sources (Uses)	<u>\$ 311,068</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 151,895	\$ 1,612,867
Fund Balance, July 1, 2023	<u>883,002</u>	<u>10,148,782</u>
Fund Balance, June 30, 2024	<u>\$ 1,034,897</u>	<u>\$ 11,761,649</u>

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

FENTRESS 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)		\$ 1,612,867
(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	\$ 1,875,815	
Less: current-year depreciation expense	<u>(1,479,408)</u>	396,407
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(26,343)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 833,356	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(1,120,784)</u>	(287,428)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 165,000	
Add: principal payments on notes	211,000	
Add: principal payments on other loans	376,000	
Add: premium on bond issuance	<u>37,277</u>	789,277
(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	\$ 2,145	
Change in postclosure care costs	(1,609)	
Change in compensated absences payable	(34,677)	
Change in net pension liability/asset	196,305	
Change in deferred outflows related to pensions	(162,226)	
Change in deferred inflows related to pensions	14,362	
Change in net OPEB liability	1,607	
Change in deferred inflows related to OPEB	<u>(3,303)</u>	<u>12,604</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,497,384</u>

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

FENTRESS 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 6,859,296	\$ 0	\$ 0	\$ 6,859,296	\$ 6,909,527	\$ 6,909,527	\$ (50,231)
Licenses and Permits	58,636	0	0	58,636	70,000	70,000	(11,364)
Fines, Forfeitures, and Penalties	40,881	0	0	40,881	50,565	50,565	(9,684)
Charges for Current Services	2,600,792	0	0	2,600,792	1,940,100	1,948,159	652,633
Other Local Revenues	649,122	0	0	649,122	257,000	257,200	391,922
Fees Received From County Officials	886,799	0	0	886,799	847,000	847,000	39,799
State of Tennessee	1,401,389	0	0	1,401,389	1,572,693	1,743,360	(341,971)
Federal Government	372,938	0	0	372,938	35,800	112,560	260,378
Other Governments and Citizens Groups	238,051	0	0	238,051	140,000	143,820	94,231
Total Revenues	\$ 13,107,904	\$ 0	\$ 0	\$ 13,107,904	\$ 11,822,685	\$ 12,082,191	\$ 1,025,713
Expenditures							
General Government							
County Commission	\$ 132,381	\$ 0	\$ 1,200	\$ 133,581	\$ 138,611	\$ 138,611	\$ 5,030
Board of Equalization	508	0	0	508	750	750	242
Beer Board	1,500	0	0	1,500	1,500	1,500	0
County Mayor/Executive	205,174	0	0	205,174	211,219	211,719	6,545
Election Commission	503,306	(208,575)	4,300	299,031	299,684	315,058	16,027
Register of Deeds	213,602	(1,600)	0	212,002	214,106	215,106	3,104
Planning	13,556	0	0	13,556	17,000	17,000	3,444
County Buildings	624,006	(11,277)	3,000	615,729	613,397	619,397	3,668
Preservation of Records	13,374	0	0	13,374	16,013	17,300	3,926
Finance							
Accounting and Budgeting	507,536	(13,700)	118	493,954	379,104	511,525	17,571
Property Assessor's Office	201,924	0	0	201,924	209,726	210,476	8,552
Reappraisal Program	3,164	0	0	3,164	4,180	4,180	1,016
County Trustee's Office	247,599	0	0	247,599	250,858	251,858	4,259
County Clerk's Office	349,197	0	0	349,197	333,115	356,699	7,502

(Continued)

FENTRESS 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Administration of Justice							
Circuit Court	\$ 330,834	\$ (6,522)	\$ 2,945	\$ 327,257	\$ 363,676	\$ 365,676	\$ 38,419
General Sessions Court	182,197	0	0	182,197	181,619	183,328	1,131
Chancery Court	153,740	0	0	153,740	159,741	160,241	6,501
Juvenile Court	45,421	0	0	45,421	38,766	50,300	4,879
Other Administration of Justice	21,260	0	0	21,260	29,000	29,000	7,740
Probation Services	45,120	0	0	45,120	59,478	49,769	4,649
Victim Assistance Programs	60,371	0	0	60,371	59,904	60,403	32
Public Safety							
Sheriff's Department	1,704,385	(129,441)	250	1,575,194	1,790,315	1,592,970	17,776
Special Patrols	426,085	0	14,100	440,185	0	456,069	15,884
Administration of the Sexual Offender Registry	1,860	0	0	1,860	2,000	8,000	6,140
Jail	1,519,231	(14,052)	4,600	1,509,779	1,669,196	1,591,874	82,095
Fire Prevention and Control	268,985	(45,972)	7,295	230,308	192,200	244,302	13,994
Civil Defense	86,578	0	500	87,078	83,899	91,508	4,430
Rescue Squad	32,637	0	0	32,637	35,000	35,000	2,363
Other Emergency Management	243,366	0	0	243,366	235,885	243,366	0
County Coroner/Medical Examiner	39,758	0	0	39,758	55,625	55,625	15,867
Public Health and Welfare							
Local Health Center	70,517	0	4,182	74,699	33,739	110,749	36,050
Ambulance/Emergency Medical Services	2,340,903	(563,000)	549,951	2,327,854	2,366,782	2,378,782	50,928
Other Local Health Services	89,249	0	0	89,249	154,341	154,841	65,592
Appropriation to State	34,423	0	0	34,423	34,423	34,423	0
General Welfare Assistance	2,000	0	0	2,000	3,000	3,000	1,000
Other Local Welfare Services	12,000	0	0	12,000	12,000	12,000	0
Social, Cultural, and Recreational Services							
Adult Activities	150,228	0	0	150,228	132,601	171,600	21,372
Libraries	192,527	0	1,028	193,555	220,636	226,906	33,351
Parks and Fair Boards	62,816	0	1,750	64,566	46,919	78,037	13,471

(Continued)

FENTRESS 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Agriculture and Natural Resources							
Agricultural Extension Service	\$ 72,470	\$ 0	\$ 0	\$ 72,470	\$ 88,990	\$ 88,990	\$ 16,520
Soil Conservation	90,200	0	0	90,200	98,395	99,395	9,195
Other Operations							
Tourism	80,000	0	0	80,000	70,000	80,000	0
Other Economic and Community Development	4,918	0	0	4,918	50,750	50,750	45,832
Veterans' Services	52,289	0	0	52,289	61,501	62,001	9,712
Contributions to Other Agencies	58,699	0	0	58,699	63,000	63,000	4,301
Miscellaneous	922,213	0	18,332	940,545	893,695	941,677	1,132
Total Expenditures	\$ 12,414,107	\$ (994,139)	\$ 613,551	\$ 12,033,519	\$ 11,976,339	\$ 12,644,761	\$ 611,242
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 693,797	\$ 994,139	\$ (613,551)	\$ 1,074,385	\$ (153,654)	\$ (562,570)	\$ 1,636,955
Other Financing Sources (Uses)							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,538	\$ (10,538)
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,538	\$ (10,538)
Net Change in Fund Balance	\$ 693,797	\$ 994,139	\$ (613,551)	\$ 1,074,385	\$ (153,654)	\$ (552,032)	\$ 1,626,417
Fund Balance, July 1, 2023	4,520,954	(994,139)	0	3,526,815	3,526,815	3,526,815	0
Fund Balance, June 30, 2024	\$ 5,214,751	\$ 0	\$ (613,551)	\$ 4,601,200	\$ 3,373,161	\$ 2,974,783	\$ 1,626,417

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

Exhibit C-6

FENTRESS COUNTY, TENNESSEE
Statement 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)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Local Taxes	\$ 1,725,281	\$ 0	\$ 1,725,281	\$ 1,490,840	\$ 1,490,840	\$ 234,441
Charges for Current Services	268,477	0	268,477	258,000	258,000	10,477
Other Local Revenues	120,337	0	120,337	126,000	126,000	(5,663)
State of Tennessee	66,062	0	66,062	44,200	44,200	21,862
Total Revenues	<u>\$ 2,180,157</u>	<u>\$ 0</u>	<u>\$ 2,180,157</u>	<u>\$ 1,919,040</u>	<u>\$ 1,919,040</u>	<u>\$ 261,117</u>
Expenditures						
Public Health and Welfare						
Sanitation Management	\$ 131,454	\$ 0	\$ 131,454	\$ 150,995	\$ 145,056	\$ 13,602
Sanitation Education/Information	6,710	0	6,710	9,700	9,700	2,990
Waste Pickup	430,950	(300)	430,650	420,628	439,513	8,863
Convenience Centers	384,434	0	384,434	420,678	400,237	15,803
Problem Waste Centers	3,065	0	3,065	4,800	4,800	1,735
Other Waste Collection	1,499	0	1,499	1,200	2,200	701
Recycling Center	484,693	0	484,693	440,735	512,031	27,338
Landfill Operation and Maintenance	678,228	0	678,228	500,000	750,000	71,772
Postclosure Care Costs	5,456	0	5,456	8,300	8,300	2,844
Other Operations						
Other Charges	79,543	0	79,543	93,011	86,222	6,679
Employee Benefits	349	0	349	1,500	1,500	1,151
Total Expenditures	<u>\$ 2,206,381</u>	<u>\$ (300)</u>	<u>\$ 2,206,081</u>	<u>\$ 2,051,547</u>	<u>\$ 2,359,559</u>	<u>\$ 153,478</u>

(Continued)

FENTRESS COUNTY, TENNESSEE

Statement of Revenues, Expenditures, and Changes

in Fund Balance - Actual (Budgetary Basis) and Budget

Solid Waste/Sanitation Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ (26,224)	\$ 300	\$ (25,924)	\$ (132,507)	\$ (440,519)	\$ 414,595
Other Financing Sources (Uses)						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,860	\$ (3,860)
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,860	\$ (3,860)
Net Change in Fund Balance	\$ (26,224)	\$ 300	\$ (25,924)	\$ (132,507)	\$ (436,659)	\$ 410,735
Fund Balance, July 1, 2023	1,049,856	(300)	1,049,556	1,063,141	1,063,141	(13,585)
Fund Balance, June 30, 2024	\$ 1,023,632	\$ 0	\$ 1,023,632	\$ 930,634	\$ 626,482	\$ 397,150

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

FENTRESS COUNTY, TENNESSEE

**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
American Rescue Plan 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Other Local Revenues	\$ 11,569	\$ 0	\$ 0	\$ 11,569	\$ 0	\$ 0	\$ 11,569
Federal Government	966,118	0	0	966,118	101,339	101,339	864,779
Total Revenues	\$ 977,687	\$ 0	\$ 0	\$ 977,687	\$ 101,339	\$ 101,339	\$ 876,348
Expenditures							
Other Operations							
American Rescue Plan Act Grant #1	\$ 534,750	\$ (43,347)	\$ 325,416	\$ 816,819	\$ 108,850	\$ 973,934	\$ 157,115
Total Expenditures	\$ 534,750	\$ (43,347)	\$ 325,416	\$ 816,819	\$ 108,850	\$ 973,934	\$ 157,115
Excess (Deficiency) of Revenues Over Expenditures	\$ 442,937	\$ 43,347	\$ (325,416)	\$ 160,868	\$ (7,511)	\$ (872,595)	\$ 1,033,463
Net Change in Fund Balance	\$ 442,937	\$ 43,347	\$ (325,416)	\$ 160,868	\$ (7,511)	\$ (872,595)	\$ 1,033,463
Fund Balance, July 1, 2023	(687,850)	(43,347)	0	(731,197)	1,313,692	1,313,692	(2,044,889)
Fund Balance, June 30, 2024	\$ (244,913)	\$ 0	\$ (325,416)	\$ (570,329)	\$ 1,306,181	\$ 441,097	\$ (1,011,426)

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Local Taxes	\$ 75,278	\$ 0	\$ 75,278	\$ 55,000	\$ 55,000	\$ 20,278
Other Local Revenues	77,825	0	77,825	85,000	118,604	(40,779)
State of Tennessee	6,882,204	0	6,882,204	6,357,156	8,043,409	(1,161,205)
Federal Government	363,007	0	363,007	892,552	892,552	(529,545)
Total Revenues	\$ 7,398,314	\$ 0	\$ 7,398,314	\$ 7,389,708	\$ 9,109,565	\$ (1,711,251)
Expenditures						
Highways						
Administration	\$ 228,534	\$ 0	\$ 228,534	\$ 257,490	\$ 257,490	\$ 28,956
Highway and Bridge Maintenance	1,596,884	0	1,596,884	1,987,219	1,919,757	322,873
Operation and Maintenance of Equipment	589,543	0	589,543	632,443	712,443	122,900
Other Charges	128,467	0	128,467	134,500	134,500	6,033
Employee Benefits	60,086	0	60,086	67,256	67,256	7,170
Capital Outlay	4,197,481	(231,191)	3,966,290	4,235,709	6,043,029	2,076,739
Principal on Debt						
Highways and Streets	58,000	0	58,000	58,000	58,000	0
Interest on Debt						
Highways and Streets	11,798	0	11,798	11,798	11,798	0
Total Expenditures	\$ 6,870,793	\$ (231,191)	\$ 6,639,602	\$ 7,384,415	\$ 9,204,273	\$ 2,564,671
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 527,521	\$ 231,191	\$ 758,712	\$ 5,293	\$ (94,708)	\$ 853,420
Net Change in Fund Balance						
Fund Balance, July 1, 2023	\$ 1,240,081	(231,191)	1,008,890	1,008,890	1,008,890	0
Fund Balance, June 30, 2024	\$ 1,767,602	\$ 0	\$ 1,767,602	\$ 1,014,183	\$ 914,182	\$ 853,420

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

FENTRESS COUNTY, TENNESSEE

Statement of Net Position

Fiduciary Funds

June 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 1,260,132
Accounts Receivable	12,376
Due from Other Governments	<u>189,854</u>
Total Assets	<u>\$ 1,462,362</u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 189,854</u>
Total Liabilities	<u>\$ 189,854</u>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,272,508</u>
Total Net Position	<u><u>\$ 1,272,508</u></u>

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

FENTRESS COUNTY, TENNESSEE

Statement of Changes in Net Position

Fiduciary Funds

For the Year Ended June 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 1,108,563
Fines/Fees and Other Collections	6,290,692
Total Additions	<u>\$ 7,399,255</u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 1,108,563
Payments to State	2,641,262
Payments to Cities, Individuals, and Others	3,783,202
Total Deductions	<u>\$ 7,533,027</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (133,772)
Net Position, July 1, 2023	<u>1,406,280</u>
Net Position, June 30, 2024	<u><u>\$ 1,272,508</u></u>

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

FENTRESS COUNTY, TENNESSEE
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FENTRESS COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fentress 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 Fentress County:

A. Reporting Entity

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

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

The Fentress County School Department operates the public school system in the county, and the voters of Fentress 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 Fentress County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Fentress County, and the Fentress 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. During the year ended June 30, 2024, the county appropriated an operating subsidy of \$243,366 to the district.

The Industrial Development Board of Fentress County provides assistance in industrial recruitment in Fentress County, and the county commission appoints its seven-member board. Fentress County substantially funds the Industrial Development Board through annual appropriations. During the year ended June 30, 2024, the county appropriated an operating subsidy of \$42,000 to the board. The financial statements of the Industrial Development Board of Fentress County were not material to the component units' opinion unit and therefore have been omitted from this report.

The Fentress 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 Fentress County Emergency Communications District and the Industrial Development Board of Fentress County can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Fentress County Emergency Communications District
116 Justice Center Drive
Jamestown, TN 38556

Industrial Development Board of Fentress County
114 Central Avenue West
Jamestown, TN 38556

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Fentress 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 Fentress 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.

Fentress County issues all debt for the discretely presented Fentress 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 Fentress County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-

balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/fund 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. Fentress 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. Fentress 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.

Fentress County reports the following major governmental funds:

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

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

American Rescue Plan Fund – This fund is used to account for American Rescue Plan Act revenues and expenditures.

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

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

Additionally, Fentress County reports the following fund types:

Capital Projects Funds –Capital projects funds are used to account for transactions associated with various capital projects undertaken by the county.

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

The discretely presented Fentress 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.

Central Cafeteria Fund – This special revenue fund is used to account for the cafeteria operations in each of the schools. Grant funds and collections from food sales are the foundational revenues of this fund.

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

Capital Projects Fund – The Education Capital Projects Fund is used to account for transfers from the General Purpose School Fund and various grants for building construction and renovations.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The prior year balances (FY 23) 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 Fentress 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 and General Purpose School funds. Fentress 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. Fentress County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held on the balance sheet date.

2. Receivables and Payables

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.77 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 Circuit 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.

Lease receivables are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received. Any accumulated interest on June 30 will result in accrued interest receivable in the governmental funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements.

3. Restricted Assets

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$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:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Infrastructure	20 - 75
Other Capital Assets	5 - 20

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension and OPEB changes in experience, assumptions, proportionate share, and contributions made after the measurement date and pension changes in investment earnings.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. 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, deferred lease receivables, pension and OPEB changes in experience and proportionate share, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

6. Compensated Absences

Most offices and departments in Fentress County allow employees to earn vacation and sick leave benefits; however, there are several different methods used by county offices and departments regarding the accumulation of these benefits. All county offices allow the unlimited accumulation of sick leave. There is no liability for unpaid accumulated sick leave in the primary government since Fentress County does not have a policy to pay any amounts when employees separate from service with the government. The Fentress County School Department reports a liability for unpaid accumulated sick leave for certified employees according to its policy to pay \$75 per accumulated sick leave day when employees separate from service with the school department. The school department also reports a liability for unpaid accumulated sick leave for non-certified employees which receive their regular daily rate of pay up to 20 days when employees separate from service with the school department.

Some county offices allow employees to accumulate vacation days beyond year-end. The finance department, working together with the elected officials, is responsible for maintaining the balances of accumulated leave in accordance with the policies of the individual offices and departments of the county. 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.

7. Long-term Debt and Long-term Obligations

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

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

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

As of June 30, 2024, Fentress County had \$808,000 in outstanding debt for capital purposes for the discretely presented Fentress County School Department. This debt is a liability of Fentress County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Fentress 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 finance 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 Fentress County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Fentress 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 Fentress 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 Fentress County. For this purpose, Fentress County recognizes benefit payments when due and payable in accordance with benefit terms. Fentress County's OPEB plan is not administered through a trust.

Discretely Presented Fentress 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 Fentress 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 Fentress 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 Fentress 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 certain capital project 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, Board of Equalization, County Executive, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

On June 30, 2024, Fentress County and the discretely presented Fentress County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 613,551
American Rescue Plan	325,416
School Department:	
Major Funds:	
General Purpose School	759,328
School Federal Projects	443,551

B. Fund Deficit

The American Rescue Plan Fund had an unassigned fund deficit of \$244,913 due to the grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (ALN 21.027). The grant expenditures can only be reported in April of each year. Fentress County made expenditures of grant funds after the reporting period but before the end of the fiscal year, which resulted in a deficit.

C. Cash Shortages – Prior Years

On January 28, 2014, the Comptroller of the Treasury released an investigative audit report regarding misappropriation of funds at the Fentress County Public Library. The report revealed a cash shortage of \$40,217 resulting from the misappropriation of funds by the former library director. During the investigation, the former director deposited \$7,000 in personal funds to the library bank account, which left a shortage of \$33,217 on June 30, 2014. On September 25, 2014, the former library director pled guilty to theft of property and received ten years' probation. She was also ordered to pay restitution to the library with payments beginning in October 2014. On June 30, 2024, the unpaid restitution amount was \$4,937.

On September 4, 2019, the Comptroller of the Treasury released an investigative report related to the misappropriation of funds totaling \$239,681 from the Fentress County Finance Department (\$237,616) and the Kirby Johnson Memorial Ballpark (\$2,065). On June 28, 2021, the former finance department employee pled guilty to theft of property and official misconduct. On August 16, 2021, the former employee was sentenced to fourteen years in state department of corrections custody and ordered to pay restitution upon her release of \$156,421 to Fentress County and \$2,065 to the Kirby Johnson Ball Park. On August 7, 2023, the court ordered the portion of the restitution owed to the county to be reduced from \$156,421 to \$27,000. Total unpaid restitution as of June 30, 2024, was \$27,000.

On June 20, 2021, the Comptroller of the Treasury released an investigative report related to the misappropriation of funds totaling \$8,857. On April 24, 2023, a former sheriff's department deputy pled guilty on one count of official misconduct, one count of theft over \$2,500, and one count of fraudulent use of a credit card for purchasing fuel for his personal vehicle using the county's fuel card and was sentenced to four years supervised probation and to pay restitution to the county totaling \$8,857. On June 30, 2024, the unpaid restitution amount was \$2,457.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

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

Deposits

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the

establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

The county had no pooled and nonpooled investments as of June 30, 2024.

TCRS Stabilization Trust

Legal Provisions. The Fentress 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 Fentress 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 Fentress 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	\$ 79,294
Developed Market International Equity	N/A	N/A	35,810
Emerging Market International Equity	N/A	N/A	10,232
U.S. Fixed Income	N/A	N/A	51,158
Real Estate	N/A	N/A	25,579
Short-term Securities	N/A	N/A	2,557
NAV - Private Equity and Strategic Lending	N/A	N/A	51,158
 Total			\$ 255,788

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. Leases Receivable

On July 1, 1989, Fentress County began leasing a county owned building to be used as a nursing home. This lease was reassigned in 2004 and 2016. The 2016 assignment was to Signature HealthCARE with the lease ending in 2028 with a right to renew the lease for an additional 10 years. Signature HealthCARE will pay the county \$87,000 per year for the lease. There are no provisions for contingent or sublease rentals in the agreements. The future minimum lease payments for this lease are as follows:

Minimum lease payments receivable over the next five years are as follows:

Year Ending June 30	Nursing Home Lease		
	Principal	Interest	Total
2025	\$ 87,000	\$ 0	\$ 87,000
2026	87,000	0	87,000
2027	87,000	0	87,000
2028	87,000	0	87,000
2029	43,500	0	43,500
Total	\$ 391,500	\$ 0	\$ 391,500

C. 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	\$ 5,849,220	\$ 0	\$ 0	\$ 5,849,220
Construction in Progress	2,240,873	1,041,711	0	3,282,584
Total Capital Assets Not Depreciated	\$ 8,090,093	\$ 1,041,711	\$ 0	\$ 9,131,804
Capital Assets Depreciated:				
Buildings and Improvements	\$ 21,405,163	\$ 72,014	\$ 0	\$ 21,477,177
Infrastructure	32,110,072	0	0	32,110,072
Other Capital Assets	9,654,854	762,090	(91,179)	10,325,765
Total Capital Assets Depreciated	\$ 63,170,089	\$ 834,104	\$ (91,179)	\$ 63,913,014
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 5,024,367	\$ 398,643	\$ 0	\$ 5,423,010
Infrastructure	9,427,401	322,274	0	9,749,675
Other Capital Assets	6,188,238	758,491	(64,836)	6,881,893
Total Accumulated Depreciation	\$ 20,640,006	\$ 1,479,408	\$ (64,836)	\$ 22,054,578
Total Capital Assets Depreciated, Net	\$ 42,530,083	\$ (645,304)	\$ (26,343)	\$ 41,858,436
Governmental Activities Capital Assets, Net	\$ 50,620,176	\$ 396,407	\$ (26,343)	\$ 50,990,240

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

Governmental Activities:

General Government	\$	26,707
Finance		3,440
Administration of Justice		88,110
Public Safety		480,885
Public Health and Welfare		356,940
Social, Cultural, and Recreational Services		31,236
Agriculture and Natural Resources		1,220
Highways/Public Works		<u>490,870</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>1,479,408</u></u>

Net Investment in Capital Assets

Capital Assets	\$	50,990,240
Add:		
Outstanding debt for school purposes		808,000
Less:		
Outstanding principal of capital debt and other capital borrowings		(10,481,000)
Unamortized balance of original issue premiums on outstanding capital-related debt		<u>(950,551)</u>
Net Investment in Capital Assets	\$	<u><u>40,366,689</u></u>

Discretely Presented Fentress County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Balance 6-30-24
Capital Assets Not Depreciated:			
Land	\$ 389,825	\$ 0	\$ 389,825
Construction in Progress	2,633,585	0	2,633,585
Total Capital Assets Not Depreciated	\$ 3,023,410	\$ 0	\$ 3,023,410
Capital Assets Depreciated:			
Buildings and Improvements	\$ 20,067,291	\$ 0	\$ 20,067,291
Other Capital Assets	4,743,847	811,488	5,555,335
Total Capital Assets Depreciated	\$ 24,811,138	\$ 811,488	\$ 25,622,626
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 9,516,217	\$ 439,989	\$ 9,956,206
Other Capital Assets	3,211,542	341,399	3,552,941
Total Accumulated Depreciation	\$ 12,727,759	\$ 781,388	\$ 13,509,147
Total Capital Assets Depreciated, Net	\$ 12,083,379	\$ 30,100	\$ 12,113,479
Governmental Activities Capital Assets, Net	\$ 15,106,789	\$ 30,100	\$ 15,136,889

There were no decreases in capital assets to report during the year ended June 30, 2024.

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

Governmental Activities:

Instruction	\$ 494,219
Support Services	281,259
Operation of Non-instructional Services	<u>5,910</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 781,388</u>

D. Construction Commitments

On June 30, 2024, the school department had uncompleted construction contracts of approximately \$440,343 for school renovation projects that were ongoing at year-end. Funding has been received for these future expenditures in the General Purpose School Fund, and projects being paid through the School Federal Projects Fund are expected to be funded with future grant revenue.

E. 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	\$ 33,537

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

Due to/from Component Units:

Receivable Fund	Payable Fund	Amount
Discretely Presented School		
Department:	Primary Government:	
Education Capital Projects	General	\$ 23,981

This amount represents grant funds due to the school department toward the construction of a CTE building.

Interfund Transfers:

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

Primary Government

Transfer Out	Transfer In Nonmajor governmental funds	Purpose
General Debt Service	\$ 311,068	Capital outlay
Total	<u>\$ 311,068</u>	

Discretely Presented Fentress County School Department

Transfer Out	Transfer In	
	Fund	Purpose
School Federal Projects Fund	\$ 150,522	Indirect costs
Total	\$ 150,522	

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

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Fentress 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 a capital lease for the justice center. 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 30 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.

Direct Borrowing and Direct Placements - Fentress County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 13 years for notes and up to 25 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2024, will be retired from the General Debt Service and Highway/Public Works funds.

General obligation bonds, capital outlay notes, and other loans 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	3 to 5 %	3-1-50	\$ 8,105,000	\$ 7,360,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.7	6-1-34	2,950,000	2,313,000
Other Loans	variable	5-25-26	6,000,000	808,000

In prior years, Fentress County entered into a loan agreement with the Montgomery County Public Building Authority. Under this agreement, the authority loaned \$6,000,000 to Fentress County for the construction of an elementary school. The loan is repayable at a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. On June 30, 2024, the variable interest rate was 3.41 percent, and other fees totaled approximately 1.2 percent (letter of credit), .08 percent (remarketing) of the outstanding loan principal, and the trustee fee was \$85 per month.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 175,000	\$ 240,100	\$ 415,100
2026	185,000	231,350	416,350
2027	195,000	222,100	417,100
2028	200,000	212,350	412,350
2029	210,000	202,350	412,350
2030-2034	1,185,000	890,100	2,075,100
2035-2039	1,370,000	701,550	2,071,550
2040-2044	1,595,000	483,000	2,078,000
2045-2049	1,845,000	229,350	2,074,350
2050	400,000	12,000	412,000
Total	\$ 7,360,000	\$ 3,424,250	\$ 10,784,250

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2025	\$ 214,000	\$ 39,321	\$ 253,321
2026	218,000	35,683	253,683
2027	221,000	31,977	252,977
2028	225,000	28,220	253,220
2029	229,000	24,395	253,395
2030-2034	1,206,000	62,220	1,268,220
Total	\$ 2,313,000	\$ 221,816	\$ 2,534,816

Year Ending June 30	Other Loans - Direct Placement			Total
	Principal	Interest	Other Fees	
2025	\$ 394,000	\$ 27,553	\$ 11,362	\$ 432,915
2026	414,000	14,117	6,319	434,436
Total	\$ 808,000	\$ 41,670	\$ 17,681	\$ 867,351

There is \$2,965,680 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$398, based on the 2020 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$618, based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2023	\$ 7,525,000	\$ 2,524,000	\$ 1,184,000
Reductions	(165,000)	(211,000)	(376,000)
Balance, June 30, 2024	\$ 7,360,000	\$ 2,313,000	\$ 808,000
Balance Due Within One Year	\$ 175,000	\$ 214,000	\$ 394,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 10,481,000
Less: Balance Due Within One Year - Debt	(783,000)
Add: Unamortized Premium on Debt	<u>950,551</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 10,648,551</u></u>

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	Other Postemployment Benefits
Balance, July 1, 2023	\$ 432,937	\$ 12,442
Additions	382,038	2,205
Reductions	(347,361)	(3,812)
	<u>467,614</u>	<u>10,835</u>
Balance, June 30, 2024	\$ 467,614	\$ 10,835
Balance Due Within One Year	<u>233,807</u>	<u>1,696</u>

	Net Pension Liability - Agent Plan	Landfill Postclosure Care Costs
Balance, July 1, 2023		
Additions	\$ 1,285,514	\$ 191,373
Reductions	1,689,471	7,065
	<u>(1,885,776)</u>	<u>(5,456)</u>
Balance, June 30, 2024	\$ 1,089,209	\$ 192,982
Balance Due Within One Year	<u>0</u>	<u>15,933</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 1,760,640
Less: Balance Due Within One Year - Other	<u>(251,436)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,509,204</u>

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

Discretely Presented Fentress County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2023	\$ 861,012	\$ 3,016,453
Additions	270,605	450,102
Reductions	<u>(245,938)</u>	<u>(257,249)</u>
Balance, June 30, 2024	<u>\$ 885,679</u>	<u>\$ 3,209,306</u>
Balance Due Within One Year	<u>\$ 354,272</u>	<u>\$ 181,915</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 4,094,985
Less: Balance Due Within One Year - Other	<u>(536,187)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 3,558,798</u>

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

H. On-Behalf Payments - Discretely Presented Fentress County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Fentress 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 \$64,770. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

The county is exposed to various risks related to general liability, property, and casualty losses. The county's risk of loss relating to general liability, property, and casualty is covered by participation 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.

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

Fentress County provides health insurance coverage to its employees through commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Discretely Presented Fentress County School Department

The discretely presented Fentress County School Department participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The school department pays an annual premium to the TN-RMT for its workers' compensation, general liability, property, and casualty insurance coverage. The creation of the 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 for 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. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. Landfill Postclosure Care Costs

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. These closure and postclosure care costs generally are paid near or after the date that the landfill stops accepting waste. Fentress County closed its landfill on July 27, 1994, and has contracted with a private landfill for its waste disposal. The Solid Waste/Sanitation Fund (special revenue fund) reports postclosure care costs as expenditures in each period in which they are incurred. The \$192,982 reported as landfill postclosure care liability on June 30, 2024, represents estimated postclosure care costs based on the use of 100 percent of the landfill's capacity. Actual costs may vary from estimates due to inflation, changes in technology, or changes in regulations.

E. Joint Venture

The Eighth Judicial District Drug Task (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighth Judicial District and the municipalities within the district. The district is composed of Fentress, Campbell, Claiborne, Scott, and Union 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. Fentress County made no contributions to the DTF for the year ended June 30, 2024, and does not have an equity interest in this joint venture. Complete financial statements for the Eighth Judicial District Task Force can be obtained from its administrative office at the following address:

Administrative Office:

Eighth Judicial District Drug Task Force
P.O. Box 10
Huntsville, TN 37756

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Fentress County are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent 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 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 establishes 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 Currently Receiving	
Benefit Payments	77
Inactive Employees Entitled to But Not Yet Receiving	
Benefit Payments	282
Active Employees Eligible for Benefits	<u>184</u>
Total	<u>543</u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Fentress 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 was \$569,851 based on a rate of 7.76 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Fentress 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)

Fentress 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Fentress 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	\$ 15,716,560	\$ 14,431,046	\$ 1,285,514
Changes for the Year:			
Service Cost	\$ 596,408	\$ 0	\$ 596,408
Interest	1,077,711	0	1,077,711
Differences Between Expected and Actual Experience	(20,425)	0	(20,425)
Contributions-Employer	0	540,515	(540,515)
Contributions-Employees	0	348,746	(348,746)
Net Investment Income	0	976,090	(976,090)
Benefit Payments, Including Refunds of Employee Contributions	(693,756)	(693,756)	0
Administrative Expense	0	(15,352)	15,352
Net Changes	\$ 959,938	\$ 1,156,243	\$ (196,305)
Balance, June 30, 2023	\$ 16,676,498	\$ 15,587,289	\$ 1,089,209

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

	1% Decrease	Current Discount Rate	1% Increase
	Fentress County	5.75%	6.75%
Net Pension Liability (Asset)	\$ 3,600,731	\$ 1,089,209	\$ (959,481)

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, Fentress County recognized pension expense (negative pension expense) of \$520,863.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Fentress 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	\$ 243,889	\$ 16,340
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	129,990	0
Changes in Assumptions	519,165	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	569,851	N/A
Total	<u>\$ 1,462,895</u>	<u>\$ 16,340</u>

- (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.

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	\$ 195,020
2026	126,009
2027	558,942
2028	(3,268)
2029	0
Thereafter	0

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

Discretely Presented Fentress County School Department - Non-certified Employees

Plan Description. Non-Certified employees of the discretely presented Fentress 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 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. Members who leave 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 Currently Receiving	
Benefit Payments	90
Inactive Employees Entitled to But Not Yet Receiving	
Benefit Payments	230
Active Employees Eligible for Benefits	161
 Total	 481

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. Fentress County School Department 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 was \$222,858 based on a rate of 6.81 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the school department’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)

Fentress County School Department'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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from the school department 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	\$ 9,777,901	\$ 10,735,989	\$ (958,088)
Changes for the Year:			
Service Cost	\$ 291,082	\$ 0	\$ 291,082
Interest	663,175	0	663,175
Differences Between Expected and Actual Experience	466,139	0	466,139
Contributions-Employer	0	205,666	(205,666)
Contributions-Employees	0	141,839	(141,839)
Net Investment Income	0	716,418	(716,418)
Benefit Payments, Including Refunds of Employee Contributions	(488,336)	(488,336)	0
Administrative Expense	0	(15,100)	15,100
Net Changes	\$ 932,060	\$ 560,487	\$ 371,573
Balance, June 30, 2023	\$ 10,709,961	\$ 11,296,476	\$ (586,515)

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

	1% Decrease	Current Discount Rate	1% Increase
Fentress County School Department	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 793,833	\$ (586,515)	\$ (1,731,551)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, Fentress County School Department recognized pension expense (negative pension expense) of \$252,810.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Fentress County 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	\$ 349,604	\$ 84,172
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	80,926	0
Changes in Assumptions	192,359	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	222,858	N/A
Total	<u>\$ 845,747</u>	<u>\$ 84,172</u>

(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.

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	\$ 196,151
2026	(13,277)
2027	355,244
2028	600
2029	0
Thereafter	0

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

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

General Information About the Pension Plan

Plan Description. Teachers of the Fentress 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 \$116,664, which is 2.95 percent of covered payroll. In addition, employer contributions of \$37,943, 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, 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 (\$70,459) 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 .166163 percent. The proportion as of June 30, 2022, was .143358 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expenses) of \$88,697.

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	\$ 2,373	\$ 41,125
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	17,914	0
Changes in Assumptions	53,009	0
Changes in Proportion of Net Pension Liability (Asset)	11,814	23,033
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	116,664	N/A
Total	<u>\$ 201,774</u>	<u>\$ 64,158</u>

The school department’s employer contributions of \$116,664, 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	\$ (803)
2026	(3,410)
2027	24,224
2028	795
2029	905
Thereafter	(759)

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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 324,107	\$ (70,459)	\$ (354,514)

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 Fentress County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Fentress 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 Fentress County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$489,275, 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 \$(2,654,125) 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 .225122 percent. The proportion measured at June 30, 2022, was .213706 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$667,491.

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
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 632,348	\$ 123,169
Changes in Assumptions	864,787	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	460,504	0
Changes in Proportion of Net Pension Liability (Asset)	113,846	174,117
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	<u>489,275</u>	N/A
Total	<u>\$ 2,560,760</u>	<u>\$ 297,286</u>

The school department's employer contributions of \$489,275 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 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	\$ 625,443
2026	(368,150)
2027	1,513,299
2028	3,607
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 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ 5,780,870	\$ (2,654,125)	\$ (9,669,663)

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**

Fentress County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). The discretely presented Fentress County School Department offers its employees deferred compensation plans established pursuant to IRC Sections 401(k) and 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k), Section 457, and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k), 457, and 403(b) establish participation, contribution, and withdrawal provisions for the plan.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$176,532 and teachers contributed \$167,759 to this deferred compensation pension plan.

G. *Other Postemployment Benefits (OPEB)*

Primary Government

Beginning November 1, 2022, Fentress County provides OPEB benefits to its employees through a commercial insurance plan. Benefits are established and amended by the county commission. Prior to November 1, 2022, the county provided OPEB benefits to its employees from the state administered public entity risk pool.

Commercial Postemployment Benefits Plan

Plan Description. The county participates in a commercial postemployment benefits plan administered by Blue Cross/Blue Shield of Tennessee for its retirees and their covered dependents. All eligible pre-65 retired employees, who choose coverage, may participate in the plan. For accounting purposes, the plan is a single employer defined benefit OPEB plan. Benefits are established and amended by the Board of Education. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The plan provides healthcare benefits to retirees and their dependents. The benefit terms required retirees to pay 100 percent of the healthcare premium for single or family coverage.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>68</u>
Total	<u><u>68</u></u>

Total OPEB Liability. The county’s total OPEB liability of \$10,835 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	3.5%
Discount Rate	4.21%
Healthcare Cost Trend Rates	4.5%
Retirees share of Benefit-related Cost	100%

The discount rate was based on the S&P Municipal Bond 20 Year High Grade rate index. The individual entry age normal cost actuarial method was used.

Mortality rates were based on RPH-2014 mortality table with the MP-2021 projection scale.

The actuarial assumptions used in the June 30, 2024, valuation were based on plan data and costs presented by the county.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2023	\$ 12,442
Changes for the Year:	
Service Cost	\$ 1,624
Interest	581
Difference Between Expected and Actual Experience	(3,728)
Changes in Assumptions	(84)
Net Changes	<u>\$ (1,607)</u>
Balance June 30, 2024	<u>\$ 10,835</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the period ended June 30, 2024, the county recognized OPEB expense of \$1,696. The county reported no deferred outflows of resources on June 30, 2024.

	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 3,230
Changes of Assumptions/Inputs	73
Benefits Paid After the Measurement Date	<u>0</u>
Total	<u>\$ 3,303</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the county calculated using the discount rate of 4.21 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (3.21 percent) or one percentage point higher (5.21 percent) than the current rate:

<u>Discount Rate</u>	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Total OPEB Liability	\$ 11,931	\$ 10,835	\$ 9,839

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the county calculated using the healthcare cost trend rate of 4.50 percent,

as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current rate:

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	3.5%	4.5%	5.5%
Total OPEB Liability	\$ 9,459	\$ 10,835	\$ 12,476

Discretely Presented Fentress County School Department

The Fentress County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Fentress 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 school department’s total OPEB liability for the 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 the 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%, based on the daily rate of Bond Buyer’s 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, 2020, Pension Actuarial Valuation of the Tennessee

Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future 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 projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 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 decreased 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.

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

Plan Description. Employees of the Fentress 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 Fentress 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 school 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	12
Inactive Employees Entitled to But Not	
Yet Receiving Benefit Payments	0
Active Employees Eligible For Benefits	180
Total	192

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 \$92,001 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Fentress County School Department 64.07%	State of TN 35.93%	Total OPEB Liability
Balance July 1, 2022	\$ 3,016,453	\$ 1,593,181	\$ 4,609,634
Changes for the Year:			
Service Cost	\$ 108,947	\$ 61,097	\$ 170,044
Interest	106,350	59,640	165,990
Difference between Expected and Actuarial Experience	(76,915)	(43,133)	(120,048)
Changes in Assumption and Other Inputs	234,805	131,677	366,482
Benefit Payments	(117,240)	(65,747)	(182,987)
Change in Proportionate Share	(63,094)	63,094	0
Net Changes	\$ 192,853	\$ 206,628	\$ 399,481
Balance June 30, 2023	\$ 3,209,306	\$ 1,799,809	\$ 5,009,115

The Fentress 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 Fentress County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$179,777 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Fentress County School Department's proportionate share of the collective OPEB liability was 64.07% and the State of Tennessee's share was 35.93%.

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 \$361,692, 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	\$ 217,244	\$ 252,849
Changes of Assumptions	491,031	324,424
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	34,342	313,535
Benefits Paid After the Measurement Date of June 30, 2023	92,001	0
Total	<u>\$ 834,618</u>	<u>\$ 890,808</u>

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

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

Year Ending June 30	School Department
2025	\$ (33,380)
2026	(33,380)
2027	(33,380)
2028	(22,912)
2029	(19,677)
Thereafter	(5,462)

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.65%	3.65%	4.65%

Proportionate Share of the Collective Total OPEB Liability	\$ 3,433,107	\$ 3,209,306	\$ 2,994,597
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rates	1% Increase
	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 2,905,418	\$ 3,209,306	\$ 3,557,162
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H. Office of Central Accounting, Budgeting, and Purchasing

Fentress County operates under the provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a finance department operated under the direction of the finance director.

I. Purchasing Law

The County Financial Management System of 1981 provides for the finance director, or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for Fentress County. All purchase orders are issued by the finance department. Purchases exceeding \$25,000 are required to be competitively bid.

VI. OTHER NOTES – FENTRESS COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

The financial statements of Fentress County Emergency Communications District (E-911) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Fentress County Emergency Communication District was established in October 1990, under the authority of Title 7, Chapter 86, Tennessee code Annotated, for the purpose of providing an enhanced level of 911 services to the Fentress County citizens by acquiring certain types of equipment that enable emergency service providers to respond more rapidly and more effectively due to increased speed in the transmittal of critical information and improved reliability of address and information. It is a component unit of Fentress County. The Fentress County Emergency Communications District is run by a board of directors, which is appointed by Fentress County. The district must file a budget with Fentress County each year. Any bond issued by the district is subject to approval by Fentress County.

Basis of Accounting

The district uses the accrual basis of accounting and the economic resources measurement focus. Revenues are recognized when earned and expenses are recognized when incurred. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Estimates

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

Deposits and Investments

For the purpose of the Statement of Cash Flows, cash and cash equivalents have original maturities of three months or less from the date of acquisition.

Prepaid Items

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

Capital Assets

Capital assets are carried at cost. Capital assets are defined by the district as assets with an initial, individual cost of more than \$5,000, updated from \$2,500 on February 26, 2024, with an estimated useful life in excess of one year. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

Depreciation

Depreciation is computed at rates designed to amortize the cost of the individual assets over their useful lives. Depreciation begins when the capital assets are placed in service. It is the district's policy to capitalize all assets based on historical cost for any asset over than \$5,000, updated from \$2,500 on February 26, 2024. Depreciation is summarized as follows:

	Method	Estimated Useful Life	Depreciation
Office Equipment	S/L	5-10 Years	\$ 553
Furniture and Fixtures	S/L	5-10 Years	1,640
Communications Equipment	S/L	5-10 Years	77,843
Vehicles	S/L	5 Years	<u>6,675</u>
Total			<u>\$ 86,711</u>

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources are presented after total assets. A deferred outflow of resources is a consumption of net assets by the district that is applicable to future reporting period(s) and so will not be recognized as an outflow of resources (expense) until then.

Deferred inflows of resources are presented after total liabilities in the Statement of Net Position. A deferred inflow of resources is an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

The district's policy provides that vacation time may be accumulated and carried forward by full-time employees (those who work more than thirty-five hours per week) to the next year in an amount not to exceed thirty days or two hundred forty total hours. Any hours exceeding the two hundred forty-hour limit may be converted to sick leave at the end of each fiscal year to the next. Upon termination of employment, an employee will be entitled to payment for any unused vacation time. Payment will be based upon the employee's daily rate of compensation at the time of termination. The accumulated amount is charged to expense and corresponding liability in the financial statements.

Revenue and Expenses

The district distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the district's principal ongoing operations. The principal operating revenues of the district are emergency telephone service charges collected from telephone service providers, shared wireless charges, and other operational funding. Operating expenses include the cost of salaries and wages, employee benefits, administration, building and facilities, communications operations, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Net Position

Net position is classified into three components: investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation.

Restricted Net Position – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component of net position consists of net position that does not meet the definition of “Restricted” or “Investment in Capital Assets”.

Reservations of Net Position

If restricted and unrestricted net positions are available for the same purpose, the restricted net position will be used before unrestricted net position.

Pensions

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 Fentress County Emergency Communications District’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Fentress County Emergency Communications District’s Fiduciary Net Position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Budget

The budget is legally adopted by the board of directors, in accordance with the provisions of Section 7-86-120, *Tennessee Code Annotated*. The legal level of control is at the line-item level. Accordingly, operating expenses may not exceed the amount budgeted in each line item. Budgeted expenses may be amended, as needed, to meet changing needs.

Subsequent Events

The district’s management evaluated subsequent events through 024, the date the financial statements were available to be issued.

B. Cash and Cash Investments

Tennessee state statutes require Tennessee banks and savings and loan associations to secure a governmental entity’s deposits by pledging government securities as collateral. The market value of pledged securities must equal 105% of the entity’s deposits. The entity may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

The following is a schedule of bank accounts on June 30, 2024:

Account	Balance 6-30-24
Checking - First Volunteer Bank	\$ 74,113
Investment Local Government Investment Pool	1,078,049
 Total	 <u>\$ 1,152,162</u>

On June 30, 2024, the carrying amount of the Fentress County E – 911 Emergency Communications District’s cash deposits was \$1,152,162. The district’s deposit accounts are covered up to \$250,000 by the Federal Deposit Insurance Corporation. Any amounts over \$250,000 are covered by the Government Collateralization Pool of which First Volunteer Bank and the Local Government Investment Pool are members. The district is authorized to deposit and invest funds according to the provisions of Section 5-8-301 *Tennessee Code Annotated*. [Acts 1992, ch. 891, section 10]. The Tennessee Bank collateral Pool is a multiple financial institution collateral pool in which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. On June 30, 2024, the district’s deposits in financial institutions were entirely insured or collateralized by Federal Depository Insurance or the Tennessee State Collateral Pool.

C. Bonding

The Fentress County Emergency Communications District is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors and missions, workers compensation, and natural disasters. The premises are commercially insured by the Fentress County Government. The building coverage has some hardware insurance coverage for the location where the equipment is located. Additional commercial insurance has been obtained. No losses have occurred during the past three years that have exceeded coverage.

D. Capital Assets

The following is a schedule of equipment on June 30, 2024:

Assets	Balance 7-1-23	Additions	Adjust- ments and Disposals	Balance 6-30-24
Non-depreciable:				
Construction in Progress	\$ 0	\$ 3,271	\$ 0	\$ 3,271
Depreciable:				
Office Equipment	15,701	0	0	15,701
Furniture and Fixtures	91,081	0	0	91,081
Communications				
Equipment	546,122	475,227	0	1,021,349
Vehicles	33,376	0	0	33,376
 Total	 <u>\$ 686,280</u>	 <u>\$ 478,498</u>	 <u>\$ 0</u>	 <u>\$ 1,164,778</u>

Assets	Accumulated Depreciation 7-1-23	Current Year Depreciation	Current Year Adjust- ments and Disposals	Accumulated Depreciation 6-30-24
Office Equipment	\$ 13,629	\$ 552	\$ 0	\$ 14,181
Furniture and Fixtures	89,441	1,640	0	91,081
Comminications				
Equipment	478,527	77,843	0	556,370
Vehicles	1,112	6,676	0	7,788
Total	<u>\$ 582,709</u>	<u>\$ 86,711</u>	<u>\$ 0</u>	<u>\$ 669,420</u>

E. Calculation of Investment in Capital Assets

Net Book Value	\$ 495,357
Current and Non-Current Debt	<u>0</u>
Investment in Capital Assets	<u><u>\$ 495,357</u></u>

F. Budgetary Information

As stated in Note VI.A., the district must file a budget with Fentress County each year which must be filed with the county and approved by the board of directors. The budget is prepared on the accrual basis of accounting. Compliance with the legally adopted budget is required at the line-item level.

G. Other Postemployment Benefits (OPEB)

Local Government OPEB Plan

Plan Description. Employees of Fentress County Emergency Communications District (district) are provided with pre-65 retiree health insurance benefits through the closed Local Government OPEB Plan (LGOP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multiple employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGOP.

Benefits Provided. The district offers the LGOP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-701, *Tennessee Code Annotated*, establishes and amends the benefit terms of the LGOP. 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 LGOP 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 district does not directly subsidize and is only

subject to the implicit. The LGOP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms. On July 1, 2023, the following employees of the district were covered by the benefit terms of the LGOP:

Inactive Employees Currently Receiving	
Benefit Payments	0
Inactive Employees Entitled To But Not Yet	
Receiving Benefit Payments	0
Active Employees Eligible for Benefits	<u>12</u>
 Total	 <u><u>12</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGOP 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 district paid (\$1) to the LGOP for OPEB benefits as they came due.

Actuarial Assumptions. The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4 percent to 8.72%, including inflation
Healthcare Cost Trend Rates	10.31 percent for pre-65 in 2023, decreasing annually over an 11-year period to an ultimate rate of 4.5 percent. 12.44 percent for post-65 in 2023, decreasing annually over an 11-year period to an ultimate rate of 4.5 percent.
Retirees Share of Benefit	
Related Cost	Member are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2021, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 – June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probability of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employed for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement tables are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6% load for males and a

14% load for females, projected generationally from 2010 with MP-2021. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2021.

Discount Rate. The discount rate used to measure the total OPEB liability was 3.65 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

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

	<u>Total OPEB Liability</u>
Balance July 1, 2022	\$ 12,439
Changes for the Year:	
Service Cost	\$ 1,072
Interest	478
Difference between Expected and Actuarial Experience	(1,659)
Changes in Assumption	4,012
Net Changes	<u>\$ 3,903</u>
 Balance June 30, 2023	 <u>\$ 16,342</u>

Changes in Assumptions. The discount rate was changed from 3.54% as of the beginning of the measurement period to 3.65% as 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.

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.65%	3.65%	4.65%
Total OPEB Liability	\$ 17,258	\$ 16,342	\$ 15,436

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease 9.31 to 3.5%	Current Trend Rate 10.31 to 4.5%	1% Increase 11.31 to 5.5%
Total OPEB Liability	\$ 15,046	\$ 16,342	\$ 17,751

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the district recognized OPEB expense of \$197. On June 30, 2024, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits in the LGOP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$ 895	\$ 7,824
Changes of Assumptions	5,407	5,108
Net Difference Between Projected and Benefits paid after the measurement date	0	0
Total	<u>\$ 6,302</u>	<u>\$ 12,932</u>

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

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

Year Ending June 30	
2025	\$ (1,353)
2026	(1,353)
2027	(1,353)
2028	(1,353)
2029	(670)
Thereafter	(547)

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

H. Retirement Commitments

Plan Description. Employees of Fentress County Emergency Communications District are provided a defined benefit pension plan through the Public Employee Retirement Plan, and agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated 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. Tennessee Code Annotated Title 8, Chapters 34-37 establishes 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 5 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 service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service-related disability benefits are provided regardless of the 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 10 percent and include projected service credits. A variety of death benefits are 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 2nd 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 3 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	2
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	8
Active Employees	<u>12</u>
Total	<u><u>22</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of their salary. Fentress County Emergency Communications District makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2024, employer contributions for Fentress County Emergency District were \$34,720 based on a rate of 7.07% of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Fentress County Emergency Communications District's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (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)

Fentress County Emergency Communications District’s net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability as of 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 investment expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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 three 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 assumed that employee contributions will be made at the current rate and that contributions from Fentress County Emergency Communications District will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2022	\$ 936,004	\$ 889,904	\$ 46,100
Changes for the year:			
Service Cost	\$ 43,855	\$ 0	\$ 43,855
Interest	65,804	0	65,804
Differences Between Expected and Actual Experience	63,266	0	63,266
Contributions-Employer	0	21,700	(21,700)
Contributions-Employees	0	22,794	(22,794)
Net Investment Income	0	60,951	(60,951)
Benefit Payments, Including Refunds of Employee Contributions	(9,965)	(9,965)	0
Administrative Expense	0	(832)	832
Net Changes	\$ 162,960	\$ 94,648	\$ 68,312
Balance, June 30, 2023	\$ 1,098,964	\$ 984,552	\$ 114,412

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the net pension liability (asset) of Fentress County Emergency Communications District calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease	Current Discount Rate 6.75%	1% Increase
Fentress County Emergency Communications Distrit	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 322,759	\$ 114,412	\$ (51,513)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, Fentress County Emergency Communications District recognized pension expense (negative pension expense) of \$38,406.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2024, Fentress County Emergency Communications District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 135,698	\$ 26,227
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	9,029	0
Changes in Assumptions	45,157	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	34,720	N/A
Total	<u>\$ 224,604</u>	<u>\$ 26,227</u>

(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 following measurement period.

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	\$ 13,154
2026	10,401
2027	40,588
2028	20,564
2029	20,329
Thereafter	58,620

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

I. Deferred Compensation

Fentress County Emergency Communications District offers its employees a deferred compensation plan established pursuant to IRC Section 401(k), funded by employee deferrals and, if elected, employer contributions. The plan became effective June 1, 2017. Any full-time employee, an employee who renders thirty-five hours of service per week, is eligible to participate. The district will match 100 percent of the first twenty dollars of each participant's elective deferral.

Each participant is 100 percent vested immediately in his or her matching contribution account. Assets held in connection with the Plan remain the property of the contributing participants and their beneficiaries and are not presented in the accompanying financial statements. IRC Section 401(k) establishes participation, contribution, and withdrawal provisions for the plan. During the fiscal year ended June 30, 2024, Fentress County Emergency Communications District contributed \$550 to the 401(k) Plan on behalf of the plan participants.

J. Transactions With Other Governments

The Fentress County Emergency Communications District entered into an intergovernmental cooperation agreement with Fentress County, whereby the district will staff and operate the Emergency Communications Center. Fentress County makes quarterly payments to the district for its share of the dispatching cost. Payments by the City of Jamestown for dispatch services will be collected by the county and will be included in the quarterly invoicing and payment. These payments are recognized in the Statement of Revenues, Expenses, and Changes in Net Position as Contributions from Primary Government in the amount of \$301,381.

K. Premises

As part of the intergovernmental cooperation agreement with Fentress County, Tennessee, the county agrees to allow the district to occupy the building and real property owned by the county located at 116 Justice Center Drive, Jamestown, Tennessee, for its operations center. No payment of rent or other future monetary contributions will be required as this agreement is for the benefit of both parties.

L. Error Correction

An error correction adjustment was made to correct the overstated beginning balance of Deferred Outflows – OPEB Payments Subsequent to the Measurement Date in the amount of \$36,490. The balance in Net Position decreased by the same amount.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

FENTRESS 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 (Asset)										
Service Cost	\$ 379,351	\$ 339,177	\$ 385,704	\$ 416,773	\$ 443,393	\$ 433,251	\$ 459,371	\$ 479,296	\$ 581,664	\$ 596,408
Interest	551,684	572,115	657,161	709,557	753,832	792,245	852,981	914,313	990,799	1,077,711
Differences Between Actual and Expected Experience	(310,265)	551,752	111,603	56,298	(184,202)	110,024	17,721	49,063	325,187	(20,425)
Changes in Assumptions	0	0	0	242,793	0	0	0	1,038,330	0	0
Benefit Payments, Including Refunds of Employee Contributions	(238,800)	(377,551)	(373,712)	(600,142)	(430,075)	(516,034)	(531,769)	(476,305)	(555,858)	(693,756)
Net Change in Total Pension Liability (Asset)	\$ 381,970	\$ 1,085,493	\$ 780,756	\$ 825,279	\$ 582,948	\$ 819,486	\$ 798,304	\$ 2,004,697	\$ 1,341,792	\$ 959,938
Total Pension Liability (Asset), Beginning	7,095,835	7,477,805	8,563,298	9,344,054	10,169,333	10,752,281	11,571,767	12,370,071	14,374,768	15,716,560
Total Pension Liability, Ending (a)	\$ 7,477,805	\$ 8,563,298	\$ 9,344,054	\$ 10,169,333	\$ 10,752,281	\$ 11,571,767	\$ 12,370,071	\$ 14,374,768	\$ 15,716,560	\$ 16,676,498
Plan Fiduciary Net Position										
Contributions - Employer	\$ 275,784	\$ 291,706	\$ 312,079	\$ 317,267	\$ 322,100	\$ 329,117	\$ 347,662	\$ 364,494	\$ 379,103	\$ 540,515
Contributions - Employee	232,400	242,282	259,204	263,513	267,525	273,354	296,137	306,805	324,489	348,746
Net Investment Income	1,067,336	235,457	213,495	944,908	775,059	760,982	548,809	3,031,378	(571,442)	976,090
Benefit Payments, Including Refunds of Employee Contributions	(238,800)	(377,551)	(373,712)	(600,142)	(430,075)	(516,034)	(531,769)	(476,305)	(555,858)	(693,756)
Administrative Expense	(5,356)	(7,579)	(11,861)	(14,294)	(15,351)	(15,428)	(16,097)	(15,695)	(17,213)	(15,352)
Other	0	0	157	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 1,331,364	\$ 384,315	\$ 399,362	\$ 911,252	\$ 919,258	\$ 831,991	\$ 644,742	\$ 3,210,677	\$ (440,921)	\$ 1,156,243
Plan Fiduciary Net Position, Beginning	6,239,006	7,570,370	7,954,685	8,354,047	9,265,299	10,184,557	11,016,548	11,661,290	14,871,967	14,431,046
Plan Fiduciary Net Position, Ending (b)	\$ 7,570,370	\$ 7,954,685	\$ 8,354,047	\$ 9,265,299	\$ 10,184,557	\$ 11,016,548	\$ 11,661,290	\$ 14,871,967	\$ 14,431,046	\$ 15,587,289
Net Pension Liability (Asset), Ending (a - b)	\$ (92,565)	\$ 608,613	\$ 990,007	\$ 904,034	\$ 567,724	\$ 555,219	\$ 708,781	\$ (497,199)	\$ 1,285,514	\$ 1,089,209
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.24%	92.89%	89.40%	91.11%	94.72%	95.20%	94.27%	103.46%	91.82%	93.47%
Covered Payroll	\$ 4,642,851	\$ 4,845,610	\$ 5,184,034	\$ 5,270,217	\$ 5,350,488	\$ 5,467,056	\$ 5,922,687	\$ 5,967,012	\$ 6,458,812	\$ 6,972,228
Net Pension Liability (Asset) as a Percentage of Covered Payroll	1.99%	12.56%	19.10%	17.15%	10.61%	10.16%	11.97%	(8.33)%	19.90%	15.62%

Exhibit E-2

FENTRESS COUNTY, TENNESSEE

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on

Participation in the Public Employee Pension Plan of TCRS

Discretely Presented Fentress County School Department – Non-Certified Employees

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability (Asset)										
Service Cost	\$ 192,786	\$ 197,164	\$ 209,501	\$ 221,413	\$ 226,917	\$ 225,748	\$ 235,342	\$ 240,040	\$ 270,649	\$ 291,082
Interest	486,751	482,715	518,294	558,189	544,931	569,934	596,457	610,886	640,802	663,175
Differences Between Actual and Expected Experience	(385,946)	128,858	126,959	(519,661)	(40,731)	(49,926)	(192,714)	(93,723)	(121,484)	466,139
Changes in Assumptions	0	0	0	159,141	0	0	0	769,433	0	0
Benefit Payments, Including Refunds of Employee Contributions	(348,385)	(355,160)	(338,239)	(331,223)	(370,397)	(399,769)	(379,249)	(510,271)	(469,547)	(488,336)
Net Change in Total Pension Liability (Asset)	\$ (54,794)	\$ 453,577	\$ 516,515	\$ 87,859	\$ 360,720	\$ 345,987	\$ 259,836	\$ 1,016,365	\$ 320,420	\$ 932,060
Total Pension Liability (Asset), Beginning	6,471,416	6,416,622	6,870,199	7,386,714	7,474,573	7,835,293	8,181,280	8,441,116	9,457,481	9,777,901
Total Pension Liability (Asset), Ending (a)	\$ 6,416,622	\$ 6,870,199	\$ 7,386,714	\$ 7,474,573	\$ 7,835,293	\$ 8,181,280	\$ 8,441,116	\$ 9,457,481	\$ 9,777,901	\$ 10,709,961
Plan Fiduciary Net Position										
Contributions - Employer	\$ 136,816	\$ 132,147	\$ 145,356	\$ 142,857	\$ 167,179	\$ 175,361	\$ 179,926	\$ 160,791	\$ 179,534	\$ 205,666
Contributions - Employee	106,056	102,759	113,029	111,088	111,453	116,907	119,952	123,317	123,820	141,839
Net Investment Income	996,848	212,281	185,576	803,614	647,136	620,257	438,644	2,351,667	(430,667)	716,418
Benefit Payments, Including Refunds of Employee Contributions	(348,385)	(355,160)	(338,239)	(331,223)	(370,397)	(399,769)	(379,249)	(510,271)	(469,547)	(488,336)
Administrative Expense	(5,745)	(7,786)	(11,265)	(12,354)	(13,945)	(13,369)	(13,554)	(12,949)	(15,349)	(15,100)
Other	0	0	1,807	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 885,590	\$ 84,241	\$ 96,264	\$ 713,982	\$ 541,426	\$ 499,387	\$ 345,719	\$ 2,112,555	\$ (612,209)	\$ 560,487
Plan Fiduciary Net Position, Beginning	6,069,034	6,954,624	7,038,865	7,135,129	7,849,111	8,390,537	8,889,924	9,235,643	11,348,198	10,735,989
Plan Fiduciary Net Position, Ending (b)	\$ 6,954,624	\$ 7,038,865	\$ 7,135,129	\$ 7,849,111	\$ 8,390,537	\$ 8,889,924	\$ 9,235,643	\$ 11,348,198	\$ 10,735,989	\$ 11,296,476
Net Pension Liability (Asset), Ending (a - b)	\$ (538,002)	\$ (168,666)	\$ 251,585	\$ (374,538)	\$ (555,244)	\$ (708,644)	\$ (794,527)	\$ (1,890,717)	\$ (958,088)	\$ (586,515)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability Covered Payroll	108.38%	102.46%	96.59%	105.01%	107.09%	108.66%	109.41%	119.99%	109.80%	105.48%
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(25.36)%	(8.21)%	11.13%	(16.86)%	(24.91)%	(30.31)%	(33.07)%	(76.62)%	(38.69)%	(20.65)%

Exhibit E-3

FENTRESS 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	\$ 291,706	\$ 312,079	\$ 317,267	\$ 322,100	\$ 329,117	\$ 347,662	\$ 364,494	\$ 379,103	\$ 540,515	\$ 569,851
Less: Contributions in Relation to the Actuarially Determined Contribution	(291,706)	(312,079)	(317,267)	(322,100)	(329,117)	(347,662)	(364,494)	(379,103)	(540,515)	(569,851)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 4,845,610	\$ 5,184,034	\$ 5,270,217	\$ 5,350,488	\$ 5,467,056	\$ 5,922,687	\$ 5,967,012	\$ 6,458,812	\$ 6,972,228	\$ 7,343,429
Contributions as a Percentage of Covered Payroll	6.02%	6.02%	6.02%	6.02%	6.02%	5.87%	6.11%	5.87%	7.75%	7.76%

Exhibit E-4

FENTRESS COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Public

Employee Pension Plan of TCRS – Non-Certified Employees

Discretely Presented Fentress County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 132,147	\$ 145,356	\$ 142,857	\$ 167,179	\$ 170,685	\$ 156,176	\$ 160,791	\$ 161,209	\$ 184,674	\$ 222,858
Less: Contributions in Relation to the Actuarially Determined Contribution	(132,147)	(145,356)	(142,857)	(167,179)	(175,361)	(179,926)	(160,791)	(179,534)	(205,666)	(222,858)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,676)	\$ (23,750)	\$ 0	\$ (18,325)	\$ (20,992)	\$ 0
Covered Payroll	\$ 2,055,161	\$ 2,260,582	\$ 2,221,720	\$ 2,229,057	\$ 2,338,149	\$ 2,402,426	\$ 2,467,761	\$ 2,476,340	\$ 2,840,789	\$ 3,272,495
Contributions as a Percentage of Covered Payroll	6.43%	6.43%	6.43%	7.50%	7.50%	7.49%	6.52%	7.25%	7.24%	6.81%

FENTRESS COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Teacher

Retirement Plan of TCRS

Discretely Presented Fentress County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 10,900	\$ 32,845	\$ 44,099	\$ 51,227	\$ 28,571	\$ 31,213	\$ 38,544	\$ 49,207	\$ 94,855	\$ 116,664
Less: Contributions in Relation to the Contractually Required Contribution	(10,900)	(32,845)	(44,099)	(51,227)	(28,571)	(31,213)	(38,544)	(49,207)	(94,855)	(116,664)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 272,509	\$ 821,109	\$ 1,102,470	\$ 1,280,670	\$ 1,472,743	\$ 1,537,626	\$ 1,908,091	\$ 2,421,652	\$ 3,305,038	\$ 3,954,766
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.03%	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 - 1.94%, SRT - 2.02%
- 2020: Pension - 2.03%, SRT - 1.97%
- 2021: Pension - 2.02%, SRT - 1.98%
- 2022: Pension - 2.01%, SRT - 1.99%
- 2023: Pension - 2.87%, SRT - 1.13%
- 2024: Pension - 2.95%, SRT - 1.05%

Exhibit E-6

FENTRESS COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Teacher

Legacy Pension Plan of TCRS

Discretely Presented Fentress County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 758,729	\$ 741,440	\$ 706,114	\$ 706,905	\$ 786,546	\$ 799,733	\$ 766,022	\$ 724,391	\$ 634,831	\$ 489,275
Less: Contributions in Relation to the Contractually Required Contribution	(758,729)	(741,440)	(706,114)	(706,905)	(786,546)	(799,733)	(766,022)	(724,391)	(634,831)	(489,275)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 8,393,011	\$ 8,201,766	\$ 7,810,955	\$ 7,785,294	\$ 7,519,554	\$ 7,523,362	\$ 7,458,841	\$ 7,059,330	\$ 7,313,488	\$ 7,184,649
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.26%	8.68%	6.81%

Exhibit E-7

FENTRESS COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Retirement Plan of TCRS
 Discretely Presented Fentress 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)	0.128450%	0.186615%	0.167974%	0.146550%	0.139173%	0.121846%	0.132213%	0.143358%	0.166163%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (5,276)	\$ (19,427)	\$ (44,317)	\$ (66,465)	\$ (78,561)	\$ (69,287)	\$ (143,214)	\$ (43,427)	\$ (70,459)
Covered Payroll	\$ 272,509	\$ 821,109	\$ 1,102,470	\$ 1,280,670	\$ 1,472,743	\$ 1,537,626	\$ 1,908,091	\$ 2,421,652	\$ 3,305,038
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.79)%	(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.

FENTRESS COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
 Discretely Presented Fentress 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)	0.221824%	0.224202%	0.227209%	0.220965%	0.222331%	0.224254%	0.226045%	0.227253%	0.213706%	0.225122%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (36,045)	\$ 91,841	\$ 1,419,927	\$ (72,297)	\$ (782,363)	\$ (2,305,736)	\$ (1,723,759)	\$ (9,801,974)	\$ (2,620,898)	\$ (2,654,125)
Covered Payroll	\$ 8,706,579	\$ 8,393,011	\$ 8,201,766	\$ 7,810,995	\$ 7,785,294	\$ 7,519,554	\$ 7,523,362	\$ 7,458,841	\$ 7,059,330	\$ 7,313,488
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.41)%	1.09%	17.31%	(.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.13)%	(36.29)%
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%

Exhibit E-9

FENTRESS COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Commercial Plan

Primary Government

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 19,568	\$ 18,540	\$ 18,903	\$ 21,044	\$ 26,787	\$ 19,734	\$ 1,560	\$ 1,624
Interest	5,651	7,170	6,649	5,208	3,892	3,076	493	581
Differences Between Actual and Expected Experience	0	(49,839)	(67,099)	(19,187)	(21,290)	(20,857)	0	0
Changes in Assumptions or Other Inputs	(10,500)	10,433	5,858	16,291	(34,716)	(46,972)	(66,718)	(3,728)
Benefit Payments	(4,986)	(6,609)	(2,215)	(1,254)	(1,491)	(1,122)	0	(84)
Net Change in Total OPEB Liability	\$ 9,733	\$ (20,305)	\$ (37,904)	\$ 22,102	\$ (26,818)	\$ (46,141)	\$ (64,665)	\$ (1,607)
Total OPEB Liability, Beginning	176,440	186,173	165,868	127,964	150,066	123,248	77,107	12,442
Total OPEB Liability, Ending	\$ 186,173	\$ 165,868	\$ 127,964	\$ 150,066	\$ 123,248	\$ 77,107	\$ 12,442	\$ 10,835
Covered Employee Payroll	\$ 5,353,364	\$ 5,468,668	\$ 5,927,474	\$ 5,986,460	\$ 5,967,012	\$ 6,972,463	\$ 3,114,918	\$ 3,257,101
Net OPEB Liability as a Percentage of Covered Employee Payroll	3.48%	3.03%	2.16%	2.51%	2.07%	2.07%	0.40%	0.33%

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	4.13%
2024	4.21%

(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 4.5%
- For the 2024 plan year - rate remained at 4.5%

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

Note 4: Beginning November 1, 2022, Fentress County provides OPEB benefits to its employees through a commercial insurance plan.

Prior to November 1, 2022, the county provided OPEB benefits to its employees from the state administered public entity risk pool.

FENTRESS COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan

Discretely Presented Fentress County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 271,269	\$ 251,325	\$ 166,584	\$ 148,367	\$ 200,145	\$ 229,899	\$ 170,044
Interest	146,078	173,337	133,264	128,029	96,749	102,104	165,990
Changes in Benefit Terms	0	(835,560)	0	0	0	0	0
Differences Between Actual and Expected Experience	0	(510,677)	156,560	118,614	(96,566)	266,675	(120,048)
Changes in Assumptions or Other Inputs	(208,329)	107,975	(266,601)	432,148	254,019	(417,793)	366,482
Benefit Payments	(311,662)	(333,823)	(247,031)	(162,935)	(133,758)	(136,010)	(182,987)
Net Change in Total OPEB Liability	\$ (102,644)	\$ (1,147,423)	\$ (57,224)	\$ 664,223	\$ 320,589	\$ 44,875	\$ 399,481
Total OPEB Liability, Beginning	4,887,238	4,784,594	3,637,171	3,579,947	4,244,170	4,564,759	4,609,634
Total OPEB Liability, Ending	\$ 4,784,594	\$ 3,637,171	\$ 3,579,947	\$ 4,244,170	\$ 4,564,759	\$ 4,609,634	\$ 5,009,115
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,254,535	\$ 1,134,670	\$ 1,153,445	\$ 1,295,275	\$ 1,480,858	\$ 1,593,181	\$ 1,799,809
Employer Proportionate Share of the Total OPEB Liability	3,530,059	2,502,501	2,426,502	2,948,895	3,083,901	3,016,453	3,209,306
Covered Employee Payroll	\$ 11,289,022	\$ 11,624,636	\$ 11,465,289	\$ 11,842,325	\$ 11,957,323	\$ 13,469,308	\$ 14,411,910
Net OPEB Liability as a Percentage of Covered Employee Payroll	42.38%	31.29%	31.22%	35.84%	38.18%	34.22%	34.76%

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.

FENTRESS COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2024 were calculated based on the June 30, 2022, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Primary Government and Discretely Presented Fentress County School Department – Non-certified Employees:

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

Changes in 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 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 rate 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.

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

Opioid Abatement Fund – The Opioid Abatement Fund is used to account for revenues received from national settlements from pharmaceutical distributors.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for revenues received for the senior citizens meal program. The county expects to receive grant proceeds for this program in future periods.

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

CAPITAL PROJECTS FUNDS

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

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

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for note proceeds issued for road projects.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for revenues to be used for various capital projects to benefit the highway department.

Exhibit F-1

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

	Special Revenue Funds					Capital
	Drug Control	Opioid Abatement	Other Special Revenue	Constituti - onal Officers - Fees	Total	General Capital Projects
ASSETS						
Cash	\$ 0	\$ 0	\$ 0	\$ 33,537	\$ 33,537	\$ 0
Equity in Pooled Cash and Investments	36,130	390,549	118,371	0	545,050	360,781
Due from Other Governments	0	0	45,969	0	45,969	0
Property Taxes Receivable	0	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0	0
Total Assets	\$ 36,130	\$ 390,549	\$ 164,340	\$ 33,537	\$ 624,556	\$ 360,781
LIABILITIES						
Contracts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,199
Due to Other Funds	0	0	0	33,537	33,537	0
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 33,537	\$ 33,537	\$ 19,199
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Capital Projects Funds	
	Drug Control	Opioid Abatement	Other Special Revenue	Constitutional Officers - Fees	Total	General Capital Projects
FUND BALANCES						
Restricted:						
Restricted for Public Safety	\$ 36,130	\$ 0	\$ 0	\$ 0	\$ 36,130	\$ 0
Restricted for Public Health and Welfare	0	390,549	0	0	390,549	0
Restricted for Social, Cultural, and Recreational Services	0	0	164,340	0	164,340	0
Restricted for Capital Outlay	0	0	0	0	0	341,582
Restricted for Capital Projects	0	0	0	0	0	0
Total Fund Balances	<u>\$ 36,130</u>	<u>\$ 390,549</u>	<u>\$ 164,340</u>	<u>\$ 0</u>	<u>\$ 591,019</u>	<u>\$ 341,582</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 36,130</u>	<u>\$ 390,549</u>	<u>\$ 164,340</u>	<u>\$ 33,537</u>	<u>\$ 624,556</u>	<u>\$ 360,781</u>

(Continued)

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

	<u>Capital Projects Funds (Cont.)</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
ASSETS				
Cash	\$ 0	\$ 0	\$ 0	\$ 33,537
Equity in Pooled Cash and Investments	48,982	52,489	462,252	1,007,302
Due from Other Governments	0	0	0	45,969
Property Taxes Receivable	0	59,704	59,704	59,704
Allowance for Uncollectible Property Taxes	0	(1,056)	(1,056)	(1,056)
Total Assets	<u>\$ 48,982</u>	<u>\$ 111,137</u>	<u>\$ 520,900</u>	<u>\$ 1,145,456</u>
LIABILITIES				
Contracts Payable	\$ 0	\$ 0	\$ 19,199	\$ 19,199
Due to Other Funds	0	0	0	33,537
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,199</u>	<u>\$ 52,736</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 0	\$ 55,706	\$ 55,706	\$ 55,706
Deferred Delinquent Property Taxes	0	2,117	2,117	2,117
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 57,823</u>	<u>\$ 57,823</u>	<u>\$ 57,823</u>

(Continued)

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

FUND BALANCES

Restricted:

 Restricted for Public Safety
 Restricted for Public Health and Welfare
 Restricted for Social, Cultural, and Recreational Services
 Restricted for Capital Outlay
 Restricted for Capital Projects
 Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Capital Projects Funds (Cont.)</u>			Total
Highway Capital Projects	Other Capital Projects	Total	Nonmajor Governmental Funds
\$ 0	\$ 0	\$ 0	\$ 36,130
0	0	0	390,549
0	0	0	164,340
0	53,314	394,896	394,896
48,982	0	48,982	48,982
<u>\$ 48,982</u>	<u>\$ 53,314</u>	<u>\$ 443,878</u>	<u>\$ 1,034,897</u>
<u>\$ 48,982</u>	<u>\$ 111,137</u>	<u>\$ 520,900</u>	<u>\$ 1,145,456</u>

FENTRESS 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				Capital Projects Funds	
	Drug Control	Opioid Abatement	Other Special Revenue	Total	General Capital Projects	Highway Capital Projects
Revenues						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Fines, Forfeitures, and Penalties	45,656	0	0	45,656	0	0
Other Local Revenues	371	3,454	70	3,895	0	0
State of Tennessee	0	114,129	28,802	142,931	0	0
Federal Government	0	0	164,809	164,809	0	0
Other Governments and Citizens Groups	0	123,725	0	123,725	0	0
Total Revenues	\$ 46,027	\$ 241,308	\$ 193,681	\$ 481,016	\$ 0	0
Expenditures						
Current:						
Public Safety	\$ 116,191	\$ 73,153	\$ 0	\$ 189,344	\$ 0	0
Social, Cultural, and Recreational Services	0	0	178,893	178,893	0	0
Other Operations	0	0	0	0	0	0
Capital Projects	0	0	0	0	14,198	0
Total Expenditures	\$ 116,191	\$ 73,153	\$ 178,893	\$ 368,237	\$ 14,198	0
Excess (Deficiency) of Revenues Over Expenditures	\$ (70,164)	\$ 168,155	\$ 14,788	\$ 112,779	\$ (14,198)	0
Other Financing Sources (Uses)						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Net Change in Fund Balances	\$ (70,164)	\$ 168,155	\$ 14,788	\$ 112,779	\$ (14,198)	0
Fund Balance, July 1, 2023	106,294	222,394	149,552	478,240	355,780	48,982
Fund Balance, June 30, 2024	\$ 36,130	\$ 390,549	\$ 164,340	\$ 591,019	\$ 341,582	48,982

(Continued)

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
Revenues			
Local Taxes	\$ 54,391	\$ 54,391	\$ 54,391
Fines, Forfeitures, and Penalties	0	0	45,656
Other Local Revenues	0	0	3,895
State of Tennessee	0	0	142,931
Federal Government	0	0	164,809
Other Governments and Citizens Groups	0	0	123,725
Total Revenues	<u>\$ 54,391</u>	<u>\$ 54,391</u>	<u>\$ 535,407</u>
Expenditures			
Current:			
Public Safety	\$ 0	\$ 0	\$ 189,344
Social, Cultural, and Recreational Services	0	0	178,893
Other Operations	1,077	1,077	1,077
Capital Projects	311,068	325,266	325,266
Total Expenditures	<u>\$ 312,145</u>	<u>\$ 326,343</u>	<u>\$ 694,580</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (257,754)</u>	<u>\$ (271,952)</u>	<u>\$ (159,173)</u>
Other Financing Sources (Uses)			
Transfers In	\$ 311,068	\$ 311,068	\$ 311,068
Total Other Financing Sources (Uses)	<u>\$ 311,068</u>	<u>\$ 311,068</u>	<u>\$ 311,068</u>
Net Change in Fund Balances	\$ 53,314	\$ 39,116	\$ 151,895
Fund Balance, July 1, 2023	0	404,762	883,002
Fund Balance, June 30, 2024	<u>\$ 53,314</u>	<u>\$ 443,878</u>	<u>\$ 1,034,897</u>

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	\$ 45,656	\$ 73,000	\$ 73,000	\$ (27,344)
Other Local Revenues	371	32,500	32,500	(32,129)
State of Tennessee	0	200	200	(200)
Total Revenues	<u>\$ 46,027</u>	<u>\$ 105,700</u>	<u>\$ 105,700</u>	<u>\$ (59,673)</u>
Expenditures				
Public Safety				
Drug Enforcement	\$ 116,191	\$ 109,000	\$ 121,287	\$ 5,096
Total Expenditures	<u>\$ 116,191</u>	<u>\$ 109,000</u>	<u>\$ 121,287</u>	<u>\$ 5,096</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (70,164)</u>	<u>\$ (3,300)</u>	<u>\$ (15,587)</u>	<u>\$ (54,577)</u>
Net Change in Fund Balance	\$ (70,164)	\$ (3,300)	\$ (15,587)	\$ (54,577)
Fund Balance, July 1, 2023	<u>106,294</u>	<u>106,294</u>	<u>106,294</u>	<u>0</u>
Fund Balance, June 30, 2024	<u>\$ 36,130</u>	<u>\$ 102,994</u>	<u>\$ 90,707</u>	<u>\$ (54,577)</u>

FENTRESS COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Opioid Abatement Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 3,454	\$ 0	\$ 0	\$ 3,454
State of Tennessee	114,129	0	0	114,129
Other Governments and Citizens Groups	123,725	0	0	123,725
Total Revenues	<u>\$ 241,308</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 241,308</u>
Expenditures				
Public Safety				
Other Public Safety	\$ 73,153	\$ 0	\$ 73,466	\$ 313
Total Expenditures	<u>\$ 73,153</u>	<u>\$ 0</u>	<u>\$ 73,466</u>	<u>\$ 313</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 168,155</u>	<u>\$ 0</u>	<u>\$ (73,466)</u>	<u>\$ 241,621</u>
Net Change in Fund Balance	\$ 168,155	\$ 0	\$ (73,466)	\$ 241,621
Fund Balance, July 1, 2023	<u>222,394</u>	<u>222,394</u>	<u>222,394</u>	<u>0</u>
Fund Balance, June 30, 2024	<u>\$ 390,549</u>	<u>\$ 222,394</u>	<u>\$ 148,928</u>	<u>\$ 241,621</u>

FENTRESS COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Other Special Revenue Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 70	\$ 0	\$ 0	\$ 70
State of Tennessee	28,802	0	0	28,802
Federal Government	164,809	225,950	225,950	(61,141)
Total Revenues	<u>\$ 193,681</u>	<u>\$ 225,950</u>	<u>\$ 225,950</u>	<u>\$ (32,269)</u>
Expenditures				
Social, Cultural, and Recreational Services				
Senior Citizens Assistance	\$ 178,893	\$ 196,506	\$ 197,257	\$ 18,364
Total Expenditures	<u>\$ 178,893</u>	<u>\$ 196,506</u>	<u>\$ 197,257</u>	<u>\$ 18,364</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 14,788</u>	<u>\$ 29,444</u>	<u>\$ 28,693</u>	<u>\$ (13,905)</u>
Net Change in Fund Balance	\$ 14,788	\$ 29,444	\$ 28,693	\$ (13,905)
Fund Balance, July 1, 2023	<u>149,552</u>	<u>149,552</u>	<u>149,552</u>	<u>0</u>
Fund Balance, June 30, 2024	<u>\$ 164,340</u>	<u>\$ 178,996</u>	<u>\$ 178,245</u>	<u>\$ (13,905)</u>

FENTRESS COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 54,391	\$ 55,418	\$ 55,418	\$ (1,027)
Total Revenues	\$ 54,391	\$ 55,418	\$ 55,418	\$ (1,027)
Expenditures				
Other Operations				
Miscellaneous	\$ 1,077	\$ 0	\$ 1,500	\$ 423
Capital Projects				
Highway and Street Capital Projects	311,068	311,069	311,069	1
Total Expenditures	\$ 312,145	\$ 311,069	\$ 312,569	\$ 424
Excess (Deficiency) of Revenues Over Expenditures	\$ (257,754)	\$ (255,651)	\$ (257,151)	\$ (603)
Other Financing Sources (Uses)				
Transfers In	\$ 311,068	\$ 311,068	\$ 311,068	\$ 0
Total Other Financing Sources	\$ 311,068	\$ 311,068	\$ 311,068	\$ 0
Net Change in Fund Balance	\$ 53,314	\$ 55,417	\$ 53,917	\$ (603)
Fund Balance, July 1, 2023	0	0	0	0
Fund Balance, June 30, 2024	\$ 53,314	\$ 55,417	\$ 53,917	\$ (603)

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

FENTRESS 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		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 1,117,080	\$ 981,588	\$ 981,588	\$ 135,492
Other Local Revenues	62,680	93,300	93,300	(30,620)
Total Revenues	<u>\$ 1,179,760</u>	<u>\$ 1,074,888</u>	<u>\$ 1,074,888</u>	<u>\$ 104,872</u>
Expenditures				
Principal on Debt				
General Government	\$ 318,000	\$ 318,000	\$ 318,000	\$ 0
Education	376,000	376,000	376,000	0
Interest on Debt				
General Government	279,460	279,460	279,460	0
Education	43,594	71,040	71,040	27,446
Other Debt Service				
General Government	15,186	31,000	31,000	15,814
Education	13,511	52,000	52,000	38,489
Total Expenditures	<u>\$ 1,045,751</u>	<u>\$ 1,127,500</u>	<u>\$ 1,127,500</u>	<u>\$ 81,749</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 134,009</u>	<u>\$ (52,612)</u>	<u>\$ (52,612)</u>	<u>\$ 186,621</u>
Other Financing Sources (Uses)				
Transfers Out	\$ (311,068)	\$ (311,069)	\$ (311,069)	\$ 1
Total Other Financing Sources	<u>\$ (311,068)</u>	<u>\$ (311,069)</u>	<u>\$ (311,069)</u>	<u>\$ 1</u>
Net Change in Fund Balance	\$ (177,059)	\$ (363,681)	\$ (363,681)	\$ 186,622
Fund Balance, July 1, 2023	<u>3,142,739</u>	<u>3,142,739</u>	<u>3,142,739</u>	<u>0</u>
Fund Balance, June 30, 2024	<u><u>\$ 2,965,680</u></u>	<u><u>\$ 2,779,058</u></u>	<u><u>\$ 2,779,058</u></u>	<u><u>\$ 186,622</u></u>

CUSTODIAL FUNDS

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

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

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

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

	<u>Custodial Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
ASSETS			
Cash	\$ 0	\$ 1,260,132	\$ 1,260,132
Accounts Receivable	0	12,376	12,376
Due from Other Governments	189,854	0	189,854
Total Assets	<u>\$ 189,854</u>	<u>\$ 1,272,508</u>	<u>\$ 1,462,362</u>
LIABILITIES			
Due to Other Taxing Units	\$ 189,854	\$ 0	\$ 189,854
Total Liabilities	<u>\$ 189,854</u>	<u>\$ 0</u>	<u>\$ 189,854</u>
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,272,508	\$ 1,272,508
Total Net Position	<u>\$ 0</u>	<u>\$ 1,272,508</u>	<u>\$ 1,272,508</u>

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
Additions			
Sales Tax Collections for Other Governments	\$ 1,108,563	\$ 0	\$ 1,108,563
Fines/Fees and Other Collections	0	6,290,692	6,290,692
Total Additions	\$ 1,108,563	\$ 6,290,692	\$ 7,399,255
Deductions			
Payment of Sales Tax Collections for Other Governments	\$ 1,108,563	\$ 0	\$ 1,108,563
Payments to State	0	2,641,262	2,641,262
Payments to Cities, Individuals, and Others	0	3,783,202	3,783,202
Total Deductions	\$ 1,108,563	\$ 6,424,464	\$ 7,533,027
Change in Net Position	\$ 0	\$ (133,772)	\$ (133,772)
Net Position July 1, 2023	0	1,406,280	1,406,280
Net Position June 30, 2024	\$ 0	\$ 1,272,508	\$ 1,272,508

FENTRESS COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for the CTE building construction.

FENTRESS COUNTY, TENNESSEE

Statement of Activities

Discretely Presented Fentress County School Department

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 15,201,328	\$ 24	\$ 3,415,506	\$ 233,448	\$ (11,552,350)
Support Services	9,585,680	0	1,015,078	0	(8,570,602)
Operation of Non-Instructional Services	3,826,786	37,349	3,229,513	0	(559,924)
Total Governmental Activities	\$ 28,613,794	\$ 37,373	\$ 7,660,097	\$ 233,448	\$ (20,682,876)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 818,315
Local Option Sales Taxes					3,111,706
Wheel Tax					483,034
Business Tax					46,384
Other Local Taxes					1,302
Grants and Contributions Not Restricted to Specific Programs					18,667,729
Unrestricted Investment Earnings					398,703
Miscellaneous					135,628
Total General Revenues					\$ 23,662,801
Change in Net Position					\$ 2,979,925
Net Position, July 1, 2023					28,733,424
Net Position, June 30, 2024					\$ 31,713,349

FENTRESS COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Fentress County School Department

June 30, 2024

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Governmental Funds	
ASSETS					
Cash	\$ 0	\$ 0	\$ 0	\$ 500,312	\$ 500,312
Equity in Pooled Cash and Investments	10,231,497	189,013	1,329,748	178,327	11,928,585
Due from Other Governments	1,260,198	1,015,706	22,540	0	2,298,444
Due from Primary Government	0	0	0	23,981	23,981
Property Taxes Receivable	552,310	0	0	0	552,310
Allowance for Uncollectible Property Taxes	(9,769)	0	0	0	(9,769)
Restricted Assets	255,788	0	0	0	255,788
Total Assets	\$ 12,290,024	\$ 1,204,719	\$ 1,352,288	\$ 702,620	\$ 15,549,651
LIABILITIES					
Accounts Payable	\$ 0	\$ 1,391	\$ 935	\$ 0	\$ 2,326
Accrued Payroll	167,563	19,800	0	0	187,363
Payroll Deductions Payable	493,580	75,856	18,834	0	588,270
Due to State of Tennessee	15,484	0	982	0	16,466
Total Liabilities	\$ 676,627	\$ 97,047	\$ 20,751	\$ 0	\$ 794,425
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 501,354	\$ 0	\$ 0	\$ 0	\$ 501,354
Deferred Delinquent Property Taxes	29,632	0	0	0	29,632
Other Deferred/Unavailable Revenue	220,000	0	0	0	220,000
Total Deferred Inflows of Resources	\$ 750,986	\$ 0	\$ 0	\$ 0	\$ 750,986

(Continued)

FENTRESS COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Fentress County School Department (Cont.)

FUND BALANCES

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Governmental Funds	
Restricted:					
Restricted for Education	\$ 0	\$ 107,672	\$ 1,331,537	\$ 500,312	\$ 1,939,521
Restricted for Hybrid Retirement Stabilization Funds	255,788	0	0	0	255,788
Committed:					
Committed for Education	15,526	1,000,000	0	202,308	1,217,834
Assigned:					
Assigned for Education	759,328	0	0	0	759,328
Unassigned	9,831,769	0	0	0	9,831,769
Total Fund Balances	\$ 10,862,411	\$ 1,107,672	\$ 1,331,537	\$ 702,620	\$ 14,004,240
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,290,024	\$ 1,204,719	\$ 1,352,288	\$ 702,620	\$ 15,549,651

FENTRESS COUNTY, TENNESSEE**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**

Discretely Presented Fentress 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)		\$ 14,004,240
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 389,825	
Add: construction in progress	2,633,585	
Add: buildings and improvements net of accumulated depreciation	10,111,085	
Add: other capital assets net of accumulated depreciation	<u>2,002,394</u>	15,136,889
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (885,679)	
Less: net OPEB liability	<u>(3,209,306)</u>	(4,094,985)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 3,608,281	
Less: deferred inflows of resources related to pensions	(445,616)	
Add: deferred outflows of resources related to OPEB	834,618	
Less: deferred inflows of resources related to OPEB	<u>(890,808)</u>	3,106,475
(4) Net pension assets of the pension plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 586,515	
Add: net pension asset - teacher retirement plan	70,459	
Add: net pension asset - teacher legacy pension plan	<u>2,654,125</u>	3,311,099
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>249,631</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 31,713,349</u></u>

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Governmental Funds	
Revenues					
Local Taxes	\$ 4,486,524	\$ 0	\$ 0	\$ 0	\$ 4,486,524
Licenses and Permits	1,302	0	0	0	1,302
Charges for Current Services	0	0	37,349	0	37,349
Other Local Revenues	525,348	0	3,696	969,463	1,498,507
State of Tennessee	18,815,190	0	14,556	0	18,829,746
Federal Government	377,255	4,761,146	1,467,843	0	6,606,244
Other Governments and Citizens Groups	0	0	0	46,125	46,125
Total Revenues	\$ 24,205,619	\$ 4,761,146	\$ 1,523,444	\$ 1,015,588	\$ 31,505,797
Expenditures					
Current:					
Instruction	\$ 11,445,679	\$ 2,283,092	\$ 0	\$ 0	\$ 13,728,771
Support Services	7,317,602	1,995,343	0	0	9,312,945
Operation of Non-Instructional Services	1,025,359	118,934	1,856,659	858,307	3,859,259
Capital Outlay	1,102,581	106,400	0	120,544	1,329,525
Total Expenditures	\$ 20,891,221	\$ 4,503,769	\$ 1,856,659	\$ 978,851	\$ 28,230,500
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,314,398	\$ 257,377	\$ (333,215)	\$ 36,737	\$ 3,275,297
Other Financing Sources (Uses)					
Transfers In	\$ 150,522	\$ 0	\$ 0	\$ 0	\$ 150,522
Transfers Out	0	(150,522)	0	0	(150,522)
Total Other Financing Sources (Uses)	\$ 150,522	\$ (150,522)	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 3,464,920	\$ 106,855	\$ (333,215)	\$ 36,737	\$ 3,275,297
Fund Balance, July 1, 2023	7,397,491	1,000,817	1,664,752	665,883	10,728,943
Fund Balance, June 30, 2024	\$ 10,862,411	\$ 1,107,672	\$ 1,331,537	\$ 702,620	\$ 14,004,240

Exhibit I-5

FENTRESS COUNTY, TENNESSEE

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

Discretely Presented Fentress 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)		\$ 3,275,297
(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	\$ 811,488	
Less: current-year depreciation expense	<u>(781,388)</u>	30,100
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 249,632	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(276,717)</u>	(27,085)
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued compensated absences	\$ (24,668)	
Change in net pension asset - agent plan	(371,573)	
Change in net pension asset - teacher retirement plan	27,032	
Change in net pension asset - teacher legacy pension plan	33,227	
Change in deferred outflows related to pensions	(99,994)	
Change in deferred inflows related to pensions	227,503	
Change in OPEB liability	(192,853)	
Change in deferred outflows related to OPEB	64,944	
Change in deferred inflows related to OPEB	<u>37,995</u>	<u>(298,387)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,979,925</u>

FENTRESS COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds

Discretely Presented Fentress County School Department

June 30, 2024

	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	Total Nonmajor Governmental Funds
	Internal School	Education Capital Projects	
ASSETS			
Cash	\$ 500,312	\$ 0	\$ 500,312
Equity in Pooled Cash and Investments	0	178,327	178,327
Due from Primary Government	0	23,981	23,981
Total Assets	<u>\$ 500,312</u>	<u>\$ 202,308</u>	<u>\$ 702,620</u>
FUND BALANCES			
Restricted:			
Restricted for Education	\$ 500,312	\$ 0	\$ 500,312
Committed:			
Committed for Education	0	202,308	202,308
Total Fund Balances	<u>\$ 500,312</u>	<u>\$ 202,308</u>	<u>\$ 702,620</u>

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

	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	Total Nonmajor Governmental Funds
	Internal School	Education Capital Projects	
Revenues			
Other Local Revenues	\$ 969,463	\$ 0	\$ 969,463
Other Governments and Citizens Groups	0	46,125	46,125
Total Revenues	<u>\$ 969,463</u>	<u>\$ 46,125</u>	<u>\$ 1,015,588</u>
Expenditures			
Current:			
Operation of Non-Instructional Services	\$ 858,307	\$ 0	\$ 858,307
Capital Outlay	0	120,544	120,544
Total Expenditures	<u>\$ 858,307</u>	<u>\$ 120,544</u>	<u>\$ 978,851</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 111,156</u>	<u>\$ (74,419)</u>	<u>\$ 36,737</u>
Net Change in Fund Balances	\$ 111,156	\$ (74,419)	\$ 36,737
Fund Balance, July 1, 2023	<u>389,156</u>	<u>276,727</u>	<u>665,883</u>
Fund Balance, June 30, 2024	<u>\$ 500,312</u>	<u>\$ 202,308</u>	<u>\$ 702,620</u>

FENTRESS COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Fentress 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 4,486,524	\$ 0	\$ 0	\$ 4,486,524	\$ 3,751,345	\$ 3,751,345	\$ 735,179
Licenses and Permits	1,302	0	0	1,302	1,250	1,250	52
Other Local Revenues	525,348	0	0	525,348	120,000	142,147	383,201
State of Tennessee	18,815,190	0	0	18,815,190	17,568,459	20,460,547	(1,645,357)
Federal Government	377,255	0	0	377,255	470,000	667,124	(289,869)
Total Revenues	\$ 24,205,619	\$ 0	\$ 0	\$ 24,205,619	\$ 21,911,054	\$ 25,022,413	\$ (816,794)
Expenditures							
Instruction							
Regular Instruction Program	\$ 9,429,148	\$ (1,144)	\$ 1,150	\$ 9,429,154	\$ 10,824,500	\$ 11,025,896	\$ 1,596,742
Alternative Instruction Program	102,875	0	0	102,875	107,230	110,570	7,695
Special Education Program	1,186,743	0	0	1,186,743	1,264,424	1,353,695	166,952
Career and Technical Education Program	589,873	(1,249)	33,501	622,125	229,902	1,807,727	1,185,602
Student Body Education Program	137,040	0	0	137,040	167,045	185,692	48,652
Support Services							
Attendance	204,553	0	0	204,553	215,166	217,296	12,743
Health Services	288,928	0	6,603	295,531	325,741	331,876	36,345
Other Student Support	40,589	0	5,505	46,094	118,162	165,162	119,068
Regular Instruction Program	630,310	0	0	630,310	715,222	720,432	90,122
Special Education Program	299,038	0	0	299,038	321,297	321,297	22,259
Career and Technical Education Program	44,563	0	0	44,563	38,090	99,491	54,928
Technology	279,475	0	0	279,475	334,907	345,057	65,582
Other Programs	64,770	0	0	64,770	0	64,770	0

(Continued)

FENTRESS COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Fentress 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Board of Education	\$ 680,506	\$ (81)	\$ 0	\$ 680,425	\$ 671,013	\$ 706,213	\$ 25,788
Director of Schools	132,646	0	0	132,646	184,458	185,604	52,958
Office of the Principal	860,957	0	0	860,957	995,079	947,196	86,239
Fiscal Services	289,302	(2,862)	0	286,440	339,492	339,592	53,152
Operation of Plant	1,196,873	0	739	1,197,612	1,359,077	1,372,257	174,645
Maintenance of Plant	519,659	(10,018)	30,467	540,108	459,401	595,174	55,066
Transportation	1,785,433	(109,492)	0	1,675,941	1,626,350	1,832,414	156,473
Operation of Non-Instructional Services							
Food Service	14,215	0	0	14,215	0	17,935	3,720
Community Services	384,099	0	0	384,099	424,577	424,577	40,478
Early Childhood Education	627,045	0	0	627,045	671,515	671,515	44,470
Capital Outlay							
Regular Capital Outlay	1,102,581	(144,544)	681,363	1,639,400	1,775,000	2,219,311	579,911
Total Expenditures	\$ 20,891,221	\$ (269,390)	\$ 759,328	\$ 21,381,159	\$ 23,167,648	\$ 26,060,749	\$ 4,679,590
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,314,398	\$ 269,390	\$ (759,328)	\$ 2,824,460	\$ (1,256,594)	\$ (1,038,336)	\$ 3,862,796
Other Financing Sources (Uses)							
Transfers In	\$ 150,522	\$ 0	\$ 0	\$ 150,522	\$ 0	\$ 0	\$ 150,522
Total Other Financing Sources	\$ 150,522	\$ 0	\$ 0	\$ 150,522	\$ 0	\$ 0	\$ 150,522
Net Change in Fund Balance	\$ 3,464,920	\$ 269,390	\$ (759,328)	\$ 2,974,982	\$ (1,256,594)	\$ (1,038,336)	\$ 4,013,318
Fund Balance, July 1, 2023	7,397,491	(269,390)	0	7,128,101	7,630,237	7,630,237	(502,136)
Fund Balance, June 30, 2024	\$ 10,862,411	\$ 0	\$ (759,328)	\$ 10,103,083	\$ 6,373,643	\$ 6,591,901	\$ 3,511,182

FENTRESS COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**
Discretely Presented Fentress 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 4,761,146	\$ 0	\$ 0	\$ 4,761,146	\$ 75,000	\$ 7,992,148	\$ (3,231,002)
Total Revenues	\$ 4,761,146	\$ 0	\$ 0	\$ 4,761,146	\$ 75,000	\$ 7,992,148	\$ (3,231,002)
Expenditures							
Instruction							
Regular Instruction Program	\$ 1,692,876	\$ (106,289)	\$ 0	\$ 1,586,587	\$ 0	\$ 2,695,591	\$ 1,109,004
Special Education Program	542,949	0	644	543,593	10,970	732,411	188,818
Career and Technical Education Program	47,267	0	0	47,267	0	47,267	0
Support Services							
Health Services	137,484	0	0	137,484	0	147,560	10,076
Other Student Support	470,642	(531)	0	470,111	0	569,789	99,678
Regular Instruction Program	622,670	0	107,555	730,225	42,397	952,940	222,715
Special Education Program	71,922	0	0	71,922	0	184,270	112,348
Career and Technical Education Program	2,796	0	0	2,796	0	2,796	0
Technology	0	0	0	0	21,632	271,632	271,632
Office of the Principal	442,203	0	0	442,203	0	461,274	19,071
Fiscal Services	57,605	0	0	57,605	0	64,451	6,846
Operation of Plant	2	0	0	2	0	125,002	125,000
Transportation	190,019	0	0	190,019	0	474,369	284,350
Operation of Non-Instructional Services							
Food Service	2	0	0	2	0	2	0
Community Services	118,932	0	0	118,932	0	118,850	(82)
Capital Outlay							
Regular Capital Outlay	106,400	0	335,352	441,752	0	957,059	515,307
Total Expenditures	\$ 4,503,769	\$ (106,820)	\$ 443,551	\$ 4,840,500	\$ 74,999	\$ 7,805,263	\$ 2,964,763

(Continued)

FENTRESS COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**
Discretely Presented Fentress 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 257,377	\$ 106,820	\$ (443,551)	\$ (79,354)	1 \$	186,885 \$	(266,239)
Other Financing Sources (Uses)							
Transfers Out	\$ (150,522)	\$ 0	\$ 0	\$ (150,522)	0 \$	(186,883) \$	36,361
Total Other Financing Sources	\$ (150,522)	\$ 0	\$ 0	\$ (150,522)	0 \$	(186,883) \$	36,361
Net Change in Fund Balance	\$ 106,855	\$ 106,820	\$ (443,551)	\$ (229,876)	1 \$	2 \$	(229,878)
Fund Balance, July 1, 2023	1,000,817	(106,820)	0	893,997	0	0	893,997
Fund Balance, June 30, 2024	\$ 1,107,672	\$ 0	\$ (443,551)	\$ 664,121	1 \$	2 \$	664,119

Exhibit I-10

FENTRESS COUNTY, TENNESSEE

Schedule of Revenues, Expenditures, and Changes

in Fund Balance - Actual (Budgetary Basis) and Budget

Discretely Presented Fentress County School Department

Central Cafeteria Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Charges for Current Services	\$ 37,349	\$ 0	\$ 37,349	\$ 36,800	\$ 36,800	\$ 549
Other Local Revenues	3,696	0	3,696	13,000	13,000	(9,304)
State of Tennessee	14,556	0	14,556	17,000	17,000	(2,444)
Federal Government	1,467,843	0	1,467,843	1,590,795	1,590,795	(122,952)
Total Revenues	\$ 1,523,444	\$ 0	\$ 1,523,444	\$ 1,657,595	\$ 1,657,595	\$ (134,151)
Expenditures						
Operation of Non-Instructional Services						
Food Service	\$ 1,856,659	\$ (1,130)	\$ 1,855,529	\$ 1,981,990	\$ 1,981,990	\$ 126,461
Total Expenditures	\$ 1,856,659	\$ (1,130)	\$ 1,855,529	\$ 1,981,990	\$ 1,981,990	\$ 126,461
Excess (Deficiency) of Revenues						
Over Expenditures	\$ (333,215)	\$ 1,130	\$ (332,085)	\$ (324,395)	\$ (324,395)	\$ (7,690)
Net Change in Fund Balance						
Fund Balance, July 1, 2023	\$ 1,664,752	(1,130)	\$ 1,663,622	\$ 1,568,246	\$ 1,568,246	\$ 95,376
Fund Balance, June 30, 2024	\$ 1,331,537	\$ 0	\$ 1,331,537	\$ 1,243,851	\$ 1,243,851	\$ 87,686

MISCELLANEOUS SCHEDULES

Exhibit J-1

FENTRESS COUNTY, TENNESSEE

Schedule of Changes in Long-term Bonds, Notes, and Other Loans

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, Series 2020	\$ 8,105,000	3 to 5 %	8-14-20	3-1-50	\$ 7,525,000	\$ 165,000	\$ 7,360,000
Total Bonds Payable					\$ 7,525,000	\$ 165,000	\$ 7,360,000
NOTES PAYABLE							
Payable through General Debt Service Fund							
General Obligation Capital Outlay Notes, Series 2021	2,139,000	1.7	9-7-21	6-1-34	\$ 1,830,000	\$ 153,000	\$ 1,677,000
Payable through Highway/Public Works Fund							
General Obligation Capital Outlay Notes, Series 2021	811,000	1.7	9-7-21	6-1-34	694,000	58,000	636,000
Total Notes Payable					\$ 2,524,000	\$ 211,000	\$ 2,313,000
OTHER LOANS PAYABLE							
Payable through General Debt Service Fund							
School Construction - Southern System Facility	6,000,000	Variable	10-25-01	5-25-26	\$ 1,184,000	\$ 376,000	\$ 808,000
Total Other Loans Payable					\$ 1,184,000	\$ 376,000	\$ 808,000

Exhibit J-2

FENTRESS COUNTY, TENNESSEE
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 175,000	\$ 240,100	\$ 415,100
2026	185,000	231,350	416,350
2027	195,000	222,100	417,100
2028	200,000	212,350	412,350
2029	210,000	202,350	412,350
2030	225,000	191,850	416,850
2031	230,000	185,100	415,100
2032	235,000	178,200	413,200
2033	245,000	171,150	416,150
2034	250,000	163,800	413,800
2035	260,000	156,300	416,300
2036	265,000	148,500	413,500
2037	275,000	140,550	415,550
2038	280,000	132,300	412,300
2039	290,000	123,900	413,900
2040	300,000	115,200	415,200
2041	310,000	106,200	416,200
2042	320,000	96,900	416,900
2043	330,000	87,300	417,300
2044	335,000	77,400	412,400
2045	345,000	67,350	412,350
2046	360,000	57,000	417,000
2047	370,000	46,200	416,200
2048	380,000	35,100	415,100
2049	390,000	23,700	413,700
2050	400,000	12,000	412,000
Total	\$ 7,360,000	\$ 3,424,250	\$ 10,784,250

(Continued)

Exhibit J-2

FENTRESS COUNTY, TENNESSEE

Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Notes		
	Principal	Interest	Total
2025	\$ 214,000	\$ 39,321	\$ 253,321
2026	218,000	35,683	253,683
2027	221,000	31,977	252,977
2028	225,000	28,220	253,220
2029	229,000	24,395	253,395
2030	233,000	20,502	253,502
2031	237,000	16,541	253,541
2032	241,000	12,512	253,512
2033	245,000	8,415	253,415
2034	250,000	4,250	254,250
Total	\$ 2,313,000	\$ 221,816	\$ 2,534,816

Year Ending June 30	Other Loans		
	Principal	Interest	Other Fees
2025	\$ 394,000	\$ 27,553	\$ 11,362
2026	414,000	14,117	6,319
Total	\$ 808,000	\$ 41,670	\$ 17,681

FENTRESS COUNTY, TENNESSEE
Schedule of Leases Receivable
June 30, 2024

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate	Balance 7-1-23	Deductions	Balance 6-30-24
PRIMARY GOVERNMENT								
General Fund								
Nursing Home	OHI Asset Jamestown, LLC	\$ 3,436,500	7-1-89	12-31-28	0 %	\$ 478,500	\$ 87,000	\$ 391,500
Total Leases Receivable						\$ 478,500	\$ 87,000	\$ 391,500

FENTRESS COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Fentress County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General Debt Service	Other Capital Projects	Capital outlay	\$ 311,068
Total Transfers Primary Government			<u>\$ 311,068</u>
DISCRETELY PRESENTED FENTRESS COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	\$ 150,522
Total Transfers Discretely Presented Fentress County School Department			<u>\$ 150,522</u>

FENTRESS COUNTY, TENNESSEE

Schedule of Salaries and Official Bonds of Principal Officials

Primary Government and Discretely Presented Fentress County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Executive		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 100,157</u>			
Road Supervisor		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 95,388</u>			
Director of Schools		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 98,481			
Chief executive officer training supplement	1,000			
Salary equity pay bonus	1,200			
Pay adjustment	1,519			
Differential pay	500			
Certified employee attendance bonus	500			
Total compensation	<u>\$ 103,200</u>			
Trustee		Section 8-24-102, <i>TCA</i>	744,263	RLI Insurance Company
Base salary/Total Compensation	<u>\$ 86,716</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 86,716</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 86,716</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 86,716</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i> and Chancery Judge	(1)	Local Government Insurance Pool
Base salary	\$ 86,716			
Special commissioner fees	18,855			
Total compensation	<u>\$ 105,571</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total Compensation	<u>\$ 86,716</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 95,388			
Law enforcement training supplement	800			
Total compensation	<u>\$ 96,188</u>			
Finance Director		County Commission	(1)	Local Government Insurance Pool
Base salary	\$ 69,373			
COVID bonus	500			
Total compensation	<u>\$ 69,873</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			500,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 5,728,631	\$ 423,014	\$ 0	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	202,793	20,349	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	182,948	13,777	0	0	0	0
Interest and Penalty	24,309	1,800	0	0	0	0
Payments in-Lieu-of Taxes - Other	102,341	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	6,956	1,247,567	0	0	0	0
Hotel/Motel Tax	101,644	0	0	0	0	0
Litigation Tax - General	43,108	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	35,120	0	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	10,978	0	0	0	0	0
Litigation Tax - Courthouse Security	17,702	0	0	0	0	0
Business Tax	130,364	18,774	0	0	0	0
Mixed Drink Tax	7,698	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	93,476	0	0	0	0	0
Wholesale Beer Tax	169,613	0	0	0	0	0
Beer Privilege Tax	1,615	0	0	0	0	0
Total Local Taxes	\$ 6,859,296	\$ 1,725,281	\$ 0	\$ 0	\$ 0	0
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 56,386	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
Licenses and Permits (Cont.)						
Permits						
Beer Permits	\$ 2,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	<u>\$ 58,636</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 2,521	\$ 0	\$ 0	\$ 781	\$ 0	\$ 0
Officers Costs	1,797	0	0	0	0	0
Drug Control Fines	0	0	0	13,083	0	0
Courtroom Security Fee	2	0	0	0	0	0
Criminal Court						
Data Entry Fee - Criminal Court	1,119	0	0	0	0	0
General Sessions Court						
Fines	12,616	0	0	0	0	0
Officers Costs	3,551	0	0	0	0	0
Game and Fish Fines	338	0	0	0	0	0
Drug Control Fines	0	0	0	31,792	0	0
Data Entry Fee - General Sessions Court	2,806	0	0	0	0	0
Courtroom Security Fee	2	0	0	0	0	0
Chancery Court						
Officers Costs	456	0	0	0	0	0
Data Entry Fee - Chancery Court	723	0	0	0	0	0
Other Courts - In-county						
Officers Costs	13,150	0	0	0	0	0
DUI Treatment Fines	1,800	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 40,881</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 45,656</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
Charges for Current Services						
General Service Charges						
Tipping Fees	\$ 0	\$ 243,554	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	24,923	0	0	0	0
Patient Charges	2,486,146	0	0	0	0	0
Fees						
Recreation Fees	5,987	0	0	0	0	0
Library Fees	8,051	0	0	0	0	0
Archives and Records Management Fee	39,763	0	0	0	0	0
Greenbelt Late Application Fee	100	0	0	0	0	0
Additional Fees - Titling and Registration	18,719	0	0	0	0	0
Data Processing Fee - Register	7,770	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,949	0	0	0	0	0
Data Processing Fee - County Clerk	18,247	0	0	0	0	0
Vehicle Registration Reinstatement Fees	1,060	0	0	0	0	0
Education Charges						
Other Charges for Services	10,000	0	0	0	0	0
Total Charges for Current Services	\$ 2,600,792	\$ 268,477	\$ 0	\$ 0	\$ 0	0
Other Local Revenues						
Recurring Items						
Investment Income	\$ 374,129	\$ 0	\$ 11,569	\$ 0	\$ 3,454	0
Lease/Rentals/PPP	87,000	6,500	0	0	0	0
Commissary Sales	87,760	0	0	0	0	0
Sale of Recycled Materials	0	113,567	0	0	0	0
Miscellaneous Refunds	95,806	270	0	371	0	70

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
Other Local Revenues (Cont.)						
Nonrecurring Items						
Sale of Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Contributions and Gifts	3,862	0	0	0	0	0
Other Local Revenues						
Other Local Revenues	565	0	0	0	0	0
Total Other Local Revenues	<u>\$ 649,122</u>	<u>\$ 120,337</u>	<u>\$ 11,569</u>	<u>\$ 371</u>	<u>\$ 3,454</u>	<u>70</u>
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 229,473	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	68,445	0	0	0	0	0
General Sessions Court Clerk	63,636	0	0	0	0	0
Clerk and Master	37,986	0	0	0	0	0
Register	104,016	0	0	0	0	0
Sheriff	50,715	0	0	0	0	0
Trustee	332,528	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 886,799</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	15,470	0	0	0	0	0
Solid Waste Grants	0	44,673	0	0	0	0
Other General Government Grants	38,957	0	0	0	0	0
Public Safety Grants						
School Resource Officer Grants	450,000	0	0	0	0	0
Other Public Safety Grants	71,068	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
State of Tennessee (Cont.)						
Health and Welfare Grants						
Health Department Programs	\$ 93,456	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Works Grants						
Bridge Program	0	0	0	0	0	0
State Aid Program	0	0	0	0	0	0
Litter Program	0	21,389	0	0	0	0
Other State Revenues						
Beer Tax	18,498	0	0	0	0	0
Vehicle Certificate of Title Fees	7,163	0	0	0	0	0
Alcoholic Beverage Tax	74,244	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	114,129	0
State Revenue Sharing - Telecommunications	55,745	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	516,764	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	25,770	0	0	0	0	27,574
Other State Revenues	14,590	0	0	0	0	1,228
Total State of Tennessee	<u>\$ 1,401,389</u>	<u>\$ 66,062</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 114,129</u>	<u>\$ 28,802</u>
Federal Government						
Federal Through State						
Appalachian Regional Commission	\$ 23,981	\$ 0	\$ 0	\$ 0	\$ 0	0
Community Development	13,350	0	0	0	0	0

(Continued)

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

	<u>Special Revenue Funds</u>					
	General	Solid Waste / Sanitation	American Rescue Plan	Drug Control	Opioid Abatement	Other Special Revenue
Federal Government (Cont.)						
Federal Through State (Cont.)						
Civil Defense Reimbursement	\$ 800	\$ 0	\$ 0	\$ 0	\$ 0	0
Disaster Relief	0	0	0	0	0	0
COVID-19 Grant #2	46,400	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	966,118	0	0	0
Other Federal through State	257,107	0	0	0	0	164,809
Direct Federal Revenue						
Other Direct Federal Revenue	31,300	0	0	0	0	0
Total Federal Government	\$ 372,938	\$ 0	\$ 966,118	\$ 0	\$ 0	164,809
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 230,231	\$ 0	\$ 0	\$ 0	\$ 0	0
Contributions	4,000	0	0	0	0	0
Citizens Groups						
Donations	3,820	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	0	0	0	0	123,725	0
Total Other Governments and Citizens Groups	\$ 238,051	\$ 0	\$ 0	\$ 0	\$ 123,725	0
Total	\$ 13,107,904	\$ 2,180,157	\$ 977,687	\$ 46,027	\$ 241,308	\$ 193,681

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
Local Taxes				
County Property Taxes				
Current Property Tax	\$ 0	\$ 262,240	\$ 53,516	\$ 6,467,401
Trustee's Collections - Prior Year	0	17,318	825	241,285
Circuit Clerk/Clerk and Master Collections - Prior Years	0	14,972	0	211,697
Interest and Penalty	0	1,523	50	27,682
Payments in-Lieu-of Taxes - Other	0	0	0	102,341
County Local Option Taxes				
Local Option Sales Tax	0	781,387	0	2,035,910
Hotel/Motel Tax	0	0	0	101,644
Litigation Tax - General	0	0	0	43,108
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	35,120
Litigation Tax - Victim-Offender Mediation Center	0	0	0	10,978
Litigation Tax - Courthouse Security	0	0	0	17,702
Business Tax	0	12,148	0	161,286
Mixed Drink Tax	0	0	0	7,698
Mineral Severance Tax	75,278	0	0	75,278
Other County Local Option Taxes	0	27,492	0	27,492
Statutory Local Taxes				
Bank Excise Tax	0	0	0	93,476
Wholesale Beer Tax	0	0	0	169,613
Beer Privilege Tax	0	0	0	1,615
Total Local Taxes	<u>\$ 75,278</u>	<u>\$ 1,117,080</u>	<u>\$ 54,391</u>	<u>\$ 9,831,326</u>
Licenses and Permits				
Licenses				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 56,386

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
Licenses and Permits (Cont.)				
Permits				
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 2,250
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 58,636</u>
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	\$ 0	\$ 0	\$ 0	\$ 3,302
Officers Costs	0	0	0	1,797
Drug Control Fines	0	0	0	13,083
Courtroom Security Fee	0	0	0	2
Criminal Court				
Data Entry Fee - Criminal Court	0	0	0	1,119
General Sessions Court				
Fines	0	0	0	12,616
Officers Costs	0	0	0	3,551
Game and Fish Fines	0	0	0	338
Drug Control Fines	0	0	0	31,792
Data Entry Fee - General Sessions Court	0	0	0	2,806
Courtroom Security Fee	0	0	0	2
Chancery Court				
Officers Costs	0	0	0	456
Data Entry Fee - Chancery Court	0	0	0	723
Other Courts - In-county				
Officers Costs	0	0	0	13,150
DUI Treatment Fines	0	0	0	1,800
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 86,537</u>

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
Charges for Current Services				
General Service Charges				
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 243,554
Surcharge - Waste Tire Disposal	0	0	0	24,923
Patient Charges	0	0	0	2,486,146
Fees				
Recreation Fees	0	0	0	5,987
Library Fees	0	0	0	8,051
Archives and Records Management Fee	0	0	0	39,763
Greenbelt Late Application Fee	0	0	0	100
Additional Fees - Titling and Registration	0	0	0	18,719
Data Processing Fee - Register	0	0	0	7,770
Sexual Offender Registration Fee - Sheriff	0	0	0	4,949
Data Processing Fee - County Clerk	0	0	0	18,247
Vehicle Registration Reinstatement Fees	0	0	0	1,060
Education Charges				
Other Charges for Services	0	0	0	10,000
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 2,869,269
Other Local Revenues				
Recurring Items				
Investment Income	\$ 0	\$ 0	\$ 0	\$ 389,152
Lease/Rentals/PPP	0	62,680	0	156,180
Commissary Sales	0	0	0	87,760
Sale of Recycled Materials	1,468	0	0	115,035
Miscellaneous Refunds	50,452	0	0	146,969

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
Other Local Revenues (Cont.)				
Nonrecurring Items				
Sale of Equipment	\$ 24,155	\$ 0	\$ 0	\$ 24,155
Contributions and Gifts	1,750	0	0	5,612
Other Local Revenues				
Other Local Revenues	0	0	0	565
Total Other Local Revenues	\$ 77,825	\$ 62,680	\$ 0	\$ 925,428
Fees Received From County Officials				
Fees In-Lieu-of Salary				
County Clerk	\$ 0	\$ 0	\$ 0	229,473
Circuit Court Clerk	0	0	0	68,445
General Sessions Court Clerk	0	0	0	63,636
Clerk and Master	0	0	0	37,986
Register	0	0	0	104,016
Sheriff	0	0	0	50,715
Trustee	0	0	0	332,528
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 886,799
State of Tennessee				
General Government Grants				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	4,500
Aging Programs	0	0	0	15,470
Solid Waste Grants	0	0	0	44,673
Other General Government Grants	0	0	0	38,957
Public Safety Grants				
School Resource Officer Grants	0	0	0	450,000
Other Public Safety Grants	0	0	0	71,068

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
State of Tennessee (Cont.)				
Health and Welfare Grants				
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 93,456
Public Works Grants				
Bridge Program	688,259	0	0	688,259
State Aid Program	3,595,970	0	0	3,595,970
Litter Program	0	0	0	21,389
Other State Revenues				
Beer Tax	0	0	0	18,498
Vehicle Certificate of Title Fees	0	0	0	7,163
Alcoholic Beverage Tax	0	0	0	74,244
Opioid Settlement Funds - TN Abatement Council	0	0	0	114,129
State Revenue Sharing - Telecommunications	0	0	0	55,745
State Shared Sports Gaming Privilege Tax	29,654	0	0	29,654
Contracted Prisoner Boarding	0	0	0	516,764
Gasoline and Motor Fuel Tax	2,491,230	0	0	2,491,230
Hybrid/Electric Vehicle Registration Fee	7,913	0	0	7,913
Petroleum Special Tax	12,250	0	0	12,250
Registrar's Salary Supplement	0	0	0	15,164
Other State Grants	56,928	0	0	110,272
Other State Revenues	0	0	0	15,818
Total State of Tennessee	<u>\$ 6,882,204</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,492,586</u>
Federal Government				
Federal Through State				
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 23,981
Community Development	0	0	0	13,350

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects	Total
Federal Government (Cont.)				
Federal Through State (Cont.)				
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 800
Disaster Relief	363,007	0	0	363,007
COVID-19 Grant #2	0	0	0	46,400
American Rescue Plan Act Grant #1	0	0	0	966,118
Other Federal through State	0	0	0	421,916
Direct Federal Revenue				
Other Direct Federal Revenue	0	0	0	31,300
Total Federal Government	\$ 363,007	\$ 0	\$ 0	\$ 1,866,872
Other Governments and Citizens Groups				
Other Governments				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 230,231
Contributions	0	0	0	4,000
Citizens Groups				
Donations	0	0	0	3,820
Other				
Opioid Settlement Funds - Past Remediation	0	0	0	123,725
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 361,776
Total	\$ 7,398,314	\$ 1,179,760	\$ 54,391	\$ 25,379,229

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 742,050	\$ 0	\$ 0	\$ 0	\$ 0	742,050
Trustee's Collections - Prior Year	27,699	0	0	0	0	27,699
Circuit Clerk/Clerk and Master Collections - Prior Years	27,525	0	0	0	0	27,525
Interest and Penalty	3,372	0	0	0	0	3,372
County Local Option Taxes						
Local Option Sales Tax	3,118,917	0	0	0	0	3,118,917
Wheel Tax	483,034	0	0	0	0	483,034
Business Tax	46,384	0	0	0	0	46,384
Other County Local Option Taxes	37,543	0	0	0	0	37,543
Total Local Taxes	<u>\$ 4,486,524</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>4,486,524</u>
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,302	\$ 0	\$ 0	\$ 0	\$ 0	1,302
Total Licenses and Permits	<u>\$ 1,302</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,302</u>
Charges for Current Services						
Education Charges						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 23,372	\$ 0	\$ 0	23,372
Income from Breakfast	0	0	2,910	0	0	2,910
A la Carte Sales	0	0	11,067	0	0	11,067
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 37,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>37,349</u>

(Continued)

FENTRESS COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Fentress County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 395,354	\$ 0	\$ 3,349	\$ 0	\$ 0	\$ 398,703
Lease/Rentals/PPP	24	0	0	0	0	24
E-Rate Funding	19,598	0	0	0	0	19,598
Miscellaneous Refunds	86,975	0	347	0	0	87,322
Nonrecurring Items						
Contributions and Gifts	23,187	0	0	0	0	23,187
Other Local Revenues						
Other Local Revenues	210	0	0	969,463	0	969,673
Total Other Local Revenues	\$ 525,348	\$ 0	\$ 3,696	\$ 969,463	\$ 0	\$ 1,498,507
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 64,770	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,770
State Education Funds						
Tennessee Investment in Student Achievement	15,885,376	0	0	0	0	15,885,376
Early Childhood Education	684,603	0	0	0	0	684,603
School Food Service	0	0	14,556	0	0	14,556
Other State Education Funds	793,647	0	0	0	0	793,647
Career Ladder Program	25,595	0	0	0	0	25,595
Other Vocational	502,210	0	0	0	0	502,210
Other State Revenues						
State Revenue Sharing - T.V.A.	723,424	0	0	0	0	723,424
Other State Grants	58,719	0	0	0	0	58,719
Other State Revenues	76,846	0	0	0	0	76,846
Total State of Tennessee	\$ 18,815,190	\$ 0	\$ 14,556	\$ 0	\$ 0	\$ 18,829,746

(Continued)

FENTRESS COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Fentress County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	<u>Projects Fund</u>	
					Education Capital Projects	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 937,840	\$ 0	\$ 0	\$ 937,840
USDA - Commodities	0	0	115,118	0	0	115,118
Breakfast	0	0	344,181	0	0	344,181
USDA - Other	0	0	70,704	0	0	70,704
Vocational Education - Basic Grants to States	0	61,979	0	0	0	61,979
Title I Grants to Local Education Agencies	0	1,110,403	0	0	0	1,110,403
Special Education - Grants to States	0	608,761	0	0	0	608,761
Special Education Preschool Grants	0	33,233	0	0	0	33,233
Rural Education	0	83,312	0	0	0	83,312
21st Century Community Learning Centers	0	118,844	0	0	0	118,844
Eisenhower Professional Development State Grants	0	136,637	0	0	0	136,637
COVID-19 Grant B	0	220,118	0	0	0	220,118
American Rescue Plan Act Grant #1	0	2,248,489	0	0	0	2,248,489
Other Federal through State	292,665	139,370	0	0	0	432,035
Direct Federal Revenue						
ROTC Reimbursement	84,590	0	0	0	0	84,590
Total Federal Government	\$ 377,255	\$ 4,761,146	\$ 1,467,843	\$ 0	\$ 0	\$ 6,606,244
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,125	\$ 46,125
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,125	\$ 46,125
Total	\$ 24,205,619	\$ 4,761,146	\$ 1,523,444	\$ 969,463	\$ 46,125	\$ 31,505,797

FENTRESS 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	\$	71,376	
Social Security		4,255	
Pensions		2,216	
Employer Medicare		995	
Advertising		812	
Audit Services		7,950	
Contributions		42,000	
Printing, Stationery, and Forms		49	
Travel		2,664	
Other Charges		64	
Total County Commission			\$ 132,381

Board of Equalization

Board and Committee Members Fees	\$	508	
Total Board of Equalization			508

Beer Board

Board and Committee Members Fees	\$	1,500	
Total Beer Board			1,500

County Mayor/Executive

County Official/ Administrative Officer	\$	100,157	
Assistant(s)		33,134	
Bonus Payments		500	
Social Security		8,106	
Pensions		10,382	
Medical Insurance		4,500	
Unemployment Compensation		70	
Employer Medicare		1,896	
Legal Services		39,964	
Postal Charges		72	
Printing, Stationery, and Forms		355	
Travel		3,653	
Office Supplies		1,077	
Other Equipment		1,308	
Total County Mayor/Executive			205,174

Election Commission

County Official/ Administrative Officer	\$	78,044	
Deputy(ies)		41,454	
Clerical Personnel		31,711	
Bonus Payments		1,500	
Election Commission		9,924	
Election Workers		26,639	
Social Security		9,568	
Pensions		11,850	
Medical Insurance		9,000	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Unemployment Compensation	\$	255	
Employer Medicare		2,238	
Data Processing Services		17,802	
Dues and Memberships		800	
Maintenance and Repair Services - Equipment		5,055	
Postal Charges		84	
Printing, Stationery, and Forms		476	
Travel		6,846	
Office Supplies		23,898	
Liability Insurance		3,156	
Office Equipment		8,146	
Voting Machines		214,860	
Total Election Commission			\$ 503,306

Register of Deeds

County Official/Administrative Officer	\$	86,716	
Deputy(ies)		37,835	
Clerical Personnel		30,992	
Bonus Payments		1,000	
Social Security		8,894	
Pensions		12,148	
Medical Insurance		13,500	
Unemployment Compensation		140	
Employer Medicare		2,080	
Data Processing Services		6,885	
Postal Charges		948	
Duplicating Supplies		3,806	
Office Supplies		8,658	
Total Register of Deeds			213,602

Planning

Board and Committee Members Fees	\$	1,100	
Dues and Memberships		11,945	
Other Supplies and Materials		511	
Total Planning			13,556

County Buildings

Deputy(ies)	\$	30,992	
Maintenance Personnel		34,195	
Bonus Payments		1,000	
Social Security		3,974	
Pensions		5,136	
Medical Insurance		4,500	
Unemployment Compensation		140	
Employer Medicare		929	
Communication		92,331	
Maintenance and Repair Services - Buildings		106,485	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Custodial Supplies	\$	7,090	
Gasoline		3,741	
Uniforms		480	
Utilities		316,763	
Other Supplies and Materials		442	
Food Service Equipment		15,808	
Total County Buildings			\$ 624,006

Preservation of Records

Part-time Personnel	\$	11,763	
Bonus Payments		250	
Social Security		745	
Unemployment Compensation		74	
Employer Medicare		174	
Office Supplies		200	
Office Equipment		85	
Other Equipment		83	
Total Preservation of Records			13,374

Finance

Accounting and Budgeting

Supervisor/Director	\$	69,373	
Deputy(ies)		43,358	
Accountants/Bookkeepers		164,540	
Bonus Payments		3,000	
In-service Training		3,457	
Social Security		16,501	
Pensions		21,706	
Medical Insurance		18,375	
Unemployment Compensation		560	
Employer Medicare		3,859	
Postal Charges		4,101	
Printing, Stationery, and Forms		3,343	
Travel		270	
Office Supplies		5,843	
Other Supplies and Materials		1,278	
Judgments		129,421	
Office Equipment		18,551	
Total Accounting and Budgeting			507,536

Property Assessor's Office

County Official/Administrative Officer	\$	86,716	
Clerical Personnel		36,400	
Part-time Personnel		32,832	
Bonus Payments		750	
Social Security		9,569	
Pensions		9,592	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Medical Insurance	\$	4,500	
Unemployment Compensation		290	
Employer Medicare		2,238	
Audit Services		2,350	
Contracts with Government Agencies		2,633	
Maintenance and Repair Services - Vehicles		1,477	
Postal Charges		2,095	
Travel		653	
Office Supplies		8,369	
Office Equipment		1,460	
Total Property Assessor's Office			\$ 201,924

Reappraisal Program

Data Processing Services	\$	3,164	
Total Reappraisal Program			3,164

County Trustee's Office

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		81,245	
Bonus Payments		1,000	
Social Security		10,074	
Pensions		13,111	
Medical Insurance		13,500	
Unemployment Compensation		140	
Employer Medicare		2,356	
Contracts with Government Agencies		5,329	
Dues and Memberships		110	
Postal Charges		9,936	
Printing, Stationery, and Forms		2,349	
Office Supplies		2,700	
Premiums on Corporate Surety Bonds		2,629	
Data Processing Equipment		16,404	
Total County Trustee's Office			247,599

County Clerk's Office

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		145,871	
Bonus Payments		2,250	
Social Security		13,686	
Pensions		18,223	
Medical Insurance		20,625	
Unemployment Compensation		350	
Employer Medicare		3,201	
Data Processing Services		11,220	
Maintenance Agreements		5,014	
Maintenance and Repair Services - Office Equipment		328	
Postal Charges		9,040	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Printing, Stationery, and Forms	\$	5,691	
Travel		1,530	
Office Supplies		3,840	
In Service/Staff Development		555	
Office Equipment		21,057	
Total County Clerk's Office			\$ 349,197

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	86,716	
Deputy(ies)		154,714	
Bonus Payments		2,000	
Jury and Witness Expense		4,624	
In-service Training		266	
Social Security		14,923	
Pensions		18,812	
Medical Insurance		4,500	
Unemployment Compensation		400	
Employer Medicare		3,490	
Data Processing Services		21,740	
Postal Charges		3,772	
Printing, Stationery, and Forms		892	
Travel		150	
Office Supplies		4,150	
Data Processing Equipment		6,582	
Office Equipment		3,103	
Total Circuit Court			330,834

General Sessions Court

Judge(s)	\$	109,127	
Deputy(ies)		41,704	
Bonus Payments		500	
Social Security		9,207	
Pensions		11,743	
Medical Insurance		4,500	
Unemployment Compensation		70	
Employer Medicare		2,153	
Travel		1,823	
Office Supplies		1,370	
Total General Sessions Court			182,197

Chancery Court

County Official/Administrative Officer	\$	86,716	
Deputy(ies)		31,408	
Bonus Payments		500	
Jury and Witness Expense		30	
Social Security		7,192	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Pensions	\$ 9,205	
Medical Insurance	4,500	
Unemployment Compensation	140	
Employer Medicare	1,682	
Data Processing Services	6,250	
Postal Charges	504	
Office Supplies	3,382	
Office Equipment	2,231	
Total Chancery Court	\$ 153,740	

Juvenile Court

Social Workers	\$ 28,922	
Bonus Payments	250	
Social Security	1,809	
Pensions	2,264	
Unemployment Compensation	70	
Employer Medicare	423	
Contracts with Other Public Agencies	11,271	
Office Supplies	412	
Total Juvenile Court	45,421	

Other Administration of Justice

Special Commissioner Fees/Special Master Fees	\$ 12,036	
Gasoline	9,224	
Total Other Administration of Justice	21,260	

Probation Services

Probation Officer(s)	\$ 32,403	
Bonus Payments	500	
Social Security	1,921	
Pensions	2,527	
Medical Insurance	4,125	
Unemployment Compensation	70	
Employer Medicare	449	
Office Supplies	525	
Testing	2,200	
Other Supplies and Materials	400	
Total Probation Services	45,120	

Victim Assistance Programs

Deputy(ies)	\$ 50,857	
Bonus Payments	500	
Social Security	3,174	
Pensions	3,985	
Unemployment Compensation	70	
Employer Medicare	742	
Travel	1,043	
Total Victim Assistance Programs	60,371	

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 95,388	
Deputy(ies)	729,146	
Salary Supplements	14,400	
Clerical Personnel	100,435	
Part-time Personnel	98,127	
Overtime Pay	16,861	
Bonus Payments	12,500	
Other Salaries and Wages	1,311	
In-service Training	16,368	
Social Security	64,208	
Pensions	71,738	
Medical Insurance	42,524	
Unemployment Compensation	2,190	
Employer Medicare	15,017	
Communication	28,078	
Data Processing Services	9,480	
Confidential Drug Enforcement Payments	1,500	
Maintenance and Repair Services - Buildings	2,584	
Maintenance and Repair Services - Vehicles	44,095	
Postal Charges	1,455	
Printing, Stationery, and Forms	700	
Travel	363	
Gasoline	91,044	
Law Enforcement Supplies	1,323	
Office Supplies	7,050	
Tires and Tubes	6,204	
Uniforms	1,581	
Other Supplies and Materials	3,081	
Law Enforcement Equipment	6,932	
Office Equipment	673	
Other Equipment	90,788	
Other Capital Outlay	127,241	
Total Sheriff's Department	\$ 1,704,385	

Special Patrols

School Resource Officer	\$ 256,116	
Overtime Pay	3,118	
Social Security	15,643	
Pensions	20,391	
Medical Insurance	11,401	
Unemployment Compensation	430	
Employer Medicare	3,658	
Maintenance and Repair Services - Vehicles	87	
Gasoline	5,352	
Tires and Tubes	4,200	
Uniforms	7,121	
Law Enforcement Equipment	10,941	
Motor Vehicles	87,627	
Total Special Patrols	426,085	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Remittance of Revenue Collected	\$	1,600	
Office Supplies		260	
Total Administration of the Sexual Offender Registry			\$ 1,860

Jail

Guards	\$	710,996	
Cafeteria Personnel		10,286	
Maintenance Personnel		44,380	
Overtime Pay		20,589	
Bonus Payments		5,000	
In-service Training		1,713	
Social Security		47,325	
Pensions		60,169	
Medical Insurance		43,200	
Unemployment Compensation		3,291	
Employer Medicare		11,068	
Contracts with Private Agencies		175,770	
Data Processing Services		13,112	
Maintenance and Repair Services - Buildings		27,190	
Medical and Dental Services		121,719	
Postal Charges		1,308	
Printing, Stationery, and Forms		604	
Custodial Supplies		30,008	
Food Supplies		177,213	
Gasoline		826	
Office Supplies		1,563	
Prisoners Clothing		8,119	
Uniforms		210	
Other Supplies and Materials		3,220	
Other Charges		352	
Total Jail			1,519,231

Fire Prevention and Control

Firefighters	\$	94,835	
Bonus Payments		15,250	
In-service Training		6,130	
Social Security		6,825	
Unemployment Compensation		11	
Employer Medicare		1,596	
Communication		1,994	
Contributions		6,000	
Maintenance and Repair Services - Equipment		3,316	
Maintenance and Repair Services - Vehicles		20,245	
Gasoline		8,870	
Utilities		23,149	
Other Supplies and Materials		343	
Furniture and Fixtures		1,000	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Motor Vehicles	\$	26	
Other Equipment		79,395	
Total Fire Prevention and Control			\$ 268,985

Civil Defense

Supervisor/Director	\$	42,557	
Bonus Payments		500	
In-service Training		553	
Social Security		2,531	
Pensions		3,341	
Medical Insurance		4,500	
Unemployment Compensation		70	
Employer Medicare		592	
Communication		1,554	
Maintenance and Repair Services - Vehicles		1,160	
Gasoline		3,818	
Office Supplies		1,005	
Other Supplies and Materials		717	
Motor Vehicles		17,026	
Other Equipment		6,654	
Total Civil Defense			86,578

Rescue Squad

Communication	\$	575	
Maintenance and Repair Services - Vehicles		8,371	
Gasoline		6,409	
Other Supplies and Materials		755	
Other Equipment		16,527	
Total Rescue Squad			32,637

Other Emergency Management

Contributions	\$	243,366	
Total Other Emergency Management			243,366

County Coroner/Medical Examiner

Social Security	\$	150	
Pensions		4	
Employer Medicare		35	
Other Contracted Services		38,550	
Other Equipment		1,019	
Total County Coroner/Medical Examiner			39,758

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	12,605	
Bonus Payments		250	
Social Security		797	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Pensions	\$	998	
Unemployment Compensation		75	
Employer Medicare		186	
Communication		1,151	
Maintenance and Repair Services - Buildings		49,465	
Drugs and Medical Supplies		1,492	
Office Supplies		2,505	
Other Supplies and Materials		993	
Total Local Health Center			\$ 70,517

Ambulance/Emergency Medical Services

Supervisor/Director	\$	59,912	
Medical Personnel		1,025,900	
Clerical Personnel		40,312	
Part-time Personnel		75,206	
Overtime Pay		387,940	
Bonus Payments		10,750	
In-service Training		36,743	
Social Security		94,438	
Pensions		116,312	
Medical Insurance		67,875	
Unemployment Compensation		2,562	
Employer Medicare		22,086	
Communication		7,677	
Contracts with Government Agencies		26,970	
Contracts with Private Agencies		24,632	
Dues and Memberships		3,663	
Maintenance and Repair Services - Vehicles		60,078	
Postal Charges		159	
Travel		1,557	
Custodial Supplies		5,347	
Drugs and Medical Supplies		114,559	
Gasoline		101,984	
Office Supplies		6,611	
Uniforms		9,186	
Refunds		2,830	
Motor Vehicles		8,234	
Office Equipment		944	
Health Equipment		7,974	
Other Equipment		18,462	
Total Ambulance/Emergency Medical Services			2,340,903

Other Local Health Services

Medical Personnel	\$	67,519	
Social Security		4,132	
Pensions		5,081	
Medical Insurance		1,875	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services (Cont.)

Unemployment Compensation	\$	210	
Employer Medicare		966	
Travel		8,608	
Other Contracted Services		81	
Instructional Supplies and Materials		777	
Total Other Local Health Services			\$ 89,249

Appropriation to State

Other Contracted Services	\$	34,423	
Total Appropriation to State			34,423

General Welfare Assistance

Pauper Burials	\$	2,000	
Total General Welfare Assistance			2,000

Other Local Welfare Services

Contributions	\$	12,000	
Total Other Local Welfare Services			12,000

Social, Cultural, and Recreational Services

Adult Activities

Assistant(s)	\$	28,964	
Supervisor/Director		37,731	
Custodial Personnel		30,057	
Bonus Payments		1,000	
Social Security		6,057	
Pensions		5,113	
Unemployment Compensation		348	
Employer Medicare		1,417	
Contracts with Private Agencies		1,076	
Postal Charges		564	
Travel		14,159	
Other Contracted Services		4,136	
Custodial Supplies		2,843	
Gasoline		164	
Office Supplies		935	
Other Supplies and Materials		7,327	
Other Charges		5,549	
Office Equipment		455	
Other Equipment		2,333	
Total Adult Activities			150,228

Libraries

Supervisor/Director	\$	37,856	
Librarians		93,438	
Bonus Payments		2,250	
Social Security		7,909	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Pensions	\$	7,299	
Medical Insurance		7,125	
Unemployment Compensation		388	
Employer Medicare		1,850	
Data Processing Services		372	
Dues and Memberships		4,709	
Postal Charges		330	
Printing, Stationery, and Forms		233	
Travel		2,182	
Custodial Supplies		4,481	
Library Books/Media		5,438	
Office Supplies		4,129	
Other Supplies and Materials		6,174	
Other Charges		6,364	
Total Libraries			\$ 192,527

Parks and Fair Boards

Maintenance Personnel	\$	29,140	
Bonus Payments		750	
Social Security		1,853	
Unemployment Compensation		225	
Employer Medicare		433	
Maintenance and Repair Services - Equipment		21,614	
Custodial Supplies		3,835	
Gasoline		971	
Other Supplies and Materials		3,995	
Total Parks and Fair Boards			62,816

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	88	
Contributions		69,731	
Office Supplies		2,651	
Total Agricultural Extension Service			72,470

Soil Conservation

Assistant(s)	\$	61,823	
Bonus Payments		1,000	
Social Security		3,781	
Pensions		4,875	
Medical Insurance		4,500	
Unemployment Compensation		140	
Employer Medicare		884	
Contributions		13,197	
Total Soil Conservation			90,200

(Continued)

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

General Fund (Cont.)

Other Operations

Tourism

Contributions	\$ 70,000	
Other Charges	10,000	
Total Tourism		\$ 80,000

Other Economic and Community Development

Contracts with Private Agencies	\$ 1,728	
Other Charges	3,190	
Total Other Economic and Community Development		4,918

Veterans' Services

Supervisor/Director	\$ 36,130	
Bonus Payments	500	
Social Security	2,271	
Pensions	2,842	
Unemployment Compensation	70	
Employer Medicare	531	
Contracts with Government Agencies	6,382	
Data Processing Services	140	
Travel	734	
Office Supplies	772	
Other Supplies and Materials	1,917	
Total Veterans' Services		52,289

Contributions to Other Agencies

Contributions	\$ 10,883	
Dues and Memberships	12,531	
Remittance of Revenue Collected	35,285	
Total Contributions to Other Agencies		58,699

Miscellaneous

Other Fringe Benefits	\$ 8,580	
Advertising	7,900	
Contributions	46,125	
Data Processing Services	99,138	
Medical and Dental Services	6,793	
Postal Charges	2,042	
Other Contracted Services	10,000	
Road Signs	27,406	
Liability Insurance	289,787	
Trustee's Commission	164,116	
Vehicle and Equipment Insurance	92,434	
Workers' Compensation Insurance	111,414	
Liability Claims	6,010	
Other Charges	2,732	
Other Capital Outlay	47,736	
Total Miscellaneous		922,213

Total General Fund		\$ 12,414,107
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(Continued)

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Assistant(s)	\$ 60,401	
Supervisor/Director	40,487	
Bonus Payments	1,000	
Social Security	6,102	
Pensions	7,870	
Medical Insurance	5,250	
Unemployment Compensation	280	
Employer Medicare	1,427	
Communication	2,921	
Postal Charges	990	
Printing, Stationery, and Forms	43	
Travel	2,072	
Other Supplies and Materials	2,611	
Total Sanitation Management	\$ 131,454	\$ 131,454

Sanitation Education/Information

Advertising	\$ 813	
Instructional Supplies and Materials	2,987	
Other Supplies and Materials	2,910	
Total Sanitation Education/Information	6,710	6,710

Waste Pickup

Paraprofessionals	\$ 37,731	
Equipment Operators - Heavy	6,340	
Truck Drivers	89,321	
Laborers	86,240	
Bonus Payments	3,000	
Social Security	13,252	
Pensions	15,002	
Medical Insurance	19,500	
Unemployment Compensation	674	
Employer Medicare	3,099	
Communication	1,667	
Maintenance and Repair Services - Equipment	5,296	
Maintenance and Repair Services - Vehicles	48,369	
Gasoline	67,759	
Tires and Tubes	7,989	
Uniforms	2,578	
Other Supplies and Materials	3,861	
Solid Waste Equipment	18,842	
Other Equipment	430	
Total Waste Pickup	430,950	430,950

Convenience Centers

Paraprofessionals	\$ 31,637	
Equipment Operators - Heavy	25,779	
Attendants	245,158	

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Bonus Payments	\$	5,000	
Social Security		18,994	
Pensions		16,663	
Medical Insurance		4,312	
Unemployment Compensation		1,226	
Employer Medicare		4,442	
Communication		6,369	
Maintenance and Repair Services - Equipment		2,520	
Permits		1,650	
Utilities		13,758	
Other Supplies and Materials		3,026	
Other Equipment		3,900	
Total Convenience Centers			\$ 384,434

Problem Waste Centers

Advertising	\$	340	
Other Supplies and Materials		2,725	
Total Problem Waste Centers			3,065

Other Waste Collection

Other Supplies and Materials	\$	1,499	
Total Other Waste Collection			1,499

Recycling Center

Paraprofessionals	\$	45,133	
Equipment Operators - Heavy		121,445	
Laborers		65,929	
Bonus Payments		3,250	
Social Security		14,171	
Pensions		17,253	
Medical Insurance		15,977	
Unemployment Compensation		581	
Employer Medicare		3,314	
Communication		2,163	
Contracts with Private Agencies		67,809	
Maintenance and Repair Services - Buildings		14,381	
Maintenance and Repair Services - Equipment		560	
Maintenance and Repair Services - Vehicles		28,150	
Travel		179	
Gasoline		12,528	
Tires and Tubes		400	
Uniforms		1,638	
Utilities		5,600	
Other Supplies and Materials		7,336	
Other Equipment		56,896	
Total Recycling Center			484,693

(Continued)

FENTRESS 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

Contracts with Private Agencies	\$ 678,228	
Total Landfill Operation and Maintenance		\$ 678,228

Postclosure Care Costs

Engineering Services	\$ 3,700	
Permits	1,000	
Utilities	756	
Total Postclosure Care Costs		5,456

Other Operations

Other Charges

Other Fringe Benefits	\$ 1,925	
Liability Insurance	16,604	
Trustee's Commission	24,060	
Vehicle and Equipment Insurance	12,543	
Workers' Compensation Insurance	24,411	
Total Other Charges		79,543

Employee Benefits

Medical and Dental Services	\$ 349	
Total Employee Benefits		349

Total Solid Waste/Sanitation Fund		\$ 2,206,381
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American Rescue Plan Fund

Other Operations

American Rescue Plan Act Grant #1

In-service Training	\$ 910	
Data Processing Services	40,000	
Maintenance and Repair Services - Buildings	38,798	
Uniforms	1,521	
Building Improvements	18,070	
Highway Construction	41,923	
Law Enforcement Equipment	8,185	
Motor Vehicles	217,000	
Office Equipment	13,989	
Other Equipment	95,517	
Other Capital Outlay	58,837	
Total American Rescue Plan Act Grant #1		\$ 534,750

Total American Rescue Plan Fund		534,750
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Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$ 3,657	
Confidential Drug Enforcement Payments	12,000	

(Continued)

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Maintenance and Repair Services - Vehicles	\$ 7,329	
Veterinary Services	1,339	
Animal Food and Supplies	882	
Law Enforcement Supplies	5,021	
Other Supplies and Materials	80	
Trustee's Commission	448	
Law Enforcement Equipment	48,877	
Motor Vehicles	36,558	
Total Drug Enforcement	<u>116,191</u>	\$ 116,191

Total Drug Control Fund \$ 116,191

Opioid Abatement Fund

Public Safety

Other Public Safety

Advertising	\$ 2,390	
Communication	697	
Contributions	59,462	
Law Enforcement Equipment	10,604	
Total Other Public Safety	<u>73,153</u>	\$ 73,153

Total Opioid Abatement Fund 73,153

Other Special Revenue Fund

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Truck Drivers	\$ 37,494	
Cafeteria Personnel	21,086	
Bonus Payments	750	
Social Security	3,678	
Pensions	1,353	
Unemployment Compensation	324	
Employer Medicare	860	
Consultants	3,300	
Maintenance and Repair Services - Vehicles	2,803	
Food Preparation Supplies	11,488	
Food Supplies	89,918	
Gasoline	5,644	
Other Supplies and Materials	26	
Other Charges	169	
Total Senior Citizens Assistance	<u>178,893</u>	\$ 178,893

Total Other Special Revenue Fund 178,893

(Continued)

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 95,388	
Clerical Personnel	77,337	
Overtime Pay	1,957	
Bonus Payments	1,000	
Social Security	10,552	
Pensions	13,633	
Unemployment Compensation	630	
Employer Medicare	2,468	
Communication	7,307	
Dues and Memberships	3,333	
Postal Charges	29	
Travel	3,753	
Other Contracted Services	645	
Custodial Supplies	1,553	
Office Supplies	2,941	
Other Charges	2,580	
Office Equipment	<u>3,428</u>	
Total Administration		\$ 228,534

Highway and Bridge Maintenance

Foremen	\$ 48,150	
Equipment Operators	133,440	
Truck Drivers	124,210	
Laborers	196,476	
Overtime Pay	30,096	
Bonus Payments	4,000	
Social Security	32,114	
Pensions	38,520	
Unemployment Compensation	5,313	
Employer Medicare	7,510	
Other Contracted Services	18,186	
Asphalt - Cold Mix	26,356	
Asphalt - Hot Mix	250,532	
Asphalt - Liquid	398,611	
Crushed Stone	175,643	
Other Road Materials	26,695	
Pipe - Metal	38,035	
Road Signs	8,000	
Salt	22,063	
Other Charges	<u>12,934</u>	
Total Highway and Bridge Maintenance		1,596,884

Operation and Maintenance of Equipment

Foremen	\$ 10,815
Mechanic(s)	77,925
Overtime Pay	5,154
Bonus Payments	450

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Social Security	\$	5,740	
Pensions		7,321	
Unemployment Compensation		453	
Employer Medicare		1,342	
Freight Expenses		3,067	
Maintenance and Repair Services - Vehicles		44,987	
Diesel Fuel		109,028	
Electricity		6,567	
Equipment and Machinery Parts		192,406	
Garage Supplies		17,777	
Gasoline		33,081	
Lubricants		19,767	
Natural Gas		2,575	
Tires and Tubes		29,560	
Other Supplies and Materials		16,399	
Other Charges		5,129	
Total Operation and Maintenance of Equipment			\$ 589,543

Other Charges

Water and Sewer	\$	331	
Liability Insurance		61,402	
Trustee's Commission		26,133	
Workers' Compensation Insurance		39,283	
Liability Claims		1,318	
Total Other Charges			128,467

Employee Benefits

Medical Insurance	\$	58,986	
Other Fringe Benefits		1,100	
Total Employee Benefits			60,086

Capital Outlay

Engineering Services	\$	26,570	
Bridge Construction		218,093	
Building Improvements		24,450	
Communication Equipment		4,478	
Highway Construction		3,646,665	
Highway Equipment		227,225	
Surplus Equipment		50,000	
Total Capital Outlay			4,197,481

Principal on Debt

Highways and Streets

Principal on Notes	\$	58,000	
Total Highways and Streets			58,000

(Continued)

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

Highway/Public Works Fund (Cont.)

Interest on Debt

Highways and Streets

Interest on Notes	\$ 11,798	
Total Highways and Streets		\$ 11,798

Total Highway/Public Works Fund \$ 6,870,793

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 165,000	
Principal on Notes	153,000	
Total General Government		\$ 318,000

Education

Principal on Other Loans	\$ 376,000	
Total Education		376,000

Interest on Debt

General Government

Interest on Bonds	\$ 248,350	
Interest on Notes	31,110	
Total General Government		279,460

Education

Interest on Other Loans	\$ 43,594	
Total Education		43,594

Other Debt Service

General Government

Trustee's Commission	\$ 14,686	
Other Debt Service	500	
Total General Government		15,186

Education

Other Debt Service	\$ 13,511	
Total Education		13,511

Total General Debt Service Fund 1,045,751

General Capital Projects Fund

Capital Projects

General Administration Projects

Building Construction	\$ 14,198	
Total General Administration Projects		\$ 14,198

Total General Capital Projects Fund 14,198

(Continued)

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

Other Capital Projects Fund		
Other Operations		
Miscellaneous		
Trustee's Commission	<u>\$ 1,077</u>	
Total Miscellaneous		\$ 1,077
Capital Projects		
Highway and Street Capital Projects		
Other Capital Outlay	<u>\$ 311,068</u>	
Total Highway and Street Capital Projects		<u>311,068</u>
Total Other Capital Projects Fund		<u>\$ 312,145</u>
Total Governmental Funds - Primary Government		<u><u>\$ 23,766,362</u></u>

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	6,141,665	
Career Ladder Program		13,000	
Homebound Teachers		5,219	
Educational Assistants		477,196	
Bonus Payments		106,400	
Other Salaries and Wages		208,752	
Certified Substitute Teachers		42,602	
Non-certified Substitute Teachers		77,138	
Social Security		399,184	
Pensions		479,817	
Medical Insurance		929,506	
Unemployment Compensation		2,876	
Employer Medicare		94,291	
Maintenance and Repair Services - Equipment		7,446	
Instructional Supplies and Materials		114,833	
Textbooks - Bound		151,092	
Software		73,988	
Other Supplies and Materials		74,316	
In Service/Staff Development		1,904	
Other Charges		3,803	
Regular Instruction Equipment		24,120	
Total Regular Instruction Program			\$ 9,429,148

Alternative Instruction Program

Teachers	\$	66,786	
Educational Assistants		13,715	
Bonus Payments		900	
Social Security		4,868	
Pensions		5,544	
Medical Insurance		9,902	
Unemployment Compensation		22	
Employer Medicare		1,138	
Total Alternative Instruction Program			102,875

Special Education Program

Teachers	\$	423,688	
Career Ladder Program		2,000	
Homebound Teachers		16,345	
Educational Assistants		236,049	
Speech Pathologist		119,270	
Bonus Payments		22,500	
Certified Substitute Teachers		2,048	
Non-certified Substitute Teachers		10,168	
Social Security		47,734	
Pensions		54,632	
Medical Insurance		114,704	

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Unemployment Compensation	\$	488	
Employer Medicare		11,164	
Other Contracted Services		75,051	
Instructional Supplies and Materials		16,771	
Software		760	
Other Supplies and Materials		26,709	
Other Charges		986	
Special Education Equipment		5,676	
Total Special Education Program			\$ 1,186,743

Career and Technical Education Program

Teachers	\$	220,205	
Career Ladder Program		500	
Bonus Payments		1,400	
Other Salaries and Wages		21,000	
Social Security		14,185	
Pensions		15,549	
Medical Insurance		22,465	
Unemployment Compensation		93	
Employer Medicare		3,321	
Instructional Supplies and Materials		64,215	
Software		10,353	
Other Supplies and Materials		9,516	
Vocational Instruction Equipment		207,071	
Total Career and Technical Education Program			589,873

Student Body Education Program

Other Salaries and Wages	\$	96,122	
Social Security		5,452	
Pensions		6,397	
Employer Medicare		1,330	
Other Supplies and Materials		7,000	
Other Charges		20,739	
Total Student Body Education Program			137,040

Support Services

Attendance

Supervisor/Director	\$	43,979	
Career Ladder Program		500	
Bonus Payments		2,500	
Other Salaries and Wages		89,679	
Social Security		8,018	
Pensions		9,134	
Medical Insurance		17,105	
Unemployment Compensation		48	
Employer Medicare		1,875	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Maintenance and Repair Services - Equipment	\$	12,440	
Travel		2,935	
Software		13,480	
In Service/Staff Development		2,860	
Total Attendance			\$ 204,553

Health Services

Supervisor/Director	\$	36,221	
Medical Personnel		152,540	
Bonus Payments		5,500	
Other Salaries and Wages		34,855	
Social Security		13,590	
Pensions		15,347	
Medical Insurance		19,398	
Unemployment Compensation		139	
Employer Medicare		3,178	
Travel		335	
Drugs and Medical Supplies		5,136	
Other Supplies and Materials		764	
In Service/Staff Development		1,000	
Other Charges		737	
Health Equipment		188	
Total Health Services			288,928

Other Student Support

Supervisor/Director	\$	18,625	
Career Ladder Program		1,000	
Bonus Payments		400	
Social Security		1,288	
Pensions		218	
Unemployment Compensation		22	
Employer Medicare		301	
Evaluation and Testing		2,100	
Software		3,125	
Other Supplies and Materials		2,500	
Other Equipment		11,010	
Total Other Student Support			40,589

Regular Instruction Program

Supervisor/Director	\$	88,731	
Career Ladder Program		2,000	
Librarians		280,779	
Bonus Payments		4,950	
Other Salaries and Wages		36,209	
Social Security		24,687	
Pensions		28,406	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Medical Insurance	\$	40,082	
Unemployment Compensation		93	
Employer Medicare		5,774	
Travel		4,529	
Other Contracted Services		8,544	
Software		31,645	
Other Supplies and Materials		3,090	
In Service/Staff Development		69,997	
Other Charges		794	
Total Regular Instruction Program			\$ 630,310

Special Education Program

Supervisor/Director	\$	39,273	
Psychological Personnel		72,032	
Bonus Payments		1,750	
Social Security		6,583	
Pensions		7,949	
Medical Insurance		16,054	
Unemployment Compensation		24	
Employer Medicare		1,540	
Contracts with Private Agencies		2,436	
Travel		1,993	
Other Contracted Services		139,504	
In Service/Staff Development		9,900	
Total Special Education Program			299,038

Career and Technical Education Program

Supervisor/Director	\$	37,910	
Social Security		1,183	
Unemployment Compensation		16	
Employer Medicare		550	
In Service/Staff Development		162	
Other Equipment		4,742	
Total Career and Technical Education Program			44,563

Technology

Supervisor/Director	\$	39,935	
Career Ladder Program		500	
Bonus Payments		1,500	
Other Salaries and Wages		40,151	
Social Security		5,134	
Pensions		5,551	
Medical Insurance		2,944	
Unemployment Compensation		36	
Employer Medicare		1,201	
Maintenance and Repair Services - Equipment		70,523	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Internet Connectivity	\$	13,320	
Cabling		11,525	
Software		48,778	
In Service/Staff Development		2,016	
Other Charges		1,985	
Regular Instruction Equipment		34,376	
Total Technology			\$ 279,475

Other Programs

On-behalf Payments to OPEB	\$	64,770	
Total Other Programs			64,770

Board of Education

Board and Committee Members Fees	\$	42,000	
Social Security		2,581	
Medical Insurance		38,640	
Employer Medicare		604	
Other Fringe Benefits		18,810	
Audit Services		6,000	
Dues and Memberships		32,134	
Legal Services		14,418	
Liability Insurance		244,838	
Premiums on Corporate Surety Bonds		464	
Trustee's Commission		91,754	
Workers' Compensation Insurance		146,582	
In Service/Staff Development		11,117	
Criminal Investigation of Applicants - TBI		3,038	
Other Charges		27,526	
Total Board of Education			680,506

Director of Schools

County Official/Administrative Officer	\$	99,681	
Career Ladder Program		1,000	
Secretary(ies)		3,000	
Bonus Payments		1,000	
Social Security		5,880	
Pensions		7,028	
Medical Insurance		13,109	
Unemployment Compensation		23	
Employer Medicare		1,375	
In Service/Staff Development		550	
Total Director of Schools			132,646

Office of the Principal

Principals	\$	419,912	
Career Ladder Program		2,000	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Secretary(ies)	\$	244,591	
Bonus Payments		12,500	
Social Security		39,121	
Pensions		45,293	
Medical Insurance		87,632	
Unemployment Compensation		280	
Employer Medicare		9,154	
Office Supplies		365	
Other Charges		109	
Total Office of the Principal			\$ 860,957

Fiscal Services

Supervisor/Director	\$	73,951	
Accountants/Bookkeepers		69,672	
Clerical Personnel		65,142	
Bonus Payments		3,500	
Other Salaries and Wages		7,932	
Social Security		13,457	
Pensions		14,937	
Medical Insurance		15,009	
Unemployment Compensation		81	
Employer Medicare		3,155	
Travel		32	
Office Supplies		3,690	
Software		2,525	
In Service/Staff Development		2,860	
Other Charges		11,498	
Administration Equipment		1,861	
Total Fiscal Services			289,302

Operation of Plant

Custodial Personnel	\$	328,752	
Bonus Payments		17,175	
Social Security		20,270	
Pensions		21,188	
Medical Insurance		26,522	
Unemployment Compensation		346	
Employer Medicare		4,990	
Communication		63,355	
Disposal Fees		32,810	
Custodial Supplies		984	
Electricity		391,087	
Natural Gas		92,108	
Water and Sewer		46,763	
Other Supplies and Materials		150,523	
Total Operation of Plant			1,196,873

(Continued)

FENTRESS COUNTY, TENNESSEE

**Schedule of Detailed Expenditures -
All Governmental Fund Types**

Discretely Presented Fentress County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	48,201	
Bonus Payments		4,000	
Other Salaries and Wages		100,007	
Social Security		9,135	
Pensions		10,412	
Medical Insurance		16,129	
Unemployment Compensation		64	
Employer Medicare		2,137	
Other Contracted Services		44,113	
Equipment and Machinery Parts		227,303	
Other Charges		1,459	
Other Equipment		56,699	
Total Maintenance of Plant			\$ 519,659

Transportation

Supervisor/Director	\$	36,553	
Mechanic(s)		34,993	
Bus Drivers		425,933	
Secretary(ies)		29,877	
Bonus Payments		18,200	
Other Salaries and Wages		171,505	
Social Security		43,545	
Pensions		29,981	
Medical Insurance		27,488	
Unemployment Compensation		934	
Employer Medicare		10,527	
Contracts with Parents		3,599	
Maintenance and Repair Services - Vehicles		8,146	
Rentals		9,908	
Diesel Fuel		1,906	
Equipment and Machinery Parts		34,303	
Gasoline		182,761	
Lubricants		4,991	
Tires and Tubes		8,738	
Vehicle Parts		74,343	
Software		11,741	
Other Supplies and Materials		2,094	
Other Charges		25,806	
Transportation Equipment		587,561	
Total Transportation			1,785,433

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	12,015	
Social Security		745	
Pensions		498	

(Continued)

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Employer Medicare	\$	174	
Food Supplies		783	
Total Food Service			\$ 14,215

Community Services

Teachers	\$	252,195	
Educational Assistants		13,323	
Bonus Payments		2,000	
Social Security		15,292	
Pensions		20,257	
Medical Insurance		26,668	
Unemployment Compensation		96	
Employer Medicare		3,576	
Travel		6,283	
Instructional Supplies and Materials		8,617	
Indirect Cost		21,187	
In Service/Staff Development		208	
Other Charges		14,397	
Total Community Services			384,099

Early Childhood Education

Supervisor/Director	\$	42,942	
Teachers		318,168	
Educational Assistants		89,672	
Bonus Payments		5,350	
Certified Substitute Teachers		880	
Non-certified Substitute Teachers		10,086	
Social Security		25,542	
Pensions		32,297	
Medical Insurance		92,960	
Unemployment Compensation		222	
Employer Medicare		5,973	
Food Supplies		1,529	
Instructional Supplies and Materials		1,424	
Total Early Childhood Education			627,045

Capital Outlay

Regular Capital Outlay

Architects	\$	20,673	
Building Improvements		291,816	
Other Capital Outlay		790,092	
Total Regular Capital Outlay			1,102,581

Total General Purpose School Fund \$ 20,891,221

(Continued)

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	940,974	
Educational Assistants		80,134	
Bonus Payments		10,600	
Certified Substitute Teachers		320	
Social Security		60,458	
Pensions		66,338	
Medical Insurance		106,021	
Unemployment Compensation		393	
Employer Medicare		14,144	
Instructional Supplies and Materials		57,692	
Software		107,779	
Other Supplies and Materials		24,527	
Regular Instruction Equipment		223,496	
Total Regular Instruction Program			\$ 1,692,876

Special Education Program

Teachers	\$	222,220	
Educational Assistants		139,142	
Bonus Payments		8,500	
Social Security		20,283	
Pensions		25,178	
Medical Insurance		64,396	
Unemployment Compensation		228	
Employer Medicare		4,744	
Other Contracted Services		14,010	
Instructional Supplies and Materials		26,940	
Other Supplies and Materials		17,308	
Total Special Education Program			542,949

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	170	
Instructional Supplies and Materials		16,291	
Vocational Instruction Equipment		30,806	
Total Career and Technical Education Program			47,267

Support Services

Health Services

Other Contracted Services	\$	125,600	
Other Supplies and Materials		11,884	
Total Health Services			137,484

Other Student Support

Guidance Personnel	\$	269,795	
Bonus Payments		2,800	
Other Salaries and Wages		83,845	
Social Security		20,313	

(Continued)

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Pensions	\$	20,909	
Medical Insurance		40,437	
Unemployment Compensation		185	
Employer Medicare		4,777	
Travel		7,778	
Software		4,625	
Other Supplies and Materials		100	
In Service/Staff Development		3,145	
Other Charges		11,933	
Total Other Student Support			\$ 470,642

Regular Instruction Program

Supervisor/Director	\$	73,160	
Instructional Computer Personnel		87,956	
Educational Assistants		392	
Bonus Payments		2,150	
Other Salaries and Wages		89,338	
Certified Substitute Teachers		320	
In-service Training		60,460	
Non-certified Substitute Teachers		370	
Social Security		17,848	
Pensions		20,484	
Medical Insurance		35,834	
Unemployment Compensation		71	
Employer Medicare		4,176	
Consultants		61,000	
Travel		1,536	
Other Contracted Services		75,600	
Library Books/Media		227	
Periodicals		140	
Other Supplies and Materials		19,279	
In Service/Staff Development		70,637	
Other Charges		794	
Other Equipment		898	
Total Regular Instruction Program			622,670

Special Education Program

Secretary(ies)	\$	23,005	
Bonus Payments		500	
Other Salaries and Wages		16,740	
Social Security		2,312	
Pensions		2,566	
Medical Insurance		5,888	
Unemployment Compensation		12	
Employer Medicare		541	
Contracts with Private Agencies		4,503	

(Continued)

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Evaluation and Testing	\$	1,466	
Travel		171	
Other Contracted Services		13,910	
In Service/Staff Development		308	
Total Special Education Program			\$ 71,922

Career and Technical Education Program

In Service/Staff Development	\$	1,398	
Other Equipment		1,398	
Total Career and Technical Education Program			2,796

Office of the Principal

Assistant Principals	\$	361,502	
Bonus Payments		2,200	
Social Security		21,326	
Pensions		24,011	
Medical Insurance		28,100	
Unemployment Compensation		77	
Employer Medicare		4,987	
Total Office of the Principal			442,203

Fiscal Services

Accountants/Bookkeepers	\$	45,157	
Bonus Payments		1,000	
Social Security		2,676	
Pensions		2,237	
Medical Insurance		5,888	
Unemployment Compensation		21	
Employer Medicare		626	
Total Fiscal Services			57,605

Operation of Plant

Unemployment Compensation	\$	2	
Total Operation of Plant			2

Transportation

Bus Drivers	\$	13,080	
Bonus Payments		200	
Other Salaries and Wages		6,150	
Social Security		1,213	
Pensions		856	
Unemployment Compensation		18	
Employer Medicare		250	
Transportation Equipment		168,252	
Total Transportation			190,019

(Continued)

FENTRESS COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types

Discretely Presented Fentress County School Department (Cont.)

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services

Food Service

Unemployment Compensation	\$ 2	
Total Food Service		\$ 2

Community Services

Supervisor/Director	\$ 28,131	
Teachers	38,793	
Educational Assistants	17,828	
Other Salaries and Wages	1,550	
Social Security	5,288	
Pensions	5,232	
Unemployment Compensation	45	
Employer Medicare	1,237	
Travel	584	
Instructional Supplies and Materials	12,496	
Other Supplies and Materials	5,048	
In Service/Staff Development	1,347	
Other Charges	1,353	
Total Community Services		118,932

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 106,400	
Total Regular Capital Outlay		106,400

Total School Federal Projects Fund \$ 4,503,769

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 42,221
Secretary(ies)	41,738
Cafeteria Personnel	426,374
Overtime Pay	649
Bonus Payments	25,500
Social Security	29,948
Pensions	33,529
Medical Insurance	108,540
Unemployment Compensation	503
Employer Medicare	7,082
Communication	2,845
Maintenance and Repair Services - Equipment	36,506
Travel	8,974
Other Contracted Services	14,115
Food Supplies	842,337
Uniforms	2,558
USDA - Commodities	115,118

(Continued)

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Other Supplies and Materials	\$	69,227	
In Service/Staff Development		622	
Other Charges		7,526	
Food Service Equipment		40,747	
Total Food Service		<u>40,747</u>	\$ 1,856,659

Total Central Cafeteria Fund \$ 1,856,659

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	858,307	
Total Community Services		<u>858,307</u>	\$ 858,307

Total Internal School Fund 858,307

Education Capital Projects Fund

Capital Outlay

Regular Capital Outlay

Other Capital Outlay	\$	120,544	
Total Regular Capital Outlay		<u>120,544</u>	\$ 120,544

Total Education Capital Projects Fund 120,544

Total Governmental Funds - Fentress County School Department \$ 28,230,500

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*

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fentress County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fentress County's basic financial statements as listed in the table of contents, and have issued our report thereon dated February 13, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Fentress County Emergency Communications District and the financial statements of the Internal School Fund of the Fentress County School Department (a discretely presented component unit) as described in our report on Fentress County's financial statements. This report does not include the results of the other auditors' 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 Fentress 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 Fentress County's internal control. Accordingly, we do not express an opinion on the effectiveness of Fentress County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified the following deficiencies in internal control, described

in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2024-001 and 2024-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fentress County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Fentress County's Responses to Findings

Government Auditing Standards require the auditor to perform limited procedures on Fentress County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Fentress County's responses were not subject 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 Fentress 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

February 13, 2025

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

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fentress 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 Fentress County's major federal programs for the year ended June 30, 2024. Fentress 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, Fentress 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 Fentress 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 Fentress County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Fentress 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 Fentress 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 Fentress 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 Fentress 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 Fentress 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 Fentress 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 Fentress County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fentress County's basic financial statements. We issued our report thereon dated February 13, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 13, 2025

JEM/gc

FENTRESS COUNTY, TENNESSEE, AND THE FENTRESS COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)
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:			
Direct Program:			
Rural Business Development Grant	10.351	N/A	\$ 31,300
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	344,181
National School Lunch Program	10.555	(4)	946,206 (6)
Rebate of Storage and Distribution Fees	10.555	(4)	56,181 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	(4)	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A	115,118 (6)
Rebate of Storage and Distribution Fees	10.555	N/A	2,901 (6)
Total U.S. Department of Agriculture			<u>\$ 1,499,143</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			
	14.228	33004-36623	\$ 13,350
Total U.S. Department of Housing and Urban Development			<u>\$ 13,350</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 87,963
Total U.S. Department of the Interior			<u>\$ 87,963</u>
U.S. Department of Justice:			
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(4)	\$ 55,281
Total U.S. Department of Justice			<u>\$ 55,281</u>
U.S. Department of Transportation:			
Passed-through State Department of Safety and Homeland Security:			
Alcohol Open Container Requirements	20.607	Z24THS104	\$ 1,311
Total U.S. Department of Transportation			<u>\$ 1,311</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	\$ 966,188 (6)
Passed-through State Department of Education:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	52,712 (6)
Total U.S. Department of the Treasury			<u>\$ 1,018,900</u>
U.S. Appalachian Regional Commission:			
Passed-through State Department of Economic and Community Development:			
Appalachian Area Development	23.002	33004-15322	\$ 23,981
Total U.S. Appalachian Regional Commission			<u>\$ 23,981</u>

(Continued)

FENTRESS COUNTY, TENNESSEE, AND THE FENTRESS COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,018,846
Special Education Cluster: (5)			
Special Education Grants to States	84.027	N/A	608,759
Special Education Preschool Grants	84.173	N/A	33,233
Career and Technical Education -- Basic Grants to States	84.048	N/A	61,864
Special Education-Grants for Infants and Families	84.181	N/A	57,204
Twenty-First Century Community Learning Centers	84.287	N/A	118,932
Rural Education	84.358	N/A	99,532
Supporting Effective Instruction State Grants	84.367	N/A	104,617
Student Support and Academic Enrichment Program	84.424	N/A	139,370
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	220,118 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	2,248,489 (6)
Total U.S. Department of Education			<u>\$ 4,710,964</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
HAVA Election Security Grants	90.404	30501-01623-125	\$ 181,605
Total U.S. Election Assistance Commission			<u>\$ 181,605</u>
U.S. Department of Health and Human Services:			
Passed-through Upper Cumberland Development District:			
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	(4)	\$ 629
Aging Cluster: (5)			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(4)	150,267
Nutrition Services Incentive Program	93.053	(4)	12,400
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(4)	18,281
National Family Caregiver Support, Title III, Part E	93.052	(4)	2,142
Passed-through State Department of Health:			
Grants for Capital Development in Health Centers	93.526	(4)	46,400
Passed-through Save the Children:			
Temporary Assistance for Needy Families	93.558	(4)	182,749
Total U.S. Department of Health and Human Services			<u>\$ 412,868</u>
U.S. Department of Homeland Security:			
Passed-through State Department of the Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(4)	\$ 363,007
Total U.S. Department of Homeland Security			<u>\$ 363,007</u>
Total Expenditures of Federal Grants			<u>\$ 8,368,373</u>

(Continued)

FENTRESS COUNTY, TENNESSEE, AND THE FENTRESS COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

State Grants	Contract Number	Expenditures
State Supplement Juvenile Court Improvement Funds - State Department of Children's Services	(4)	\$ 4,500
Volunteer Firefighter Equipment and Training Grant Program - State Department of Commerce and Insurance	(4)	25,770
Innovative School Models - State Department of Education	N/A	502,210
Lottery for Education Voluntary PreK - State Department of Education	N/A	609,781
Public School Security - State Department of Education	N/A	56,699
Special Education - Grants for Infants and Families - State Department of Education	N/A	307,938
Special Education - Preschool - State Department of Education	N/A	74,822
Summer Learning Camps - State Department of Education	N/A	203,047
Summer Learning Camps - Transportation - State Department of Education	N/A	37,757
Youth Risk Behavior - State Department of Education	N/A	600
Material Management Recycling Equipment Grant - State Department of Environment and Conservation	(4)	44,673
Violent Crime Intervention Fund Grant - State Department of Finance and Administration	N/A	71,068
Local Health Service Grant - State Department of Health	(4)	93,456
Statewide School Resource Officer (SRO) Grant Program - State Department of Homeland Security	(4)	450,000
Litter Grant - State Department of Transportation	(4)	21,389
HAVA Election Security Grants - State Portion - Tennessee Secretary of State	(4)	38,957
Aging Program - Upper Cumberland Development District	(4)	15,470
Nutrition Meal Delivery Services - Upper Cumberland Development District	(4)	27,574
Arts Build Communities - Upper Development District	(4)	2,020
Total State Grants		<u>\$ 2,587,730</u>

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) Fentress 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) Information not available.
- (5) Child Nutrition Cluster total \$1,464,587; Special Education Cluster total \$641,992; Aging Cluster total \$180,948.
- (6) Total for ALN 10.555 is \$1,120,406; Total for ALN 21.027 is \$1,018,900; Total for ALN 84.425 is \$2,468,607.
- (7) CONSOLIDATED ADMINISTRATION:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 94,988
Title II, Part A	84.367	12,516
Title IV	84.424	446
Title V Rural Education	84.358	752
Total amounts consolidated for administration purposes		<u>\$ 108,702</u>

FENTRESS 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 Fentress 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
OFFICE OF FINANCE DIRECTOR					
2023	231	2023-001	The General Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2023	232	2023-002	General ledger payroll liability accounts were not reconciled monthly.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2023	232	2023-003	Accounting records were not closed and available for audit by August 31, 2023.	N/A	Corrected
2023	233	2023-004	Deficiencies were noted in payments to employee defined contribution pension accounts administered by the Tennessee Consolidated Retirement System.	N/A	Corrected
2023	233	2023-005	Competitive bids were not solicited for paving projects.	N/A	Corrected
2023	234	2023-006	Deficiencies in the accounting software resulted in the inability to determine an accurate accounts receivable balance for ambulance service collections.	N/A	Corrected

Prior-year Federal Awards Findings

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

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)
 - * 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 FINANCE DIRECTOR

FINDING 2024-001

GENERAL LEDGER PAYROLL LIABILITY ACCOUNTS WERE NOT RECONCILED MONTHLY

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

General ledger payroll liability accounts were not reconciled monthly with subsidiary payroll records and payments in the General Purpose School and Central Cafeteria funds. As a result, unidentified balances accumulated in the liability accounts for several payroll deductions. Sound business practices dictate that payroll liability accounts should be reconciled with billings 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 exists due to a lack of management oversight, the failure of management to correct the audit finding noted in prior-year audit reports, and the failure to implement their corrective action plan.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

I concur with this finding. We have worked very closely with the board of education to correct this issue. We are now reconciled on these accounts. However, the refunds and entries need to be made to clear the liability account. We will get this taken care of.

FINDING 2024-002

THE SOLID WASTE DEPARTMENT DID NOT REVIEW ITS SOFTWARE AUDIT LOGS

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

The software application used by the office generated logs that displayed voided payments and account adjustments made by users. Because these logs provided the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of these logs, they were not reviewed. This deficiency was a result of a lack of management oversight.

RECOMMENDATION

Management should review the audit logs on a routine basis. Any unusual transactions should be investigated.

MANAGEMENT'S RESPONSE – COUNTY MAYOR AND SOLID WASTE DIRECTOR

We concur with this finding.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2024.

FENTRESS 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
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OFFICE OF FINANCE DIRECTOR

2024-001	General ledger payroll liability accounts were not reconciled monthly.	221
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OFFICE OF COUNTY EXECUTIVE

2024-002	The solid waste department did not review its software logs.	222
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Fentress County

101 Main Street • P.O. Box 800
Jamestown, Tennessee 38556

Finance Department

Phone No. 931-752-8971 • Fax No. 931-752-8970

Corrective Action Plan

FENTRESS COUNTY – FINANCE DIRECTOR

FINDING: GENERAL LEDGER PAYROLL LIABILITY ACCOUNTS WERE NOT RECONCILED MONTHLY

Response and Corrective Action Plan Prepared by:
Tyler Arms, Finance Director


Person Responsible for Implementing the Corrective Action:
Tyler Arms, Finance Director

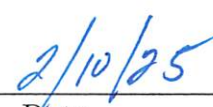
Anticipated Completion Date of Corrective Action:
6/30/2025

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
We have worked very closely with the board of education to correct. I feel we are now reconciled on these accounts. However, the refunds and entries need to be made to clear the liability account.

Planned Corrective Action:
We will continue to work closely with the Board of Education to correct this. We are reconciled within this account. However, entries and refunds still need to be issued for this account. We will get those refunds and entries made to zero this account.


Tyler Arms, Finance Director


Date

FENTRESS COUNTY GOVERNMENT

Jimmy Johnson, County Executive

101 Main Street | P.O. Box 1128 | Jamestown, TN 38556 | Ph. 931-879-7713 | Fax No. 931-879-1579



Corrective Action Plan

Finding 2024-001

THE SOLID WASTE DEPARTMENT DID NOT REVIEW ITS SOFTWARE AUDIT LOGS (Internal Control- Significant Deficiency Under Government Auditing Standards)

Response and Corrective Action Plan Prepared by:

Michael Rick, Fentress County Solid Waste Director

Person Responsible for Implementing the Corrective Action:

Michael Rick, Fentress County Solid Waste Director

Miranda Morgan, Fentress County Solid Waste Accounts Manager

Anticipated Completion Date of Corrective Action:

01/13/2025

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

1. Department management will review the audit logs monthly and sign off on them.
2. These logs will be filed separately by their type to ensure that the wrong reports are not reviewed.
3. Annual Training will be provided to accounts management on the reports that are required for monthly review.

X 

Jimmy Johnson
Fentress County Executive