



ANNUAL FINANCIAL REPORT

Grainger County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
GRAINGER 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

ROBERT J. ANDERSON, CPA, CGFM
Audit Manager

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

GRAINGER COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.



INTRODUCTORY SECTION

GRAINGER COUNTY OFFICIALS

June 30, 2024

Officials

David M. Byrd, County Mayor
Charlie McAnally, Road Superintendent
Mark Briscoe, Director of Schools
Rena Greer, Trustee
Donna Shelton, Assessor of Property
Angie Lamb, County Clerk
Sherry Clifton, Circuit and General Sessions Courts Clerk
Vickie Greenlee, Clerk and Master
Rick Diamond, Register of Deeds
James Harville, Sheriff

Board of County Commissioners

Andy Cameron, Chairman	Edward McBee
James Acuff	Wendy Noe
Anna Blanken	Rodney Overbay
Jessie Cline	Darrell Stratton
Tina Davis	Luke Stratton
Justin Epperson	Darrell Williams
Jennifer Holt	Scott Wynn
Mike Holt	

Board of Education

Harold Frazier, Chairman	Marcus Long
Sheila Bailey	Karen McNish
Johnny Brooks	Gary Staley
Steve Hodge	Norma Tate
Donnie Kitts	Larry Turley

Audit Committee

Scott Wynn, Chairman
James Acuff
Tina Davis
Luke Stratton

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grainger 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 Grainger County, Tennessee, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General, Solid Waste/Sanitation, Other General Government, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Grainger County School Department, which represent 2.2 percent, 2.6 percent, and 3.54 percent, respectively, of the assets, net position, and revenues of the discretely presented Grainger County School Department. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Grainger County School Department, is based solely on the report of the other auditors.

Basis for Opinions

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

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grainger 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 Grainger 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 Grainger County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2024, on our consideration of Grainger 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 Grainger 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 Grainger County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in blue ink, appearing to read "JEM" followed by a surname.

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 18, 2024

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

Exhibit A

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

	Primary Government	Component Unit
	Governmental Activities	Grainger County School Department
ASSETS		
Cash	\$ 54,442	\$ 1,436,811
Equity in Pooled Cash and Investments	13,877,293	15,687,151
Accounts Receivable	660,955	43,253
Allowance for Uncollectible Accounts Receivable	(372,488)	0
Due from Other Governments	1,183,554	2,413,978
Property Taxes Receivable	9,604,223	2,671,795
Allowance for Uncollectible Property Taxes	(203,639)	(59,860)
Net Pension Asset - Agent Plan	1,356,709	988,509
Net Pension Asset - Teacher Retirement Plan	0	70,685
Net Pension Asset - Teacher Legacy Pension Plan	0	4,340,903
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	295,865
Capital Assets:		
Assets Not Depreciated:		
Land	1,779,446	1,442,547
Construction in Progress	36,625	2,210,697
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	8,244,778	28,618,813
Infrastructure	1,945,572	0
Other Capital Assets	2,270,866	2,838,620
Total Assets	<hr/> \$ 40,438,336	<hr/> \$ 62,999,767

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refunding	\$ 70,592	\$ 0
Pension Changes in Experience	771,270	1,598,559
Pension Changes in Investment Earnings	192,568	911,446
Pension Changes in Assumptions	801,841	2,051,793
Pension Changes in Proportion	0	196,205
Pension Contributions After Measurement Date	629,750	1,364,228
OPEB Changes in Experience	0	407,189
OPEB Changes in Assumptions	0	849,277
OPEB Changes in Proportion	0	57,521
OPEB Contributions After Measurement Date	0	242,196
Total Deferred Outflows of Resources	<hr/> \$ 2,466,021	<hr/> \$ 7,678,414

(Continued)

Exhibit A

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

	Primary Government	Component Unit
	Governmental Activities	Grainger County School Department
LIABILITIES		
Accounts Payable	\$ 562,527	\$ 734,209
Accrued Payroll	172,275	517,165
Payroll Deductions Payable	102,983	1,517,447
Contracts Payable	140,856	0
Due to Other Governments	122,861	0
Due to State of Tennessee	525	0
Accrued Interest Payable	60,131	0
Other Current Liabilities	317	48,543
Noncurrent Liabilities:		
Due Within One Year - Debt	1,636,024	0
Due Within One Year - Other	203,389	370,299
Due in More Than One Year - Debt	10,518,507	0
Due in More Than One Year - Other	454,379	9,199,042
Total Liabilities	<u>\$ 13,974,774</u>	<u>\$ 12,386,705</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 9,216,502	\$ 2,554,574
Pension Changes in Experience	161,609	360,453
Pension Changes in Proportion	0	97,622
OPEB Changes in Experience	0	530,808
OPEB Changes in Assumptions	0	909,116
OPEB Changes in Proportion	0	543,863
Total Deferred Inflows of Resources	<u>\$ 9,378,111</u>	<u>\$ 4,996,436</u>
NET POSITION		
Net Investment in Capital Assets	\$ 11,650,797	\$ 35,110,677
Restricted for:		
General Government	255,920	0
Finance	127,486	0
Administration of Justice	174,532	0
Public Safety	383,391	0
Public Health and Welfare	250,423	0
Social, Cultural, and Recreational Services	179,544	0
Highways/Public Works	2,606,965	0
Education	0	2,972,911
Pensions	1,356,709	5,695,962
Capital Projects	117,835	21,966
Unrestricted	<u>2,447,870</u>	<u>9,493,524</u>
Total Net Position	<u><u>\$ 19,551,472</u></u>	<u><u>\$ 53,295,040</u></u>

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

Exhibit B

GRAINGER COUNTY, TENNESSEE

Statement of Activities

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Grainger County				
					Governmental Activities	School Department				
Primary Government:										
Governmental Activities:										
General Government	\$ 2,412,311	\$ 226,980	\$ 310,574	\$ 692,334	\$ (1,182,423)	\$ 0				
Finance	964,788	695,171	0	0	(269,617)	0				
Administration of Justice	923,215	300,040	45,480	0	(577,695)	0				
Public Safety	4,678,248	252,717	440,426	0	(3,985,105)	0				
Public Health and Welfare	4,479,575	1,365,118	212,111	511,949	(2,390,397)	0				
Social, Cultural, and Recreational Services	481,735	30,626	9,549	0	(441,560)	0				
Agriculture and Natural Resources	185,180	0	0	0	(185,180)	0				
Highways	4,622,891	8,052	2,275,798	2,001,175	(337,866)	0				
Debt Service:										
Interest	167,427	0	0	0	(167,427)	0				
Total Primary Government	\$ 18,915,370	\$ 2,878,704	\$ 3,293,938	\$ 3,205,458	\$ (9,537,270)	\$ 0				
Component Unit:										
Grainger County School Department	\$ 41,402,829	\$ 368,309	\$ 12,889,276	\$ 0	\$ 0	\$ (28,145,244)				
Total Component Unit	\$ 41,402,829	\$ 368,309	\$ 12,889,276	\$ 0	\$ 0	\$ (28,145,244)				

(Continued)

Exhibit B

GRAINGER COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
						Grainger County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 6,360,860	\$ 2,806,054
Property Taxes Levied for Solid Waste/Sanitation					872,601	0
Property Taxes Levied for Sports and Recreation					160,849	0
Property Taxes Levied for Highway					623,986	0
Property Taxes Levied for Debt Service					492,237	0
Local Option Sales Taxes					1,067,973	2,779,695
Hotel/Motel Tax					37,900	0
Litigation Tax					55,469	0
Litigation Tax Courtroom Security					1,793	0
Business Tax					129,238	40,263
Mixed Drink Tax					902	0
Mineral Severance					47,791	0
Wholesale Beer Tax					10,068	0
Grants and Contributions Not Restricted to Specific Programs					2,317,349	26,798,324
Unrestricted Investment Income					528,334	9,943
Miscellaneous					310,108	499,874
Total General Revenues					\$ 13,017,458	\$ 32,934,153
Change in Net Position					\$ 3,480,188	\$ 4,788,909
Net Position, July 1, 2023					16,071,284	48,506,131
Net Position, June 30, 2024					\$ 19,551,472	\$ 53,295,040

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

Exhibit C-1

GRAINGER COUNTY, TENNESSEE

Balance Sheet

Governmental Funds

June 30, 2024

	Major Funds				
	General	Solid Waste / Sanitation	General Government Fund	Other	General Debt Service
				Highway / Public Works	
ASSETS					
Cash	\$ 400	\$ 0	\$ 0	\$ 312	\$ 0
Equity in Pooled Cash and Investments	5,320,822	77,980	940,082	3,442,186	3,605,655
Accounts Receivable	629,432	754	0	0	0
Allowance for Uncollectibles	(372,488)	0	0	0	0
Due from Other Governments	698,683	78,860	0	399,256	6,755
Due from Other Funds	39,836	0	0	0	0
Property Taxes Receivable	7,138,077	1,061,456	0	685,367	539,100
Allowance for Uncollectible Property Taxes	(151,745)	(21,744)	0	(14,711)	(11,571)
Total Assets	\$ 13,303,017	\$ 1,197,306	\$ 940,082	\$ 4,512,410	\$ 4,139,939
LIABILITIES					
Accounts Payable	\$ 501,537	\$ 57,734	\$ 1,068	\$ 593	\$ 0
Accrued Payroll	163,663	5,108	0	0	0
Payroll Deductions Payable	68,324	1,686	1,583	30,196	0
Contracts Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Due to State of Tennessee	348	164	0	0	0
Due to Other Governments	122,861	0	0	0	0
Other Current Liabilities	5	0	0	312	0
Total Liabilities	\$ 856,738	\$ 64,692	\$ 2,651	\$ 31,101	\$ 0
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 6,848,762	\$ 1,020,828	\$ 0	\$ 657,176	\$ 516,926

(Continued)

Exhibit C-1

GRAINGER COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Major Funds				
	General	Solid Waste / Sanitation	General Government Fund	Other	General Debt Service
				Highway / Public Works	
DEFERRED INFLOWS OF RESOURCES (Cont.)					
Deferred Delinquent Property Taxes	\$ 109,246	\$ 14,996	\$ 0	\$ 10,705	\$ 8,420
Other Deferred/Unavailable Revenue	213,475	0	0	192,323	0
Total Deferred Inflows of Resources	\$ 7,171,483	\$ 1,035,824	\$ 0	\$ 860,204	\$ 525,346
FUND BALANCES					
Restricted:					
Restricted for General Government	\$ 146,674	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Finance	83,023	0	0	0	0
Restricted for Administration of Justice	36,656	0	0	0	0
Restricted for Public Safety	319,928	0	0	0	0
Restricted for Public Health and Welfare	26,235	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	1,572	0	0	0	0
Restricted for Other Operations	118,307	0	0	0	0
Restricted for Highways/Public Works	0	0	0	2,596,260	0
Restricted for Capital Outlay	41,471	0	0	0	0
Restricted for Capital Projects	76,364	0	0	0	0
Committed:					
Committed for General Government	428,120	0	0	0	0
Committed for Public Health and Welfare	46,253	96,790	0	0	0
Committed for Highways/Public Works	0	0	0	1,024,845	0
Committed for Debt Service	0	0	0	0	3,614,593
Committed for Other Purposes	0	0	937,431	0	0
Assigned:					
Assigned for General Government	1,226,485	0	0	0	0
Assigned for Finance	9,594	0	0	0	0

(Continued)

Exhibit C-1

GRAINGER COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Major Funds				
	General	Solid Waste / Sanitation	General Government Fund	Highway / Public Works	General Debt Service
		Other	General	Highway / Public Works	General Debt Service
FUND BALANCES (Cont.)					
Assigned (Cont.):					
Assigned for Administration of Justice	\$ 1,428	\$ 0	\$ 0	\$ 0	\$ 0
Assigned for Public Safety	202,305	0	0	0	0
Assigned for Public Health and Welfare	59,762	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	260	0	0	0	0
Assigned for Other Operations	94,889	0	0	0	0
Assigned for Highways/Public Works	119	0	0	0	0
Unassigned	2,355,351	0	0	0	0
Total Fund Balances	\$ 5,274,796	\$ 96,790	\$ 937,431	\$ 3,621,105	\$ 3,614,593
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,303,017	\$ 1,197,306	\$ 940,082	\$ 4,512,410	\$ 4,139,939

(Continued)

Exhibit C-1

GRAINGER COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Nonmajor Funds	Other	Govern- mental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 53,730	\$ 54,442		
Equity in Pooled Cash and Investments	490,568	13,877,293		
Accounts Receivable	30,769	660,955		
Allowance for Uncollectibles	0	(372,488)		
Due from Other Governments	0	1,183,554		
Due from Other Funds	0	39,836		
Property Taxes Receivable	180,223	9,604,223		
Allowance for Uncollectible Property Taxes	(3,868)	(203,639)		
 Total Assets	 \$ 751,422	 \$ 24,844,176		
LIABILITIES				
Accounts Payable	\$ 1,595	\$ 562,527		
Accrued Payroll	3,504	172,275		
Payroll Deductions Payable	1,194	102,983		
Contracts Payable	140,856	140,856		
Due to Other Funds	39,836	39,836		
Due to State of Tennessee	13	525		
Due to Other Governments	0	122,861		
Other Current Liabilities	0	317		
Total Liabilities	\$ 186,998	\$ 1,142,180		
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 172,810	\$ 9,216,502		

(Continued)

GRAINGER COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Nonmajor Funds	
	Other Govern- mental Funds	Total Govern- mental Funds
DEFERRED INFLOWS OF RESOURCES (Cont.)		
Deferred Delinquent Property Taxes	\$ 2,815	\$ 146,182
Other Deferred/Unavailable Revenue	0	405,798
Total Deferred Inflows of Resources	\$ 175,625	\$ 9,768,482

FUND BALANCES

Restricted:		
Restricted for General Government	\$ 0	\$ 146,674
Restricted for Finance	44,463	127,486
Restricted for Administration of Justice	29,658	66,314
Restricted for Public Safety	53,374	373,302
Restricted for Public Health and Welfare	224,188	250,423
Restricted for Social, Cultural, and Recreational Services	37,116	38,688
Restricted for Other Operations	0	118,307
Restricted for Highways/Public Works	0	2,596,260
Restricted for Capital Outlay	0	41,471
Restricted for Capital Projects	0	76,364
Committed:		
Committed for General Government	0	428,120
Committed for Public Health and Welfare	0	143,043
Committed for Highways/Public Works	0	1,024,845
Committed for Debt Service	0	3,614,593
Committed for Other Purposes	0	937,431
Assigned:		
Assigned for General Government	0	1,226,485
Assigned for Finance	0	9,594

(Continued)

Exhibit C-1

GRAINGER COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Nonmajor Funds			
	Other	Govern- mental Funds	Total	Governmental Funds
FUND BALANCES (Cont.)				
Assigned (Cont.):				
Assigned for Administration of Justice	\$ 0	\$ 1,428		
Assigned for Public Safety	0	202,305		
Assigned for Public Health and Welfare	0	59,762		
Assigned for Social, Cultural, and Recreational Services	0	260		
Assigned for Other Operations	0	94,889		
Assigned for Highways/Public Works	0	119		
Unassigned	0	2,355,351		
Total Fund Balances	<u>\$ 388,799</u>	<u>\$ 13,933,514</u>		
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 751,422</u>	<u>\$ 24,844,176</u>		

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

GRAINGER 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)		\$ 13,933,514
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,779,446	
Add: construction in progress	36,625	
Add: buildings and improvements net of accumulated depreciation	8,244,778	
Add: infrastructure net of accumulated depreciation	1,945,572	
Add: other capital assets net of accumulated depreciation	<u>2,270,866</u>	<u>14,277,287</u>
(2) Long-term liabilities are not due in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (10,450,000)	
Less: other loans payable	(845,600)	
Add: deferred amount on refunding	70,592	
Less: compensated absences payable	(155,767)	
Less: landfill closure/postclosure care costs	(502,001)	
Less: accrued interest on bonds and other loans	(60,131)	
Less: unamortized premium on debt	<u>(858,931)</u>	<u>(12,801,838)</u>
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,395,429	
Less: deferred inflows of resources related to pensions	<u>(161,609)</u>	<u>2,233,820</u>
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		1,356,709
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>551,980</u>
Net position of governmental activities (Exhibit A)		<u>\$ 19,551,472</u>

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

Exhibit C-3

GRAINGER 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	Other General Government Fund	Highway / Public Works	General Debt Service
				General	Debt Service
Revenues					
Local Taxes	\$ 7,421,103	\$ 936,367	\$ 0	\$ 720,688	\$ 1,227,384
Licenses and Permits	81,200	0	0	0	0
Fines, Forfeitures, and Penalties	100,857	2,274	0	1,635	1,309
Charges for Current Services	1,294,529	3,180	0	971	0
Other Local Revenues	217,076	39,896	0	34,873	526,894
Fees Received From County Officials	687,633	0	0	0	0
State of Tennessee	1,677,208	167,230	0	4,266,465	50,128
Federal Government	1,196,384	0	0	17,637	0
Other Governments and Citizens Groups	194,420	0	0	0	823,072
Total Revenues	\$ 12,870,410	\$ 1,148,947	\$ 0	\$ 5,042,269	\$ 2,628,787
Expenditures					
Current:					
General Government	\$ 1,393,931	\$ 0	\$ 0	\$ 0	\$ 0
Finance	765,103	0	0	0	0
Administration of Justice	871,961	0	0	0	0
Public Safety	4,723,405	0	0	0	0
Public Health and Welfare	2,343,991	1,169,503	0	0	0
Social, Cultural, and Recreational Services	265,443	0	0	0	0
Agriculture and Natural Resources	194,940	0	0	0	0
Other Operations	1,858,727	0	623,250	0	0
Highways	72,095	0	0	4,638,313	0
Debt Service:					
Principal on Debt	0	0	0	0	1,574,080
Interest on Debt	0	0	0	0	424,216
Other Debt Service	0	0	0	0	29,443
Total Expenditures	\$ 12,489,596	\$ 1,169,503	\$ 623,250	\$ 4,638,313	\$ 2,027,739

(Continued)

Exhibit C-3

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

	Major Funds				
	General	Solid Waste / Sanitation	General Government Fund	Highway / Public Works	General Debt Service
Excess (Deficiency) of Revenues Over Expenditures	\$ 380,814	\$ (20,556)	\$ (623,250)	\$ 403,956	\$ 601,048
Other Financing Sources (Uses)					
Insurance Recovery	\$ 185,672	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	402,602	600	62,160	0	0
Transfers Out	(65,292)	0	(402,602)	0	0
Total Other Financing Sources (Uses)	\$ 522,982	\$ 600	\$ (340,442)	\$ 0	\$ 0
Net Change in Fund Balances	\$ 903,796	\$ (19,956)	\$ (963,692)	\$ 403,956	\$ 601,048
Fund Balance, July 1, 2023	4,371,000	116,746	1,901,123	3,217,149	3,013,545
Fund Balance, June 30, 2024	\$ 5,274,796	\$ 96,790	\$ 937,431	\$ 3,621,105	\$ 3,614,593

(Continued)

Exhibit C-3

GRAINGER 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	\$ 179,129	\$ 10,484,671	
Licenses and Permits	0	81,200	
Fines, Forfeitures, and Penalties	5,110	111,185	
Charges for Current Services	256,492	1,555,172	
Other Local Revenues	10,884	829,623	
Fees Received From County Officials	0	687,633	
State of Tennessee	127,496	6,288,527	
Federal Government	0	1,214,021	
Other Governments and Citizens Groups	0	1,017,492	
Total Revenues	\$ 579,111	\$ 22,269,524	
Expenditures			
Current:			
General Government	\$ 12	\$ 1,393,943	
Finance	215,244	980,347	
Administration of Justice	9,225	881,186	
Public Safety	43	4,723,448	
Public Health and Welfare	0	3,513,494	
Social, Cultural, and Recreational Services	222,505	487,948	
Agriculture and Natural Resources	0	194,940	
Other Operations	0	2,481,977	
Highways	0	4,710,408	
Debt Service:			
Principal on Debt	0	1,574,080	
Interest on Debt	0	424,216	
Other Debt Service	0	29,443	
Total Expenditures	\$ 447,029	\$ 21,395,430	

(Continued)

Exhibit C-3

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

	Nonmajor Funds	Other	Govern- mental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures		\$ 132,082	\$ 874,094	
Other Financing Sources (Uses)				
Insurance Recovery	\$ 0	\$ 185,672		
Transfers In	2,532	467,894		
Transfers Out	0	(467,894)		
Total Other Financing Sources (Uses)	<u>\$ 2,532</u>	<u>\$ 185,672</u>		
Net Change in Fund Balances	\$ 134,614	\$ 1,059,766		
Fund Balance, July 1, 2023	<u>254,185</u>	<u>12,873,748</u>		
Fund Balance, June 30, 2024	<u><u>\$ 388,799</u></u>	<u><u>\$ 13,933,514</u></u>		

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

GRAINGER 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)		\$ 1,059,766
(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	\$ 1,334,298	
Less: current-year depreciation expense	<u>(873,473)</u>	460,825
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 551,980	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(611,618)</u>	(59,638)
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: change in premium on debt issuances	\$ 319,095	
Add: principal payments on bonds	1,445,000	
Add: principal payments on notes	19,712	
Add: principal payments on other loans	109,368	
Less: change in deferred amount on refunding debt	<u>(41,036)</u>	1,852,139
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 8,173	
Change in compensated absences payable	(12,272)	
Change in landfill closure/postclosure care costs	50,711	
Change in net pension asset - agent plan	30,312	
Change in deferred outflows related to pensions	(7,856)	
Change in deferred inflows related to pensions	<u>98,028</u>	<u>167,096</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,480,188</u>

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

GRAINGER 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	Original	Final	
Revenues								
Local Taxes	\$ 7,421,103	\$ 0	\$ 0	\$ 7,421,103	\$ 6,885,882	\$ 6,885,882	\$ 535,221	
Licenses and Permits	81,200	0	0	81,200	91,050	91,050	(9,850)	
Fines, Forfeitures, and Penalties	100,857	0	0	100,857	87,820	87,820	13,037	
Charges for Current Services	1,294,529	0	0	1,294,529	1,112,550	1,112,550	181,979	
Other Local Revenues	217,076	0	0	217,076	115,371	169,196	47,880	
Fees Received From County Officials	687,633	0	0	687,633	708,200	708,200	(20,567)	
State of Tennessee	1,677,208	0	0	1,677,208	1,215,820	2,142,406	(465,198)	
Federal Government	1,196,384	0	0	1,196,384	694,519	1,316,775	(120,391)	
Other Governments and Citizens Groups	194,420	0	0	194,420	315,640	315,640	(121,220)	
Total Revenues	\$ 12,870,410	\$ 0	\$ 0	\$ 12,870,410	\$ 11,226,852	\$ 12,829,519	\$ 40,891	
Expenditures								
General Government								
County Commission	\$ 57,808	\$ 0	\$ 0	\$ 57,808	\$ 57,675	\$ 61,425	\$ 3,617	
Board of Equalization	0	0	0	0	3,125	3,125	3,125	
Beer Board	375	0	0	375	1,250	1,250	875	
Budget and Finance Committee	3,125	0	0	3,125	5,000	5,000	1,875	
County Mayor/Executive	242,239	0	0	242,239	249,470	253,612	11,373	
Election Commission	225,986	(1,187)	2,095	226,894	279,092	279,092	52,198	
Register of Deeds	227,927	0	0	227,927	218,858	234,648	6,721	
Planning	22,487	0	0	22,487	24,112	24,112	1,625	
County Buildings	136,424	(1,432)	4,790	139,782	153,808	156,148	16,366	
Other Facilities	457,676	(2,053)	2,529	458,152	436,641	479,791	21,639	
Preservation of Records	19,884	0	0	19,884	22,005	22,005	2,121	
Finance								
Property Assessor's Office	230,133	(1,048)	0	229,085	236,163	239,816	10,731	
County Trustee's Office	102,141	(13)	2,688	104,816	116,688	117,288	12,472	
County Clerk's Office	432,829	(381)	6,910	439,358	383,998	463,298	23,940	
Administration of Justice								
Circuit Court	270,210	(600)	792	270,402	252,358	279,165	8,763	

(Continued)

GRAINGER 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 (Cont.)							
General Sessions Court	\$ 262,949	\$ 0	\$ 327	\$ 263,276	\$ 272,123	\$ 288,798	\$ 25,522
Chancery Court	170,547	0	0	170,547	167,768	173,859	3,312
Juvenile Court	110,377	0	309	110,686	135,234	140,534	29,848
District Attorney General	57,878	0	0	57,878	57,293	59,306	1,428
Public Safety							
Sheriff's Department	2,782,478	(214,497)	25,816	2,593,797	2,391,684	2,821,050	227,253
Jail	1,637,851	(53,474)	166,285	1,750,662	1,841,584	1,993,119	242,457
Fire Prevention and Control	1,500	0	0	1,500	1,500	1,500	0
Civil Defense	38,658	(10,758)	10,201	38,101	62,911	62,911	24,810
Other Emergency Management	259,018	0	0	259,018	259,600	260,018	1,000
Inspection and Regulation	3,900	0	0	3,900	3,929	3,929	29
Public Health and Welfare							
Local Health Center	148,831	(1,005)	22,114	169,940	155,817	839,488	669,548
Ambulance/Emergency Medical Services	2,106,957	(19,631)	37,647	2,124,973	2,106,367	2,324,641	199,668
Appropriation to State	21,484	0	0	21,484	21,484	21,484	0
General Welfare Assistance	7,000	0	0	7,000	7,000	7,000	0
Sanitation Management	59,719	0	0	59,719	0	59,719	0
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	73,440	(227)	0	73,213	70,037	80,037	6,824
Libraries	192,003	(1,581)	260	190,682	185,660	196,066	5,384
Agriculture and Natural Resources							
Agricultural Extension Service	72,427	0	0	72,427	77,193	77,193	4,766
Soil Conservation	122,513	0	0	122,513	125,148	125,148	2,635
Other Operations							
Tourism	3,000	0	0	3,000	3,000	3,000	0
Industrial Development	97,829	0	0	97,829	84,083	100,471	2,642
Other Economic and Community Development	1,042,104	(357,500)	94,889	779,493	610,092	786,036	6,543
Veterans' Services	14,106	0	0	14,106	14,853	14,853	747
Other Charges	502,471	0	0	502,471	687,252	525,700	23,229

(Continued)

GRAINGER 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	Original	Final	
Expenditures (Cont.)								
Other Operations (Cont.)								
Contributions to Other Agencies	\$ 3,775	\$ 0	\$ 0	\$ 3,775	\$ 6,177	\$ 6,177	\$ 2,402	
Miscellaneous	195,442	(21)	0	195,421	214,881	214,881	19,460	
Highways								
Litter and Trash Collection	72,095	(119)	0	71,976	66,330	75,264	3,288	
Total Expenditures	\$ 12,489,596	\$ (665,527)	\$ 377,652	\$ 12,201,721	\$ 12,069,243	\$ 13,881,957	\$ 1,680,236	
Excess (Deficiency) of Revenues								
Over Expenditures	\$ 380,814	\$ 665,527	\$ (377,652)	\$ 668,689	\$ (842,391)	\$ (1,052,438)	\$ 1,721,127	
Other Financing Sources (Uses)								
Insurance Recovery	\$ 185,672	\$ 0	\$ 0	\$ 185,672	\$ 0	\$ 184,569	\$ 1,103	
Transfers In	402,602	0	0	402,602	332,078	475,859	(73,257)	
Transfers Out	(65,292)	0	0	(65,292)	0	(65,292)	0	
Total Other Financing Sources	\$ 522,982	\$ 0	\$ 0	\$ 522,982	\$ 332,078	\$ 595,136	\$ (72,154)	
Net Change in Fund Balance	\$ 903,796	\$ 665,527	\$ (377,652)	\$ 1,191,671	\$ (510,313)	\$ (457,302)	\$ 1,648,973	
Fund Balance, July 1, 2023	4,371,000	(665,527)	0	3,705,473	1,855,518	1,855,518	1,849,955	
Fund Balance, June 30, 2024	\$ 5,274,796	\$ 0	\$ (377,652)	\$ 4,897,144	\$ 1,345,205	\$ 1,398,216	\$ 3,498,928	

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

Exhibit C-6

GRAINGER 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	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 936,367	\$ 0	\$ 0	\$ 936,367	\$ 922,166	\$ 922,166	\$ 14,201
Fines, Forfeitures, and Penalties	2,274	0	0	2,274	2,435	2,435	(161)
Charges for Current Services	3,180	0	0	3,180	2,800	2,800	380
Other Local Revenues	39,896	0	0	39,896	39,050	39,050	846
State of Tennessee	167,230	0	0	167,230	88,000	159,282	7,948
Total Revenues	\$ 1,148,947	\$ 0	\$ 0	\$ 1,148,947	\$ 1,054,451	\$ 1,125,733	\$ 23,214
Expenditures							
Public Health and Welfare							
Sanitation Management	\$ 1,154,128	\$ (617)	\$ 950	\$ 1,154,461	\$ 1,093,368	\$ 1,165,649	\$ 11,188
Postclosure Care Costs	15,375	0	0	15,375	15,500	15,500	125
Total Expenditures	\$ 1,169,503	\$ (617)	\$ 950	\$ 1,169,836	\$ 1,108,868	\$ 1,181,149	\$ 11,313
Excess (Deficiency) of Revenues Over Expenditures	\$ (20,556)	\$ 617	\$ (950)	\$ (20,889)	\$ (54,417)	\$ (55,416)	\$ 34,527
Other Financing Sources (Uses)							
Transfers In	\$ 600	\$ 0	\$ 0	\$ 600	\$ 0	\$ 600	\$ 0
Total Other Financing Sources	\$ 600	\$ 0	\$ 0	\$ 600	\$ 0	\$ 600	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ (19,956)	\$ 617	\$ (950)	\$ (20,289)	\$ (54,417)	\$ (54,816)	\$ 34,527
	116,746	(617)	0	116,129	138,837	138,837	(22,708)
Fund Balance, June 30, 2024	\$ 96,790	\$ 0	\$ (950)	\$ 95,840	\$ 84,420	\$ 84,021	\$ 11,819

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

Exhibit C-7

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2024	Expenditures (Budgetary Basis)	Actual Revenues/ Expenditures		Budgeted Amounts Original	Final	Variance with Final Budget - Positive (Negative)
Revenues								
Federal Government	\$ 0	\$ 0	\$ 0	\$ 956,005	\$ 1,014,179	\$ (1,014,179)		
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 956,005	\$ 1,014,179	\$ (1,014,179)		
Expenditures								
Other Operations								
American Rescue Plan Act Grant #1	\$ 104,512	\$ 0	\$ 104,512	\$ 352,730	\$ 355,922	\$ 251,410		
American Rescue Plan Act Grant #3	58,204	0	58,204	43,185	86,380	28,176		
American Rescue Plan Act Grant #4	13,638	0	13,638	0	13,638	0		
American Rescue Plan Act Grant #5	17,987	0	17,987	0	19,407	1,420		
American Rescue Plan Act Grant #6	15,692	2,944	18,636	142,421	21,247	2,611		
American Rescue Plan Act Grant #8	413,217	0	413,217	417,669	440,319	27,102		
Total Expenditures	\$ 623,250	\$ 2,944	\$ 626,194	\$ 956,005	\$ 936,913	\$ 310,719		
Excess (Deficiency) of Revenues Over Expenditures	\$ (623,250)	\$ (2,944)	\$ (626,194)	\$ 0	\$ 77,266	\$ (703,460)		
Other Financing Sources (Uses)								
Transfers In	\$ 62,160	\$ 0	\$ 62,160	\$ 0	\$ 62,160	\$ 0		
Transfers Out	(402,602)	0	(402,602)	0	(402,602)	0		
Total Other Financing Sources	\$ (340,442)	\$ 0	\$ (340,442)	\$ 0	\$ (340,442)	\$ 0		
Net Change in Fund Balance	\$ (963,692)	\$ (2,944)	\$ (966,636)	\$ 0	\$ (263,176)	\$ (703,460)		
Fund Balance, July 1, 2023	1,901,123	0	1,901,123	1,901,123	1,901,123	0		
Fund Balance, June 30, 2024	\$ 937,431	\$ (2,944)	\$ 934,487	\$ 1,901,123	\$ 1,637,947	\$ (703,460)		

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

Exhibit C-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 720,688	\$ 711,922	\$ 711,922	\$ 8,766
Fines, Forfeitures, and Penalties	1,635	1,826	1,826	(191)
Charges for Current Services	971	260	260	711
Other Local Revenues	34,873	1,000	53,699	(18,826)
State of Tennessee	4,266,465	3,931,590	4,119,631	146,834
Federal Government	17,637	0	17,637	0
Total Revenues	\$ 5,042,269	\$ 4,646,598	\$ 4,904,975	\$ 137,294
Expenditures				
Highways				
Administration	\$ 212,271	\$ 243,910	\$ 229,412	\$ 17,141
Highway and Bridge Maintenance	1,574,514	1,543,050	1,806,949	232,435
Operation and Maintenance of Equipment	334,549	596,050	483,348	148,799
Other Charges	292,952	324,100	307,600	14,648
Capital Outlay	2,224,027	1,930,500	2,242,174	18,147
Total Expenditures	\$ 4,638,313	\$ 4,637,610	\$ 5,069,483	\$ 431,170
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 403,956	\$ 8,988	\$ (164,508)	\$ 568,464
Net Change in Fund Balance	\$ 403,956	\$ 8,988	\$ (164,508)	\$ 568,464
Fund Balance, July 1, 2023	3,217,149	2,888,799	2,888,799	328,350
Fund Balance, June 30, 2024	\$ 3,621,105	\$ 2,897,787	\$ 2,724,291	\$ 896,814

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

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

	Custodial Funds
ASSETS	
Cash	\$ 1,110,432
Due from Other Governments	<u>285,946</u>
Total Assets	<u>\$ 1,396,378</u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 285,946</u>
Total Liabilities	<u>\$ 285,946</u>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,110,432</u>
Total Net Position	<u>\$ 1,110,432</u>

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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 1,588,135
Fines/Fees and Other Collections	<u>5,506,112</u>
Total Additions	<u><u>\$ 7,094,247</u></u>
DEDUCTIONS	
Payment of Sales Tax Collections for Other Governments	\$ 1,588,135
Payments to State	<u>3,499,100</u>
Payments to Individuals and Others	<u>1,778,566</u>
Total Deductions	<u><u>\$ 6,865,801</u></u>
Net Increase (Decrease) in Fiduciary Net Position	\$ 228,446
Net Position, July 1, 2023	<u><u>881,986</u></u>
Net Position, June 30, 2024	<u><u><u>\$ 1,110,432</u></u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Grainger 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 Grainger County:

A. *Reporting Entity*

Grainger County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Grainger County (the primary government) and its component units. The financial statements of the Grainger County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its 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 Grainger County School Department operates the public school system in the county, and the voters of Grainger 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 Grainger County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Grainger County, and the Grainger County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Grainger County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Grainger County Emergency
Communications District
P.O. Box 560
Rutledge, TN 37861

Related Organization – The Grainger County Industrial Development Board is a related organization of Grainger County. The Grainger County Commission elects the board members, but the county's accountability does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all 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 Grainger 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 Grainger 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.

Grainger County issues all debt for the discretely presented Grainger 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 Grainger County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/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. Grainger 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. Grainger County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt, including lease obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Grainger 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 Grainger County's solid waste. Local taxes and general service charges are the foundational revenues of this fund.

Other General Government Fund – This fund is used to account for financial resources and expenditures relating to the American Rescue Plan Act.

Highway/Public Works Fund – This special revenue fund accounts for transactions of the county's highway department. Local taxes and state gasoline 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, Grainger County reports the following fund type:

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 Grainger County.

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, 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 loans 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 Grainger 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 Debt Service Fund. Grainger 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. Grainger County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. The allowance for uncollectible ambulance receivables is management's estimate based on prior collections and aging reports. The allowance for uncollectible property taxes is equal to 1.12 percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements. Other current liabilities for the discretely presented school department consist primarily of the balance of the teacher insurance clearing account.

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), 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 five or more years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	50
Other Capital Assets	5 - 25
Infrastructure:	
Roads	20
Bridges	40

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 pension changes in experience, assumptions, investment earnings, and proportion; employer contributions made to the pension and other postemployment benefit plans after the measurement date; other postemployment benefit changes in experience, assumptions, and proportion; and a deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that

applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes; pension changes in experience and proportion; other post-employment benefit changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. **Compensated Absences**

Primary Government

It is the primary government's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. All vacation and compensatory pay is accrued when incurred in the government-wide financial statements for the primary government. A liability for vacation pay and compensatory pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. There is no liability for unpaid accumulated sick leave for the primary government since there is no policy to pay any amounts when employees separate from service with the government.

Discretely Presented Grainger County School Department

The discretely presented school department's policy allows employees to accumulate sick pay benefits but not vacation benefits nor compensatory time. The Grainger County Board of Education has adopted policies allowing certified and noncertified employees to receive payment for unused sick leave at retirement. Certified employees who meet all service guidelines will receive \$130 per unused sick day accumulated at the time of retirement. Noncertified employees who meet all guidelines receive \$60 per unused sick day accumulated at the time of retirement. Eight retirees qualified to receive this benefit in 2023-2024 and were paid a total of \$78,955. The estimated cost of these future cash payments reported in the government-wide Statement of Net Position is \$2,156,802.

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, landfill closure/postclosure care costs, retirement incentives and honorariums, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

8. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their 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, Grainger County had \$9,006,100 in outstanding debt for capital purposes for the discretely presented school department. This debt is a liability of Grainger County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Grainger 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. Committed for other purposes represents amounts received under the American Rescue Plan Act and committed for revenue loss.

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 makes assignments for the general government. The Director of Schools, by resolution, was authorized to make assignments for the school department for the 2023-2024 year. Assigned fund balance in the General Fund primarily consists of amounts appropriated for use for encumbrances (\$377,652), and for future capital outlays (\$1,217,071). Assigned fund balance in the school department's General Purpose School Fund consists of amounts appropriated for use in the 2024-2025 budget (\$1,775,096) and for future capital outlays (\$3,842,897).

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

E. Pension Plans

Primary Government

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

Discretely Presented Grainger 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 Grainger 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 Grainger 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 Grainger 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

Budgetary Information

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

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

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

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

On June 30, 2024, Grainger County reported the following encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 377,652
Solid Waste/Sanitation	950
Other General Government	2,944

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Grainger County and the Grainger 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.

Other than the school department's investment in the TCRS Stabilization Trust as discussed below, the county had no pooled or nonpooled investments as of June 30, 2024.

TCRS Stabilization Trust

Legal Provisions. The Grainger 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 Grainger 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 Grainger 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	\$ 91,718
Developed Market International Equity	N/A	N/A	41,421
Emerging Market International Equity	N/A	N/A	11,835
U.S. Fixed Income	N/A	N/A	59,173
Real Estate	N/A	N/A	59,173
Short-term Securities	N/A	N/A	29,586
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>2,959</u>
Total			\$ <u>295,865</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

B. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets				
Not Depreciated:				
Land	\$ 1,779,446	\$ 0	\$ 0	\$ 1,779,446
Construction in Progress	0	36,625	0	36,625
Total Capital Assets				
Not Depreciated	\$ 1,779,446	\$ 36,625	\$ 0	\$ 1,816,071
Capital Assets				
Depreciated:				
Buildings and Improvements	\$ 13,613,228	\$ 159,249	\$ 0	\$ 13,772,477
Infrastructure	13,042,431	0	0	13,042,431
Other Capital Assets	6,942,362	1,138,424	(18,300)	8,062,486
Total Capital Assets				
Depreciated	\$ 33,598,021	\$ 1,297,673	\$ (18,300)	\$ 34,877,394
Less Accumulated				
Depreciation For:				
Buildings and Improvements	\$ 5,204,335	\$ 323,364	\$ 0	\$ 5,527,699
Infrastructure	11,014,927	81,932	0	11,096,859
Other Capital Assets	5,341,743	468,177	(18,300)	5,791,620
Total Accumulated				
Depreciation	\$ 21,561,005	\$ 873,473	\$ (18,300)	\$ 22,416,178
Total Capital Assets				
Depreciated, Net	\$ 12,037,016	\$ 424,200	\$ 0	\$ 12,461,216
Governmental Activities				
Capital Assets, Net	\$ 13,816,462	\$ 460,825	\$ 0	\$ 14,277,287

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

Governmental Activities:

General Government	\$ 97,342
Finance	226
Administration of Justice	73,255
Public Safety	182,133
Public Health and Welfare	224,662
Social, Cultural, and Recreational Services	62,459
Highway/Public Works	<u>233,396</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 873,473</u>

Net Investment in Capital Assets

Capital Assets	\$ 14,277,287
Add:	
Unamortized balance of capital-related deferred outflows of resources	10,825
Less:	
Outstanding principal of capital debt and other capital borrowings	(2,289,500)
Capital related contracts payable	(140,856)
Unamortized balance of original issue premiums on outstanding capital-related debt	(206,959)
Net Investment in Capital Assets	<u>\$ 11,650,797</u>

Discretely Presented Grainger County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets				
Not Depreciated:				
Land	\$ 1,442,547	\$ 0	\$ 0	\$ 1,442,547
Construction in Progress	0	2,210,697	0	2,210,697
Total Capital Assets	<u>\$ 1,442,547</u>	<u>\$ 2,210,697</u>	<u>\$ 0</u>	<u>\$ 3,653,244</u>
Not Depreciated	<u>\$ 1,442,547</u>	<u>\$ 2,210,697</u>	<u>\$ 0</u>	<u>\$ 3,653,244</u>
Capital Assets				
Depreciated:				
Buildings and Improvements	\$ 49,585,137	\$ 143,029	\$ (5,000)	\$ 49,723,166
Other Capital Assets	5,682,377	1,233,126	0	6,915,503
Total Capital Assets	<u>\$ 55,267,514</u>	<u>\$ 1,376,155</u>	<u>\$ (5,000)</u>	<u>\$ 56,638,669</u>
Less Accumulated				
Depreciation For:				
Buildings and Improvements	\$ 20,058,120	\$ 1,051,233	\$ (5,000)	\$ 21,104,353
Other Capital Assets	3,702,102	374,781	0	4,076,883
Total Accumulated	<u>\$ 23,760,222</u>	<u>\$ 1,426,014</u>	<u>\$ (5,000)</u>	<u>\$ 25,181,236</u>
Depreciation	<u>\$ 31,507,292</u>	<u>\$ (49,859)</u>	<u>\$ 0</u>	<u>\$ 31,457,433</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 32,949,839</u>	<u>\$ 2,160,838</u>	<u>\$ 0</u>	<u>\$ 35,110,677</u>

Depreciation expense was charged to functions of the school department as follows:

Governmental Activities:

Instruction	\$ 1,052,905
Support Services	328,516
Operation of Non-instructional Services	<u>44,593</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,426,014</u>

C. *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	\$ 39,836
Discretely Presented School Department:		
General Purpose School	School Federal Projects	34,759
School Federal Projects	General Purpose School	4,749
Nonmajor governmental	"	24,806

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

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In			
	General Fund	Solid Waste /	Other General	Nonmajor
		Sanitation Fund	Governmental Fund	governmental funds
General Fund	\$ 0	\$ 600	\$ 62,160	\$ 2,532
Other General Governmental Fund	402,602	0	0	0
Total	<u>\$ 402,602</u>	<u>\$ 600</u>	<u>\$ 62,160</u>	<u>\$ 2,532</u>

Transfers from the General Fund were to finance various programs accounted for in other funds. Transfers from the Other General Government Fund represent American Rescue Plan Act funds remitted to the General Fund for revenue replacement.

Discretely Presented Grainger County School Department

Transfer Out	Transfer In	
	School	
	Federal	
	Projects	
	Fund	
		Purpose
General Purpose School	<u>\$ 400,000</u>	Cash flow
Total	<u><u>\$ 400,000</u></u>	

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

D. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Grainger County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 12 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 - Grainger County issues other loans to provide funds for the acquisition and construction of major capital facilities 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. Other loans outstanding were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2024, for governmental activities were as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds -				
Refunding	1 to 5 %	4-1-32	\$ 16,285,000	\$ 10,450,000
Direct Borrowing and Direct Placement:				
Other Loans- Energy Efficient Schools Initiative	1.5	10-1-31	1,350,845	845,600

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,525,000	\$ 342,200	\$ 1,867,200
2026	1,555,000	270,450	1,825,450
2027	1,600,000	202,100	1,802,100
2028	1,640,000	154,100	1,794,100
2029	1,615,000	104,900	1,719,900
2030-2032	2,515,000	87,550	2,602,550
Total	\$ 10,450,000	\$ 1,161,300	\$ 11,611,300

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2025	\$ 111,024	\$ 12,048	\$ 123,072
2026	112,692	10,380	123,072
2027	114,396	8,676	123,072
2028	116,124	6,948	123,072
2029	117,876	5,196	123,072
2030-2032	273,488	5,119	278,607
Total	\$ 845,600	\$ 48,367	\$ 893,967

There is \$3,614,593 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$444, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$517 based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government. During the year, the discretely presented school department contributed \$823,072 to the primary government to apply toward the retirement of school-related debt.

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	\$ 11,895,000	\$ 19,712	\$ 954,968
Reductions	(1,445,000)	(19,712)	(109,368)
Balance, June 30, 2024	<u>\$ 10,450,000</u>	<u>0</u>	<u>\$ 845,600</u>
Balance Due Within One Year	<u>\$ 1,525,000</u>	<u>0</u>	<u>\$ 111,024</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities- Debt, June 30, 2024	\$ 11,295,600
Less: Balance Due Within One Year - Debt	(1,636,024)
Add: Unamortized Premium on Debt	<u>858,931</u>
Noncurrent Liabilities - Due in	
More Than One Year - Debt - Exhibit A	<u>\$ 10,518,507</u>

E. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Landfill Closure/ Postclosure Care Costs
Balance, July 1, 2023	\$ 143,495	\$ 552,712
Additions	116,695	0
Reductions	(104,423)	(50,711)
Balance, June 30, 2024	<u>\$ 155,767</u>	<u>\$ 502,001</u>
Balance Due Within One Year	<u>\$ 131,675</u>	<u>\$ 71,714</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 657,768
Less: Balance Due Within One Year - Other	<u>(203,389)</u>

Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 454,379</u>

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

Discretely Presented Grainger County School Department

Changes in Long-term Obligations

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

Governmental Activities:	Retirement Honorarium	Retirement Incentive
Balance, July 1, 2023	\$ 363,400	\$ 75,000
Additions	6,000	40,000
Reductions	<u>(27,000)</u>	<u>(55,000)</u>
Balance, June 30, 2024	<u>\$ 342,400</u>	<u>\$ 60,000</u>
Balance Due Within One Year	<u>\$ 24,000</u>	<u>\$ 60,000</u>
		Other
	Compensated Absences	Postemployment Benefits
Balance, July 1, 2023	\$ 2,046,300	\$ 6,309,863
Additions	494,955	1,085,233
Reductions	<u>(384,453)</u>	<u>(384,957)</u>
Balance, June 30, 2024	<u>\$ 2,156,802</u>	<u>\$ 7,010,139</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 286,299</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 9,569,341
Less: Balance Due Within One Year - Other	<u>(370,299)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other- Exhibit A	<u>\$ 9,199,042</u>

Retirement incentives and honorariums will be paid from the General Purpose School Fund. Compensated absences and other postemployment benefits will be paid from the employing funds (General Purpose School, School Federal Projects, and Central Cafeteria funds).

F. *On-Behalf Payments – Discretely Presented Grainger County School Department*

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Grainger County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan ended June 30, 2024, were \$144,621. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

G. *Short-term Debt*

Grainger County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the Solid Waste/Sanitation Fund. These notes were necessary because funds were not available to meet debt service payments coming due before current tax collections. Short-term debt activity for the year ended June 30, 2024, was as follows:

Fund	Balance 7-1-23	Issued	Paid	Balance 6-30-24
Solid Waste/Sanitation	\$ 0	\$ 250,000	\$ (250,000)	\$ 0

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 decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined 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 reinsurance through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

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

The county provides commercial health insurance coverage for its active employees. Retirees are not eligible to participate in the county's health plan. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Discretely Presented Grainger County School Department

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

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

B. Accounting 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.

Grainger County is involved in a lawsuit regarding construction of baseball fields. The county terminated the contractor over claims of faulty construction, delays, and breach of contract. The contractor filed suit against the county and the project architect for damages related to construction services performed. Damages claimed against the county amount to \$384,537 plus attorney fees. The county has filed a countersuit against the contractor for damages as a

result of the breach of contract. The county's claims for damages are for amounts not to exceed \$500,000 plus attorney fees. The county insurance carrier has denied coverage regarding these claims.

The county is involved in several other pending lawsuits. Based on information from attorneys, management estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statement.

D. *Landfill Postclosure Care Costs*

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Grainger County closed its sanitary landfill in 2002. The \$502,001 reported as postclosure care liability on June 30, 2024, represents amounts based on what it would cost to perform all postclosure care in 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. *Joint Venture*

The Fourth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fourth Judicial District; Grainger, and Jefferson counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Grainger County made no contributions to the DTF for the year ended June 30, 2024, and does not have any equity interest in this joint venture.

Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

District Attorney General
Fourth Judicial District
125 Court Avenue, Suite 301
Sevierville, TN 37862

F. Jointly Governed Organization

The East Tennessee Regional Agribusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center and to further the economy and growth of the region served by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes. The authority is governed by a board of directors consisting of the county mayors/executives of each county or the county mayor's/executive's designee and one nonvoting member representing the Tennessee Department of Agriculture and the University of Tennessee's Agricultural Extension Service. An executive committee, consisting of the chairman, vice chairman, secretary, and treasurer of the board of directors, along with the center manager as an ex-officio member, is in charge of daily operations of the center.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Grainger County and non-certified employees of the discretely presented Grainger County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 57.85 percent, the non-certified employees of the discretely presented school department comprise 42.15 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	193
Inactive Employees Entitled to But Not Yet Receiving Benefits	430
Active Employees	330
Total	953

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. Grainger County elected to make employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2024, the employer contribution for Grainger County was \$1,088,875 based on a rate of 9.76 percent of covered payroll. The minimum rate established by the Board of Trustees was 4.53 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Grainger 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)

Grainger County'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 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 Grainger 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	\$ 35,861,364	\$ 38,216,472	\$ (2,355,108)
Changes for the Year:			
Service Cost	\$ 1,134,145	\$ 0	\$ 1,134,145
Interest	2,449,501	0	2,449,501
Differences Between Expected and Actual Experience	571,780	0	571,780
Contributions-Employer	0	1,059,998	(1,059,998)
Contributions-Employees	0	543,034	(543,034)
Net Investment Income	0	2,574,175	(2,574,175)
Benefit Payments, Including Refunds of Employee Contributions	(1,413,210)	(1,413,210)	0
Administrative Expense	0	(31,671)	31,671
Net Changes	\$ 2,742,216	\$ 2,732,326	\$ 9,890
Balance, June 30, 2023	\$ 38,603,580	\$ 40,948,798	\$ (2,345,218)

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

		Plan	Net
	Total	Fiduciary	Pension
	Pension	Net	Liability
	Liability	Position	(Asset)
Primary Government	57.85%	\$ 22,332,171	\$ 23,688,880 \$ (1,356,709)
School Department	42.15%	<u>16,271,409</u>	<u>17,259,918</u> <u>(988,509)</u>
Total		<u>\$ 38,603,580</u>	<u>\$ 40,948,798</u> <u>\$ (2,345,218)</u>

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

Grainger County	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 3,182,960	\$ (2,345,218)	\$ (6,877,407)

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, Grainger County recognized pension expense (negative pension expense) of \$1,016,285.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Grainger County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,333,224	\$ 279,358
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	332,874	0
Changes in Assumptions	1,386,069	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	1,088,875	N/A
 Total	 <u>\$ 4,141,042</u>	 <u>\$ 279,358</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.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,395,429	\$ 161,609
School Department	<u>1,745,613</u>	<u>117,749</u>
 Total	 <u>\$ 4,141,042</u>	 <u>\$ 279,358</u>

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	
<u>June 30</u>	<u>Amount</u>
2025	\$ 434,805
2026	382,680
2027	1,642,624
2028	312,700
2029	0
Thereafter	0

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

Payable to the Pension Plan

On June 30, 2024, Grainger County reported a payable of \$271,759 for the outstanding amount of contributions due to the pension plan required at year ended June 30, 2024.

Discretely Presented Grainger County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Grainger County and non-certified employees of the discretely presented Grainger County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 57.85 percent and the non-certified employees of the discretely presented school department comprise 42.15 percent of the plan based on contribution data.

Discretely Presented Grainger County School Department - Certified Employees - Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Grainger 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 \$118,227 which is 2.95 percent of covered payroll. In addition, employer contributions of \$39,079, which is 1.05 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2024, the school department reported a liability (asset) of (\$70,685) 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 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 .166697 percent. The measured proportion as of June 30, 2022, was .164825 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense of \$89,155.

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	\$ 2,381	\$ 41,257
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	17,971	0
Changes in Assumptions	53,180	0
Changes in Proportion of Net Pension Liability (Asset)	3,202	9,438
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	<u>118,227</u>	N/A
 Total	 <u>\$ 194,961</u>	 <u>\$ 50,695</u>

The school department's employer contributions of \$118,227, 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	\$ (633)
2026	(3,249)
2027	24,475
2028	970
2029	1,080
Thereafter	3,396

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. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to reflect more closely actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 325,149	\$ (70,685)	\$ (355,654)

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

Payable to the Pension Plan

On June 30, 2024, Grainger County reported a payable of \$51,315 for the outstanding amount of contributions due to the pension plan required at year ended June 30, 2024.

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

General Information About the Pension Plan

Plan Description. Teachers of the Grainger 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 Grainger County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$786,876 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, 2023, the school department reported a liability (asset) of (\$4,340,903) 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 .368193 percent. The proportion measured on June 30, 2022, was .380995 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$1,093,729.

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	\$ 1,034,224	\$ 201,447
Changes in Assumptions	1,414,385	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	753,169	0
Changes in Proportion of Net Pension Liability (Asset)	193,003	88,184
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	786,876	N/A
 Total	 \$ 4,181,657	 \$ 289,631

The school department's employer contributions of \$786,876 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	\$ 1,024,680
2026	(558,640)
2027	2,633,211
2028	5,899
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 reflect more closely actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	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		<u>100 %</u>

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 9,454,789	\$ (4,340,903)	\$ (15,815,029)

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

Payable to the Pension Plan

On June 30, 2024, Grainger County reported a payable of \$341,537 for the outstanding amount of contributions due to the pension plan required at year ended June 30, 2024.

2. Deferred Compensation

Primary Government

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

Discretely Presented Grainger County School Department

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. Some employees have elected to contribute amounts in addition to the two percent minimum requirement. During the year, the school department contributed \$165,431 and teachers contributed \$86,814 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Grainger County primary government does not offer postemployment benefits to its retirees. The discretely presented Grainger County School Department provides OPEB benefits to its retirees through a state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan 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.

The school department provides healthcare benefits to its employees under the closed Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Grainger 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 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 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 of 4.5%
Retirees Share of Benefit	
Related Cost	Discussed under Benefits Provided

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 reflect more closely actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality 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 Grainger 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 Grainger 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. Grainger County School Department provides a direct subsidy toward pre-65 retirees insurance premiums. The maximum subsidy is \$357 per month for certified retirees and \$457 for non-certified retirees. Benefit amounts vary based on certification status, years of service under TCRS, years of service for Grainger County School Department, age, and coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 20 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	30
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	286
Total	316

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 \$242,196 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Grainger County	State of	Total OPEB
	School Department	TN	Liability
	66.4941%	33.5059%	
Balance July 1, 2022	\$ 6,309,863	\$ 2,950,067	\$ 9,259,930
Changes for the Year:			
Service Cost	\$ 247,293	\$ 124,609	\$ 371,902
Interest	222,644	112,189	334,833
Difference between			
Expected and Actuarial			
Experience	93,959	47,346	141,305
Changes in Proportion	(152,557)	152,557	0
Changes in Assumption			
and Other Inputs	521,404	262,731	784,135
Benefit Payments	(232,467)	(117,139)	(349,606)
Net Changes	\$ 700,276	\$ 582,293	\$ 1,282,569
Balance June 30, 2023	\$ 7,010,139	\$ 3,532,360	\$ 10,542,499

The Grainger 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 Grainger 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 \$273,435 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Grainger County School Department's proportionate share of the collective OPEB liability was 66.4941% and the State of Tennessee's share was 33.5059%.

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 \$559,734, which includes expenses funded by subsidies provided by the state. 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	\$ 407,189	\$ 530,808
Changes of Assumptions	849,277	909,116
Changes in Proportion	57,521	543,863
Benefits Paid After the Measurement Date of June 30, 2023	<u>242,196</u>	0
 Total	 <u>\$ 1,556,183</u>	 <u>\$ 1,983,787</u>

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction to OPEB liability in the following fiscal 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	\$ (183,638)
2026	(183,638)
2027	(177,522)
2028	(138,230)
2029	(2,552)
Thereafter	15,780

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%	Current Discount	1%
	Decrease	Rate	Increase
	2.65%	3.65%	4.65%

Proportionate Share of the
Collective Total OPEB
Liability \$ 7,528,193 \$ 7,010,139 \$ 6,517,105

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

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

Proportionate Share of the
Collective Total OPEB
Liability \$ 6,317,402 \$ 7,010,139 \$ 7,806,822

I. Termination Benefits

The discretely presented school department has entered into a retirement incentive bonus payment plan in accordance with contract provisions. This plan is available to all certified teachers who retire from the school department with at least ten years of service in Grainger County and are between the ages of 55 and 60 or have a minimum of 30 years of credited service in the Tennessee Consolidated Retirement System. The plan provides teachers who have met the noted requirements, a bonus of \$5,000 paid in one lump sum. During the year, expenditures of \$55,000 were recognized for retirement incentive bonus payments. On June 30, 2024, there were eighteen individuals participating in the program. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$60,000. The entire amount is due within one year.

In addition to the previously mentioned retirement incentive, the discretely presented school department offers an additional retirement honorarium payment. To be eligible, certified employees must retire with at least ten years of service with the school department. Under the terms of the plan, employees with 30 or more years of experience at the end of the 2005-06 school year shall receive \$100 for each school year of service with the school department up to a maximum of \$4,000. Employees with less than 30 years of experience at the end of the 2005-06 school year shall receive \$100 for each school year of service in the school department up to a maximum of \$3,000. As of June 30, 2024, 114 employees met the requirements of this benefit. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is \$342,400. Of that amount, \$24,000 is due within one year. The

governmental funds' financial statements reflect retirement honorarium expenditures of \$27,000 in the General Purpose School Fund.

J. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated (TCA)*. This act provides for purchases exceeding \$10,000 (excluding emergency purchases) to be made after public advertisement and solicitation of competitive bids.

Office of Road Superintendent

Chapter 232, Private Acts of 1980, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, govern purchasing procedures for this office. These statutes provide for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

K. Subsequent Event

On July 5, 2024, Grainger County issued a \$250,000 interfund loan in the form of a tax anticipation note for the Solid Waste/Sanitation Fund.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

GRAINGER COUNTY, TENNESSEE**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 627,456	\$ 598,290	\$ 652,242	\$ 709,108	\$ 734,296	\$ 796,334	\$ 826,826	\$ 852,686	\$ 1,019,377	\$ 1,134,145
Interest	1,398,557	1,441,288	1,543,903	1,642,729	1,747,044	1,901,258	1,980,373	2,054,197	2,233,021	2,449,501
Differences Between Actual and Expected Experience	(582,968)	165,117	30,282	288,643	629,493	(503,590)	(586,284)	182,125	0	571,780
Changes in Assumptions	0	0	0	537,767	0	0	0	2,772,141	1,177,105	0
Benefit Payments, Including Refunds of Employee Contributions	(803,478)	(884,769)	(896,132)	(1,035,094)	(983,569)	(1,107,989)	(1,158,530)	(1,298,488)	(1,261,110)	(1,413,210)
Net Change in Total Pension Liability	\$ 639,567	\$ 1,319,926	\$ 1,330,295	\$ 2,143,153	\$ 2,127,264	\$ 1,086,013	\$ 1,062,385	\$ 4,562,661	\$ 3,168,393	\$ 2,742,216
Total Pension Liability, Beginning	18,421,707	19,061,274	20,381,200	21,711,495	23,854,648	25,981,912	27,067,925	28,130,310	32,692,971	35,861,364
Total Pension Liability, Ending (a)	\$ 19,061,274	\$ 20,381,200	\$ 21,711,495	\$ 23,854,648	\$ 25,981,912	\$ 27,067,925	\$ 28,130,310	\$ 32,692,971	\$ 35,861,364	\$ 38,603,580
Plan Fiduciary Net Position										
Contributions - Employer	\$ 741,468	\$ 720,013	\$ 777,617	\$ 787,980	\$ 837,405	\$ 869,040	\$ 916,961	\$ 943,903	\$ 1,029,884	\$ 1,059,998
Contributions - Employee	371,474	364,428	391,895	403,681	430,319	447,538	470,356	483,557	529,394	543,034
Net Investment Income	2,921,738	640,417	574,352	2,541,156	2,088,734	2,045,490	1,473,542	8,082,732	(1,514,877)	2,574,175
Benefit Payments, Including Refunds of Employee Contributions	(803,478)	(884,769)	(896,132)	(1,035,094)	(983,569)	(1,107,989)	(1,158,530)	(1,298,488)	(1,261,110)	(1,413,210)
Administrative Expense	(11,205)	(14,819)	(22,488)	(25,138)	(28,469)	(26,889)	(27,747)	(28,646)	(31,907)	(31,671)
Other	0	0	8,584	11,749	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,219,997	\$ 825,270	\$ 833,828	\$ 2,684,334	\$ 2,344,420	\$ 2,227,190	\$ 1,674,582	\$ 8,183,058	\$ (1,248,616)	\$ 2,732,326
Plan Fiduciary Net Position, Beginning	17,472,409	20,692,406	21,517,676	22,351,504	25,035,838	27,380,258	29,607,448	31,282,030	39,465,088	38,216,472
Plan Fiduciary Net Position, Ending (b)	\$ 20,692,406	\$ 21,517,676	\$ 22,351,504	\$ 25,035,838	\$ 27,380,258	\$ 29,607,448	\$ 31,282,030	\$ 39,465,088	\$ 38,216,472	\$ 40,948,798
Net Pension Liability (Asset), Ending (a - b)	\$ (1,631,132)	\$ (1,136,476)	\$ (640,009)	\$ (1,181,190)	\$ (1,398,346)	\$ (2,539,523)	\$ (3,151,720)	\$ (6,772,117)	\$ (2,355,108)	\$ (2,345,218)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	108.56%	105.58%	102.95%	104.95%	105.38%	109.38%	111.20%	120.71%	106.57%	106.08%
Covered Payroll	\$ 7,422,102	\$ 7,377,182	\$ 8,005,131	\$ 8,073,545	\$ 8,579,973	\$ 8,904,102	\$ 9,395,090	\$ 9,671,132	\$ 10,556,633	\$ 10,860,632
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(21.98)%	(15.41)%	(7.99)%	(14.63)%	(16.30)%	(28.52)%	(33.55)%	(70.02)%	(22.31)%	(21.59)%

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

Exhibit E-2

GRAINGER 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	\$ 720,013	\$ 777,617	\$ 338,282	\$ 374,945	\$ 389,109	\$ 424,658	\$ 437,136	\$ 476,955	\$ 491,987	\$ 505,390
Less: Contributions in Relation to the Actuarially Determined Contribution	(720,013)	(777,617)	(787,980)	(837,405)	(869,040)	(916,961)	(943,903)	(1,029,884)	(1,059,998)	(1,088,875)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (449,698)</u>	<u>\$ (462,460)</u>	<u>\$ (479,931)</u>	<u>\$ (492,303)</u>	<u>\$ (506,767)</u>	<u>\$ (552,929)</u>	<u>\$ (568,011)</u>	<u>\$ (583,485)</u>
Covered Payroll	\$ 7,377,182	\$ 8,005,131	\$ 8,073,545	\$ 8,579,973	\$ 8,904,102	\$ 9,395,090	\$ 9,671,132	\$ 10,556,633	\$ 10,860,632	\$ 11,156,506
Contributions as a Percentage of Covered Payroll	9.76%	9.71%	9.76%	9.76%	9.76%	9.76%	9.76%	9.76%	9.76%	9.76%

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

Exhibit E-3

GRAINGER COUNTY, TENNESSEE

**Schedule of Contributions Based on Participation in the Teacher
Retirement Plan of TCRS**

Discretely Presented Grainger County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 9,858	\$ 22,060	\$ 43,287	\$ 55,157	\$ 33,315	\$ 41,329	\$ 45,593	\$ 56,576	\$ 95,160	\$ 118,227
Less: Contributions in Relation to the Contractually Required Contribution	(9,858)	(22,060)	(43,287)	(55,157)	(33,315)	(41,329)	(45,593)	(56,576)	(95,160)	(118,227)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 246,445	\$ 551,494	\$ 1,086,370	\$ 1,378,913	\$ 1,717,231	\$ 2,035,915	\$ 2,257,083	\$ 2,814,696	\$ 3,315,691	\$ 4,007,709
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	3.98%	4.00%	1.94%	2.03%	2.02%	2.01%	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.

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-4

GRAINGER COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Teacher

Legacy Pension Plan of TCRS

Discretely Presented Grainger County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,078,825	\$ 1,065,451	\$ 1,098,942	\$ 1,075,901	\$ 1,218,806	\$ 1,233,899	\$ 1,266,938	\$ 1,291,446	\$ 1,038,285	\$ 786,876
Less: Contributions in Relation to the Contractually Required Contribution	(1,078,825)	(1,065,451)	(1,098,942)	(1,075,901)	(1,218,806)	(1,233,899)	(1,266,938)	(1,291,446)	(1,038,285)	(786,876)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,933,926	\$ 11,785,973	\$ 12,152,255	\$ 11,849,126	\$ 11,652,060	\$ 11,607,716	\$ 12,387,155	\$ 12,538,294	\$ 11,948,033	\$ 11,554,717
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.23%	10.30%	8.69%	6.81%

Exhibit E-5

GRAINGER COUNTY, TENNESSEE

Schedule of Proportionate Share of the Net Pension Liability (Asset)

in the Teacher Retirement Plan of TCRS

Discretely Presented Grainger 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)	0.118612%	0.125338%	0.164882%	0.157793%	0.162280%	0.161334%	0.156393%	0.164825%	0.166697%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (4,772)	\$ (13,048)	\$ (43,501)	\$ (71,563)	\$ (91,605)	\$ (91,741)	\$ (169,407)	\$ (49,930)	\$ (70,685)
Covered Payroll	\$ 246,445	\$ 551,494	\$ 1,086,370	\$ 1,378,913	\$ 1,717,231	\$ 2,035,915	\$ 2,257,083	\$ 2,814,696	\$ 3,315,691
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.00)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(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.

Exhibit E-6

GRAINGER COUNTY, TENNESSEE**Schedule of Proportionate Share of the Net Pension Liability (Asset)****in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Grainger 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)	0.303367%	0.318790%	0.326499%	0.343893%	0.338385%	0.347497%	0.380995%	0.375858%	0.380995%	0.368193%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (49,296)	\$ 130,587	\$ 2,040,438	\$ (112,515)	\$ (1,190,747)	\$ (3,572,892)	\$ (4,672,543)	\$ (16,211,656)	\$ (4,672,543)	\$ (4,340,903)
Covered Payroll	\$ 11,907,142	\$ 11,933,926	\$ 11,785,973	\$ 12,152,255	\$ 11,849,127	\$ 11,652,060	\$ 12,538,294	\$ 12,387,155	\$ 12,538,294	\$ 11,948,033
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)%	(37.27)%	(130.87)%	(37.27)%	(36.33)%
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%	104.42%	116.13%	104.42%	104.11%

Exhibit E-7

GRAINGER COUNTY, TENNESSEE

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

Discretely Presented Grainger County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 494,077	\$ 454,344	\$ 460,474	\$ 312,063	\$ 440,823	\$ 476,893	\$ 371,902
Interest	288,399	348,900	364,296	288,054	211,095	207,669	334,833
Changes of Benefit Terms	0	0	0	61,829	23,875	0	0
Differences Between Actual and Expected Experience	0	(366,480)	(1,491,004)	8,407	160,269	509,395	141,305
Changes in Assumptions or Other Inputs	(450,554)	239,879	(607,686)	942,420	(456,054)	(903,810)	784,135
Benefit Payments	(343,401)	(393,213)	(450,625)	(417,782)	(373,462)	(333,458)	(349,606)
Net Change in Total OPEB Liability	\$ (11,479)	\$ 283,430	\$ (1,724,545)	\$ 1,194,991	\$ 6,546	\$ (43,311)	\$ 1,282,569
Total OPEB Liability, Beginning	9,554,298	9,542,819	9,826,249	8,101,704	9,296,695	9,303,241	9,259,930
 Total OPEB Liability, Ending	 \$ 9,542,819	 \$ 9,826,249	 \$ 8,101,704	 \$ 9,296,695	 \$ 9,303,241	 \$ 9,259,930	 \$ 10,542,499
 Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	 \$ 2,576,819	 \$ 2,683,558	 \$ 2,351,787	 \$ 2,592,514	 \$ 2,753,128	 \$ 2,950,067	 \$ 3,532,360
 Employer Proportionate Share of the Total OPEB Liability	 6,966,000	 7,142,691	 5,749,917	 6,704,181	 6,550,113	 6,309,863	 7,010,139
 Covered Employee Payroll	 \$ 15,936,207	 \$ 16,202,533	 \$ 16,412,779	 \$ 17,035,730	 \$ 19,151,763	 \$ 18,711,815	 \$ 18,207,598
 Net OPEB Liability as a Percentage of Covered Employee Payroll	 43.71%	 44.08%	 35.03%	 39.35%	 34.20%	 33.72%	 38.50%

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:

Plan year 2019 - from 5.4% to 6.75%
Plan year 2020 - from 6.75% to 6.03%
Plan year 2021 - from 6.03% to 9.02%
Plan year 2022 - from 9.02% to 7.36%
Plan year 2023 - from 7.36% to 8.37%
Plan year 2023 - 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.

GRAINGER 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 2024 were calculated based on the June 30, 2022, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased the investment rate of return from 7.50 to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation and the recording of certain instruments. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

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

Sports and Recreation Fund – The Sports and Recreation Fund is used to account for transactions of the parks and recreation department.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for opioid settlement funds.

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.

Exhibit F-1

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Drug Control	Sports and Recreation	
ASSETS					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	19,569	10,089	53,374	183,348	
Accounts Receivable	0	0	0	200	
Property Taxes Receivable	0	0	0	180,223	
Allowance for Uncollectible Property Taxes	0	0	0	(3,868)	
Total Assets	\$ 19,569	\$ 10,089	\$ 53,374	\$ 359,903	
LIABILITIES					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	1,595
Accrued Payroll	0	0	0	0	3,504
Payroll Deductions Payable	0	0	0	0	1,194
Contracts Payable	0	0	0	0	140,856
Due to Other Funds	0	0	0	0	0
Due to State of Tennessee	0	0	0	0	13
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	147,162
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	172,810
Deferred Delinquent Property Taxes	0	0	0	0	2,815
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	175,625

(Continued)

Exhibit F-1

GRAINGER COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Drug Control	Sports and Recreation	
FUND BALANCES					
Restricted:					
Restricted for Finance	\$ 0	\$ 0	\$ 0	\$ 0	0
Restricted for Administration of Justice	19,569	10,089	0	0	0
Restricted for Public Safety	0	0	53,374	0	0
Restricted for Public Health and Welfare	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	0	37,116	
Total Fund Balances	\$ 19,569	\$ 10,089	\$ 53,374	\$ 37,116	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,569	\$ 10,089	\$ 53,374	\$ 359,903	

(Continued)

Exhibit F-1

GRAINGER COUNTY, TENNESSEE

Combining Balance Sheet

Nonmajor Governmental Funds (Cont.)

Special Revenue Funds (Cont.)

	Constitu -	Total
Other	tional	Nonmajor
Special	Officers -	Governmental
Revenue	Fees	Funds

ASSETS

Cash	\$ 0	\$ 53,730	\$ 53,730
Equity in Pooled Cash and Investments	224,188	0	490,568
Accounts Receivable	0	30,569	30,769
Property Taxes Receivable	0	0	180,223
Allowance for Uncollectible Property Taxes	0	0	(3,868)
 Total Assets	 \$ 224,188	 \$ 84,299	 \$ 751,422

LIABILITIES

Accounts Payable	\$ 0	\$ 0	\$ 1,595
Accrued Payroll	0	0	3,504
Payroll Deductions Payable	0	0	1,194
Contracts Payable	0	0	140,856
Due to Other Funds	0	39,836	39,836
Due to State of Tennessee	0	0	13
Total Liabilities	\$ 0	\$ 39,836	\$ 186,998

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes	\$ 0	\$ 0	\$ 172,810
Deferred Delinquent Property Taxes	0	0	2,815
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 175,625

(Continued)

GRAINGER COUNTY, TENNESSEE

Combining Balance Sheet

Nonmajor Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for Finance

Restricted for Administration of Justice

Restricted for Public Safety

Restricted for Public Health and Welfare

Restricted for Social, Cultural, and Recreational Services

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Special Revenue Funds (Cont.)</u>				
		Constitu -		Total
Other		tional		Nonmajor
Special		Officers -		Governmental
Revenue		Fees		Funds
\$	0	\$ 44,463	\$	44,463
	0			29,658
	0			53,374
	224,188		0	224,188
	0		0	37,116
\$	224,188	\$ 44,463	\$	388,799
\$	224,188	\$ 84,299	\$	751,422

Exhibit F-2

GRAINGER 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				
	Courthouse and Jail Maintenance	Law Library	Drug Control	Sports and Recreation	
Revenues					
Local Taxes	\$ 1,120	\$ 1,116	\$ 0	\$ 176,893	
Fines, Forfeitures, and Penalties	0	0	4,680	430	
Charges for Current Services	0	0	0	27,841	
Other Local Revenues	0	0	0	9,444	
State of Tennessee	0	0	0	16,758	
Total Revenues	\$ 1,120	\$ 1,116	\$ 4,680	\$ 231,366	
Expenditures					
Current:					
General Government	\$ 12	\$ 0	\$ 0	\$ 0	0
Finance	0	0	0	0	0
Administration of Justice	0	0	0	0	0
Public Safety	0	0	43	0	0
Social, Cultural, and Recreational Services	0	11	0	222,494	
Total Expenditures	\$ 12	\$ 11	\$ 43	\$ 222,494	
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,108	\$ 1,105	\$ 4,637	\$ 8,872	
Other Financing Sources (Uses)					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 2,532	
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 2,532	
Net Change in Fund Balances	\$ 1,108	\$ 1,105	\$ 4,637	\$ 11,404	
Fund Balance, July 1, 2023	18,461	8,984	48,737	25,712	
Fund Balance, June 30, 2024	\$ 19,569	\$ 10,089	\$ 53,374	\$ 37,116	

(Continued)

Exhibit F-2

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

	Special Revenue Funds (Cont.)			
	Other Revenue	Constitu - tional Officers - Fees	Nonmajor Governmental Funds	Total
Revenues				
Local Taxes	\$ 0	\$ 0	\$ 179,129	
Fines, Forfeitures, and Penalties	0	0	5,110	
Charges for Current Services	0	228,651	256,492	
Other Local Revenues	1,440	0	10,884	
State of Tennessee	110,738	0	127,496	
Total Revenues	<u>\$ 112,178</u>	<u>\$ 228,651</u>	<u>\$ 579,111</u>	
Expenditures				
Current:				
General Government	\$ 0	\$ 0	\$ 12	
Finance	0	215,245	215,245	
Administration of Justice	0	9,224	9,224	
Public Safety	0	0	43	
Social, Cultural, and Recreational Services	0	0	222,505	
Total Expenditures	<u>\$ 0</u>	<u>\$ 224,469</u>	<u>\$ 447,029</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 112,178</u>	<u>\$ 4,182</u>	<u>\$ 132,082</u>	
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 0	\$ 2,532	
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,532</u>	
Net Change in Fund Balances	<u>\$ 112,178</u>	<u>\$ 4,182</u>	<u>\$ 134,614</u>	
Fund Balance, July 1, 2023	112,010	40,281	254,185	
Fund Balance, June 30, 2024	<u>\$ 224,188</u>	<u>\$ 44,463</u>	<u>\$ 388,799</u>	

GRAINGER COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 1,120	\$ 1,139	\$ 1,139	\$ (19)
Total Revenues	<u>\$ 1,120</u>	<u>\$ 1,139</u>	<u>\$ 1,139</u>	<u>\$ (19)</u>
Expenditures				
General Government				
County Buildings	\$ 12	\$ 13	\$ 13	\$ 1
Total Expenditures	<u>\$ 12</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 1</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,108	\$ 1,126	\$ 1,126	\$ (18)
Net Change in Fund Balance	\$ 1,108	\$ 1,126	\$ 1,126	\$ (18)
Fund Balance, July 1, 2023	<u>18,461</u>	<u>19,495</u>	<u>19,495</u>	<u>(1,034)</u>
Fund Balance, June 30, 2024	<u>\$ 19,569</u>	<u>\$ 20,621</u>	<u>\$ 20,621</u>	<u>\$ (1,052)</u>

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**

Law Library Fund

For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 1,116	\$ 1,167	\$ 1,167	\$ (51)
Total Revenues	<u>\$ 1,116</u>	<u>\$ 1,167</u>	<u>\$ 1,167</u>	<u>\$ (51)</u>
Expenditures				
Social, Cultural, and Recreational Services				
Libraries	\$ 11	\$ 39	\$ 39	\$ 28
Total Expenditures	<u>\$ 11</u>	<u>\$ 39</u>	<u>\$ 39</u>	<u>\$ 28</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,105</u>	<u>\$ 1,128</u>	<u>\$ 1,128</u>	<u>\$ (23)</u>
Net Change in Fund Balance	\$ 1,105	\$ 1,128	\$ 1,128	\$ (23)
Fund Balance, July 1, 2023	<u>8,984</u>	<u>10,014</u>	<u>10,014</u>	<u>(1,030)</u>
Fund Balance, June 30, 2024	<u>\$ 10,089</u>	<u>\$ 11,142</u>	<u>\$ 11,142</u>	<u>\$ (1,053)</u>

GRAINGER 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	\$ 4,680	\$ 7,000	\$ 7,000	\$ (2,320)
Total Revenues	<u>\$ 4,680</u>	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ (2,320)</u>
Expenditures				
Public Safety				
Drug Enforcement	\$ 43	\$ 18,250	\$ 18,250	\$ 18,207
Total Expenditures	<u>\$ 43</u>	<u>\$ 18,250</u>	<u>\$ 18,250</u>	<u>\$ 18,207</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 4,637</u>	<u>\$ (11,250)</u>	<u>\$ (11,250)</u>	<u>\$ 15,887</u>
Net Change in Fund Balance	\$ 4,637	\$ (11,250)	\$ (11,250)	\$ 15,887
Fund Balance, July 1, 2023	<u>48,737</u>	<u>35,841</u>	<u>35,841</u>	<u>12,896</u>
Fund Balance, June 30, 2024	<u>\$ 53,374</u>	<u>\$ 24,591</u>	<u>\$ 24,591</u>	<u>\$ 28,783</u>

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**
Sports and Recreation Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 176,893	\$ 175,094	\$ 175,094	\$ 1,799
Fines, Forfeitures, and Penalties	430	564	564	(134)
Charges for Current Services	27,841	20,000	26,190	1,651
Other Local Revenues	9,444	14,220	22,981	(13,537)
State of Tennessee	16,758	16,846	66,846	(50,088)
Total Revenues	<u>\$ 231,366</u>	<u>\$ 226,724</u>	<u>\$ 291,675</u>	<u>\$ (60,309)</u>
Expenditures				
Social, Cultural, and Recreational Services				
Parks and Fair Boards	\$ 222,494	\$ 196,571	\$ 273,458	\$ 50,964
Total Expenditures	<u>\$ 222,494</u>	<u>\$ 196,571</u>	<u>\$ 273,458</u>	<u>\$ 50,964</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 8,872</u>	<u>\$ 30,153</u>	<u>\$ 18,217</u>	<u>\$ (9,345)</u>
Other Financing Sources (Uses)				
Transfers In	\$ 2,532	\$ 0	\$ 2,532	\$ 0
Total Other Financing Sources	<u>\$ 2,532</u>	<u>\$ 0</u>	<u>\$ 2,532</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 11,404	\$ 30,153	\$ 20,749	\$ (9,345)
Fund Balance, July 1, 2023	<u>25,712</u>	<u>48,690</u>	<u>48,690</u>	<u>(22,978)</u>
Fund Balance, June 30, 2024	<u>\$ 37,116</u>	<u>\$ 78,843</u>	<u>\$ 69,439</u>	<u>\$ (32,323)</u>

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

Exhibit G

GRAINGER 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	\$ 1,227,384	\$ 1,231,845	\$ 1,231,845	\$ (4,461)
Fines, Forfeitures, and Penalties	1,309	1,897	1,897	(588)
Other Local Revenues	526,894	95,000	95,000	431,894
State of Tennessee	50,128	60,500	60,500	(10,372)
Other Governments and Citizens Groups	823,072	823,072	823,072	0
Total Revenues	\$ 2,628,787	\$ 2,212,314	\$ 2,212,314	\$ 416,473
Expenditures				
Principal on Debt				
General Government	\$ 184,812	\$ 184,812	\$ 184,812	\$ 0
Education	1,389,268	1,389,268	1,389,268	0
Interest on Debt				
General Government	78,425	78,454	78,454	29
Education	345,791	345,791	345,791	0
Other Debt Service				
General Government	25,943	32,000	32,000	6,057
Education	3,500	4,636	4,636	1,136
Total Expenditures	\$ 2,027,739	\$ 2,034,961	\$ 2,034,961	\$ 7,222
Excess (Deficiency) of Revenues Over Expenditures				
	\$ 601,048	\$ 177,353	\$ 177,353	\$ 423,695
Net Change in Fund Balance				
Fund Balance, July 1, 2023	\$ 3,013,545	\$ 3,208,028	\$ 3,208,028	\$ (194,483)
Fund Balance, June 30, 2024	\$ 3,614,593	\$ 3,385,381	\$ 3,385,381	\$ 229,212

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, and other governments. 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.

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

	Custodial Funds				
	Constitu -				
	Cities -	tional			
	Sales	Officers -			
	Tax	Custodial			Total
ASSETS					
Cash	\$ 0	\$ 1,110,432	\$ 1,110,432		
Due from Other Governments	285,946	0	285,946		
Total Assets	\$ 285,946	\$ 1,110,432	\$ 1,396,378		
LIABILITIES					
Due to Other Taxing Units	\$ 285,946	\$ 0	\$ 285,946		
Total Liabilities	\$ 285,946	\$ 0	\$ 285,946		
NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	0	\$ 1,110,432	\$ 1,110,432		
Total Net Position	0	\$ 1,110,432	\$ 1,110,432		

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

		Custodial Funds		
		Constitu -		
		Cities -	tional	
		Sales	Officers -	
		Tax	Custodial	Total
Additions				
Sales Tax Collections for Other Governments		\$ 1,588,135	\$ 0	\$ 1,588,135
Fines/Fees and Other Collections		0	5,506,112	5,506,112
Total Additions		\$ 1,588,135	\$ 5,506,112	\$ 7,094,247
Deductions				
Payment of Sales Tax Collections for Other Governments		\$ 1,588,135	\$ 0	\$ 1,588,135
Payments to State		0	3,499,100	3,499,100
Payments to Individuals and Others		0	1,778,566	1,778,566
Total Deductions		\$ 1,588,135	\$ 5,277,666	\$ 6,865,801
Change in Net Position		\$ 0	\$ 228,446	\$ 228,446
Net Position July 1, 2023		0	881,986	881,986
Net Position June 30, 2024		\$ 0	\$ 1,110,432	\$ 1,110,432

GRAINGER COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

GRAINGER COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Grainger County School Department
For the Year Ended June 30, 2024

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Total	Governmental Activities
Governmental Activities:					
Instruction	\$ 24,097,230	\$ 0	\$ 7,435,617	\$ (16,661,613)	
Support Services	12,663,792	0	958,666	(11,705,126)	
Operation of Non-instructional Services	<u>4,641,807</u>	<u>368,309</u>	<u>4,494,993</u>		<u>221,495</u>
Total Governmental Activities	<u><u>\$ 41,402,829</u></u>	<u><u>\$ 368,309</u></u>	<u><u>\$ 12,889,276</u></u>		<u><u>\$ (28,145,244)</u></u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes				\$ 2,806,054	
Local Option Sales Taxes				2,779,695	
Business Tax				40,263	
Grants and Contributions Not Restricted for Specific Programs				26,798,324	
Unrestricted Investment Earnings				9,943	
Miscellaneous				499,874	
Total General Revenues				<u>\$ 32,934,153</u>	
Change in Net Position					
Net Position, July 1, 2023				\$ 4,788,909	
				<u>48,506,131</u>	
Net Position, June 30, 2024				<u><u>\$ 53,295,040</u></u>	

Exhibit I-2

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Govern- mental Funds	
ASSETS					
Cash	\$ 48,543	\$ 0	\$ 1,388,268	\$ 1,436,811	
Equity in Pooled Cash and Investments	14,028,017	858,351	800,783	15,687,151	
Accounts Receivable	11,171	0	32,082	43,253	
Due from Other Governments	1,757,364	638,739	17,875	2,413,978	
Due from Other Funds	34,759	4,749	24,806	64,314	
Property Taxes Receivable	2,671,795	0	0	2,671,795	
Allowance for Uncollectible Property Taxes	(59,860)	0	0	(59,860)	
Restricted Assets	295,865	0	0	295,865	
 Total Assets	 <u>\$ 18,787,654</u>	 <u>\$ 1,501,839</u>	 <u>\$ 2,263,814</u>	 <u>\$ 22,553,307</u>	
LIABILITIES					
Accounts Payable	\$ 611,745	\$ 122,464	\$ 0	\$ 734,209	
Accrued Payroll	467,433	27,907	21,825	517,165	
Payroll Deductions Payable	1,397,757	116,709	2,981	1,517,447	
Due to Other Funds	29,555	34,759	0	64,314	
Other Current Liabilities	48,543	0	0	48,543	
 Total Liabilities	 <u>\$ 2,555,033</u>	 <u>\$ 301,839</u>	 <u>\$ 24,806</u>	 <u>\$ 2,881,678</u>	
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 2,554,574	\$ 0	\$ 0	\$ 2,554,574	
Deferred Delinquent Property Taxes	45,551	0	0	45,551	
Other Deferred/Unavailable Revenue	253,146	0	0	253,146	
 Total Deferred Inflows of Resources	 <u>\$ 2,853,271</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 2,853,271</u>	

(Continued)

Exhibit I-2

GRAINGER COUNTY, TENNESSEE**Balance Sheet - Governmental Funds**

Discretely Presented Grainger County School Department (Cont.)

	Major Funds			Nonmajor Funds	
	General Purpose	School School	Federal Projects	Other Govern- mental Funds	Total Govern- mental Funds
FUND BALANCES					
Restricted:					
Restricted for Education	\$ 733,903	\$ 0	\$ 2,239,008	\$ 2,972,911	
Restricted for Capital Projects	21,966	0	0	0	21,966
Restricted for Hybrid Retirement Stabilization Funds	295,865	0	0	0	295,865
Committed:					
Committed for Education	0	1,200,000	0	0	1,200,000
Assigned:					
Assigned for Education	1,775,096	0	0	0	1,775,096
Assigned for Capital Projects	3,842,897	0	0	0	3,842,897
Unassigned	6,709,623	0	0	0	6,709,623
Total Fund Balances	\$ 13,379,350	\$ 1,200,000	\$ 2,239,008	\$ 16,818,358	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,787,654</u>	<u>\$ 1,501,839</u>	<u>\$ 2,263,814</u>	<u>\$ 22,553,307</u>	

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

Discretely Presented Grainger 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)	\$ 16,818,358
--	---------------

(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Add: land	\$ 1,442,547
Add: construction in progress	2,210,697
Add: buildings and improvements net of accumulated depreciation	28,618,813
Add: other capital assets net of accumulated depreciation	<u>2,838,620</u>
	35,110,677

(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Less: net OPEB liability	\$ (7,010,139)
Less: retirement honorarium payable	(342,400)
Less: retirement incentive payable	(60,000)
Less: compensated absences payable	<u>(2,156,802)</u>
	(9,569,341)

(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.

Add: deferred outflows of resources related to pensions	\$ 6,122,231
Less: deferred inflows of resources related to pensions	(458,075)
Add: deferred outflows of resources related to OPEB	1,556,183
Less: deferred inflows of resources related to OPEB	<u>(1,983,787)</u>
	5,236,552

(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.

Add: net pension asset - agent plan	\$ 988,509
Add: net pension asset - teacher retirement plan	70,685
Add: net pension asset - teacher legacy pension plan	<u>4,340,903</u>
	5,400,097

(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.

298,697

Net position of governmental activities (Exhibit A)	\$ 53,295,040
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Exhibit I-4

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

	Major Funds			Nonmajor Funds	
	General Purpose	School Federal School	Other Govern- mental Projects	Other Govern- mental Funds	Total Governmental Funds
Revenues					
Local Taxes	\$ 5,625,104	\$ 0	\$ 0	\$ 0	\$ 5,625,104
Licenses and Permits	546	0	0	0	546
Fines, Forfeitures, and Penalties	6,961	0	0	0	6,961
Charges for Current Services	0	0	368,309	368,309	
Other Local Revenues	390,835	0	1,676,938	2,067,773	
State of Tennessee	27,837,315	0	16,370	27,853,685	
Federal Government	362,348	7,367,012	1,972,364	9,701,724	
Other Governments and Citizens Groups	680,127	0	0	680,127	
Total Revenues	\$ 34,903,236	\$ 7,367,012	\$ 4,033,981	\$ 46,304,229	
Expenditures					
Current:					
Instruction	\$ 18,950,184	\$ 3,387,986	\$ 0	\$ 0	\$ 22,338,170
Support Services	11,037,914	1,670,686	0	0	12,708,600
Operation of Non-Instructional Services	466,383	0	4,311,181	4,777,564	
Capital Outlay	130,069	2,214,772	0	0	2,344,841
Debt Service:					
Other Debt Service	823,072	0	0	0	823,072
Total Expenditures	\$ 31,407,622	\$ 7,273,444	\$ 4,311,181	\$ 42,992,247	
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,495,614	\$ 93,568	\$ (277,200)	\$ 3,311,982	

(Continued)

Exhibit I-4

GRAINGER COUNTY, TENNESSEE**Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds**

Discretely Presented Grainger County School Department (Cont.)

	Major Funds			Nonmajor Funds	
	General Purpose	School Purpose	Federal School	Other Govern- mental Projects	Total Governmental Funds
Other Financing Sources (Uses)					
Insurance Recovery	\$ 108,717	\$ 0	\$ 0	\$ 0	\$ 108,717
Transfers In	0	400,000		0	400,000
Transfers Out	(400,000)	0		0	(400,000)
Total Other Financing Sources (Uses)	<u>\$ (291,283)</u>	<u>\$ 400,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 108,717</u>
Net Change in Fund Balances	\$ 3,204,331	\$ 493,568	\$ (277,200)	\$ 3,420,699	
Fund Balance, July 1, 2023	<u>\$ 10,175,019</u>	<u>\$ 706,432</u>	<u>\$ 2,516,208</u>	<u>\$ 13,397,659</u>	
Fund Balance, June 30, 2024	<u><u>\$ 13,379,350</u></u>	<u><u>\$ 1,200,000</u></u>	<u><u>\$ 2,239,008</u></u>	<u><u>\$ 16,818,358</u></u>	

GRAINGER COUNTY, TENNESSEE

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities**
Discretely Presented Grainger 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 changes in fund balances - total governmental funds (Exhibit I-4)		\$ 3,420,699
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 3,586,852	
Less: current-year depreciation expense	<u>(1,426,014)</u>	2,160,838
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 298,697	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(648,717)</u>	(350,020)
(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 net OPEB liability	\$ (700,276)	
Change in retirement incentive payable	36,000	
Change in compensated absences payable	(110,502)	
Change in net pension asset/liability	(351,087)	
Change in deferred outflows related to pensions	(702,656)	
Change in deferred inflows related to pensions	729,740	
Change in deferred outflows related to OPEB	366,168	
Change in deferred inflows related to OPEB	<u>290,005</u>	<u>(442,608)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 4,788,909</u>

GRAINGER COUNTY, TENNESSEE**Combining Balance Sheet - Nonmajor Governmental Funds**

Discretely Presented Grainger County School Department

June 30, 2024

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School		
ASSETS				
Cash	\$ 278	\$ 1,387,990	\$ 1,388,268	
Equity in Pooled Cash and Investments	800,783	0	800,783	
Accounts Receivable	32,082	0	32,082	
Due from Other Governments	17,875	0	17,875	
Due from Other Funds	24,806	0	24,806	
Total Assets	\$ 875,824	\$ 1,387,990	\$ 2,263,814	
LIABILITIES				
Accrued Payroll	\$ 21,825	\$ 0	\$ 21,825	
Payroll Deductions Payable	2,981	0	2,981	
Total Liabilities	\$ 24,806	\$ 0	\$ 24,806	
FUND BALANCES				
Restricted:				
Restricted for Education	\$ 851,018	\$ 1,387,990	\$ 2,239,008	
Total Fund Balances	\$ 851,018	\$ 1,387,990	\$ 2,239,008	
Total Liabilities and Fund Balances	\$ 875,824	\$ 1,387,990	\$ 2,263,814	

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
Revenues			
Charges for Current Services	\$ 368,309	\$ 0	\$ 368,309
Other Local Revenues	43,074	1,633,864	1,676,938
State of Tennessee	16,370	0	16,370
Federal Government	1,972,364	0	1,972,364
Total Revenues	<u>\$ 2,400,117</u>	<u>\$ 1,633,864</u>	<u>\$ 4,033,981</u>
Expenditures			
Current:			
Operation of Non-Instructional Services	\$ 2,729,451	\$ 1,581,730	\$ 4,311,181
Total Expenditures	<u>\$ 2,729,451</u>	<u>\$ 1,581,730</u>	<u>\$ 4,311,181</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (329,334)</u>	<u>\$ 52,134</u>	<u>\$ (277,200)</u>
Net Change in Fund Balances	\$ (329,334)	\$ 52,134	\$ (277,200)
Fund Balance, July 1, 2023	<u>1,180,352</u>	<u>1,335,856</u>	<u>2,516,208</u>
Fund Balance, June 30, 2024	<u>\$ 851,018</u>	<u>\$ 1,387,990</u>	<u>\$ 2,239,008</u>

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**

Discretely Presented Grainger County School Department
General Purpose School Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 5,625,104	\$ 4,461,500	\$ 4,461,500	\$ 1,163,604
Licenses and Permits	546	0	0	546
Fines, Forfeitures, and Penalties	6,961	10,000	10,000	(3,039)
Other Local Revenues	390,835	36,800	222,212	168,623
State of Tennessee	27,837,315	25,472,928	29,420,624	(1,583,309)
Federal Government	362,348	78,500	134,025	228,323
Other Governments and Citizens Groups	680,127	0	0	680,127
Total Revenues	\$ 34,903,236	\$ 30,059,728	\$ 34,248,361	\$ 654,875
Expenditures				
Instruction				
Regular Instruction Program	\$ 14,361,324	\$ 15,962,413	\$ 16,976,428	\$ 2,615,104
Alternative Instruction Program	72,666	76,832	76,832	4,166
Special Education Program	2,569,837	2,501,780	2,829,773	259,936
Career and Technical Education Program	1,846,121	1,313,455	3,466,540	1,620,419
Student Body Education Program	28,815	32,000	32,000	3,185
Adult Education Program	71,421	78,373	78,373	6,952
Support Services				
Attendance	7,700	7,700	7,700	0
Health Services	554,089	578,116	603,561	49,472
Other Student Support	487,351	840,062	972,584	485,233
Regular Instruction Program	770,034	820,863	881,192	111,158
Special Education Program	501,152	369,856	636,562	135,410
Career and Technical Education Program	215,952	112,269	261,473	45,521
Technology	848,864	310,806	1,064,107	215,243
Other Programs	144,621	0	144,621	0
Board of Education	531,137	604,412	607,053	75,916
Director of Schools	451,749	501,875	531,299	79,550
Office of the Principal	1,781,390	1,725,613	2,039,431	258,041
Operation of Plant	1,796,224	1,897,319	1,935,082	138,858
Maintenance of Plant	947,027	733,314	1,411,467	464,440
Transportation	2,000,624	1,772,600	2,677,525	676,901
Operation of Non-Instructional Services				
Food Service	18,383	0	18,560	177
Community Services	28,336	29,612	32,965	4,629
Early Childhood Education	419,664	0	419,664	0
Capital Outlay				
Regular Capital Outlay	130,069	127,500	1,175,276	1,045,207
Principal on Debt				
Education	0	700,000	0	0
Other Debt Service				
Education	823,072	0	823,072	0
Total Expenditures	\$ 31,407,622	\$ 31,096,770	\$ 39,703,140	\$ 8,295,518

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**Discretely Presented Grainger County School Department
General Purpose School Fund (Cont.)

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,495,614	\$ (1,037,042)	\$ (5,454,779)	\$ 8,950,393
Other Financing Sources (Uses)				
Insurance Recovery	\$ 108,717	\$ 0	\$ 108,717	\$ 0
Transfers Out	(400,000)	0	(400,000)	0
Total Other Financing Sources	\$ (291,283)	\$ 0	\$ (291,283)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 3,204,331	\$ (1,037,042)	\$ (5,746,062)	\$ 8,950,393
Fund Balance, June 30, 2024	\$ 10,175,019	\$ 14,335,881	\$ 14,335,881	\$ (4,160,862)
	\$ 13,379,350	\$ 13,298,839	\$ 8,589,819	\$ 4,789,531

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**

Discretely Presented Grainger County School Department
School Federal Projects Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Federal Government	\$ 7,367,012	\$ 2,174,164	\$ 9,220,666	\$ (1,853,654)
Total Revenues	\$ 7,367,012	\$ 2,174,164	\$ 9,220,666	\$ (1,853,654)
Expenditures				
Instruction				
Regular Instruction Program	\$ 2,605,394	\$ 1,021,611	\$ 3,252,161	\$ 646,767
Special Education Program	732,271	623,344	1,079,583	347,312
Career and Technical Education Program	50,321	51,524	50,322	1
Support Services				
Other Student Support	206,131	34,268	233,644	27,513
Regular Instruction Program	333,620	212,743	440,626	107,006
Special Education Program	411,378	146,487	446,130	34,752
Career and Technical Education Program	1,000	1,000	1,000	0
Technology	0	0	210,000	210,000
Operation of Plant	228,631	0	270,688	42,057
Transportation	489,926	103,844	685,735	195,809
Capital Outlay				
Regular Capital Outlay	2,214,772	0	2,550,779	336,007
Total Expenditures	\$ 7,273,444	\$ 2,194,821	\$ 9,220,668	\$ 1,947,224
Excess (Deficiency) of Revenues Over Expenditures	\$ 93,568	\$ (20,657)	\$ (2)	\$ 93,570
Other Financing Sources (Uses)				
Transfers In	\$ 400,000	\$ 0	\$ 400,000	\$ 0
Total Other Financing Sources	\$ 400,000	\$ 0	\$ 400,000	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 493,568	\$ (20,657)	\$ 399,998	\$ 93,570
	706,432	1,112,931	1,112,931	(406,499)
Fund Balance, June 30, 2024	\$ 1,200,000	\$ 1,092,274	\$ 1,512,929	\$ (312,929)

GRAINGER COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**

Discretely Presented Grainger County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Charges for Current Services	\$ 368,309	\$ 652,500	\$ 715,995	\$ (347,686)
Other Local Revenues	43,074	6,000	12,718	30,356
State of Tennessee	16,370	15,405	31,775	(15,405)
Federal Government	1,972,364	1,696,832	1,812,868	159,496
Total Revenues	\$ 2,400,117	\$ 2,370,737	\$ 2,573,356	\$ (173,239)
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 2,729,451	\$ 2,545,737	\$ 2,748,356	\$ 18,905
Total Expenditures	\$ 2,729,451	\$ 2,545,737	\$ 2,748,356	\$ 18,905
Excess (Deficiency) of Revenues Over Expenditures	\$ (329,334)	\$ (175,000)	\$ (175,000)	\$ (154,334)
Net Change in Fund Balance	\$ (329,334)	\$ (175,000)	\$ (175,000)	\$ (154,334)
Fund Balance, July 1, 2023	1,180,352	1,362,874	1,362,874	(182,522)
Fund Balance, June 30, 2024	\$ 851,018	\$ 1,187,874	\$ 1,187,874	\$ (336,856)

MISCELLANEOUS SCHEDULES

GRAINGER COUNTY, TENNESSEE**Schedule of Changes in Long-term Notes, Bonds, and Other Loans
For the Year Ended June 30, 2024**

Description of Indebtedness	Original		Date	Last	Paid and/or		
	Amount of Issue	Interest Rate	of Issue	Maturity Date	Outstanding 7-1-23	Matured During Period	Outstanding 6-30-24
BONDS PAYABLE							
Payable through General Debt Service Fund							
General Obligation Refunding Bonds, Series 2020A	\$ 8,375,000	2 to 3 %	8-21-20	4-1-32	\$ 7,115,000	\$ 225,000	\$ 6,890,000
General Obligation Refunding Bonds, Series 2020B	7,910,000	1 to 5	9-25-20	6-1-30	4,780,000	1,220,000	3,560,000
Total Bonds Payable					\$ 11,895,000	\$ 1,445,000	\$ 10,450,000
NOTES PAYABLE							
Payable through General Debt Service Fund							
Parks and Recreation Ball Field Project	93,000	2.95	6-25-19	6-25-24	\$ 19,712	\$ 19,712	\$ 0
Total Notes Payable					\$ 19,712	\$ 19,712	\$ 0
OTHER LOANS PAYABLE							
Payable through General Debt Service Fund							
Energy Efficient Schools Initiative	1,350,845	1.5	6-19-19	10-1-31	\$ 954,968	\$ 109,368	\$ 845,600
Total Other Loans Payable					\$ 954,968	\$ 109,368	\$ 845,600

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,525,000	\$ 342,200	\$ 1,867,200
2026	1,555,000	270,450	1,825,450
2027	1,600,000	202,100	1,802,100
2028	1,640,000	154,100	1,794,100
2029	1,615,000	104,900	1,719,900
2030	1,655,000	61,650	1,716,650
2031	425,000	17,200	442,200
2032	435,000	8,700	443,700
Total	\$ 10,450,000	\$ 1,161,300	\$ 11,611,300

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2025	\$ 111,024	\$ 12,048	\$ 123,072
2026	112,692	10,380	123,072
2027	114,396	8,676	123,072
2028	116,124	6,948	123,072
2029	117,876	5,196	123,072
2030	119,664	3,408	123,072
2031	121,464	1,608	123,072
2032	32,360	103	32,463
Total	\$ 845,600	\$ 48,367	\$ 893,967

Exhibit J-3

GRAINGER COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Grainger County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	Solid Waste / Sanitation	Operations	\$ 600
"	Sports and Recreation	"	2,532
"	Other General Government	"	62,160
Other General Government	General	Revenue replacement from ARPA funding	<u>402,602</u>
Total Transfers Primary Government			<u>\$ 467,894</u>
DISCRETELY PRESENTED GRAINGER COUNTY SCHOOL DEPARTMENT			
General Purpose School	School Federal Projects	Cash flow	<u>\$ 400,000</u>
Total Transfers Discretely Presented Grainger County School Department			<u>\$ 400,000</u>

GRAINGER COUNTY, TENNESSEE**Schedule of Salaries and Official Bonds of Principal Officials**

Primary Government and Discretely Presented Grainger County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor Base salary/Total compensation		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
	<u><u>\$ 110,015</u></u>			
Road Superintendent Base salary/Total compensation		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
	<u><u>\$ 99,787</u></u>			
Director of Schools Base salary Automobile allowance CEO training supplement Attendance bonus Across the board bonus Total compensation	\$ 108,000 5,000 1,000 300 1,700 <u><u>\$ 116,000</u></u>	State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Trustee Base salary Certified Public Administrator incentive Total compensation	\$ 90,715 1,200 <u><u>\$ 91,915</u></u>	Section 8-24-102, <i>TCA</i>	1,264,214	RLI Insurance Company
Assessor of Property Base salary/Total compensation	<u><u>\$ 90,715</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
County Clerk Base salary Certified Public Administrator incentive Total compensation	\$ 90,715 1,200 <u><u>\$ 91,915</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Circuit and General Sessions Courts Clerk Base salary/Total compensation	<u><u>\$ 90,715</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Clerk and Master Base salary Special commissioner fees Total compensation	\$ 90,715 9,225 <u><u>\$ 99,940</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Register of Deeds Base salary Certified Public Administrator incentive Total compensation	\$ 90,715 1,200 <u><u>\$ 91,915</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Sheriff Base salary Workhouse superintendent Law enforcement training supplement Total compensation	\$ 99,787 4,989 800 <u><u>\$ 105,576</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			400,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 6,146,824	\$ 0	\$ 0	\$ 843,768	\$ 0	\$ 158,256
Trustee's Collections - Prior Year	158,005	0	0	19,824	0	4,175
Circuit Clerk/Clerk and Master Collections - Prior Years	63,161	0	0	8,491	0	1,637
Interest and Penalty	29,685	0	0	3,842	0	783
Pickup Taxes	383	0	0	53	0	10
Payments in-Lieu-of Taxes - T.V.A.	3,207	0	0	440	0	83
Payments in-Lieu-of Taxes - Local Utilities	251,413	0	0	34,511	0	6,478
Payments in-Lieu-of Taxes - Other	89,083	0	0	12,228	0	2,983
County Local Option Taxes						
Local Option Sales Tax	367,973	0	0	0	0	0
Litigation Tax - General	6,238	180	180	0	0	0
Litigation Tax - Special Purpose	32,034	940	936	5	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	14,956	0	0	0	0	0
Litigation Tax - Courthouse Security	1,793	0	0	0	0	0
Business Tax	96,481	0	0	13,205	0	2,488
Mixed Drink Tax	902	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	110,997	0	0	0	0	0
Wholesale Beer Tax	10,068	0	0	0	0	0
City Local Option Taxes						
Hotel/Motel Tax	37,900	0	0	0	0	0
Total Local Taxes	\$ 7,421,103	\$ 1,120	\$ 1,116	\$ 936,367	\$ 0	\$ 176,893

(Continued)

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

		Special Revenue Funds				
		Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
	General					
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 584	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	79,866	0	0	0	0	0
Permits						
Beer Permits	525	0	0	0	0	0
Other Permits	225	0	0	0	0	0
Total Licenses and Permits	\$ 81,200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 1,570	\$ 0	\$ 0	\$ 215	\$ 0	\$ 40
Officers Costs	1,358	0	0	184	0	35
Drug Control Fines	2,683	0	0	0	3,494	0
Jail Fees	1,054	0	0	0	0	0
DUI Treatment Fines	190	0	0	0	0	0
Data Entry Fee - Circuit Court	554	0	0	0	0	0
Criminal Court						
DUI Treatment Fines	84	0	0	12	0	2
Victims Assistance Assessments	1,883	0	0	0	0	0
General Sessions Court						
Fines	4,218	0	0	544	0	105
Officers Costs	9,485	0	0	1,288	0	242
Game and Fish Fines	116	0	0	15	0	3
Drug Control Fines	1,135	0	0	0	1,186	0
Jail Fees	3,343	0	0	0	0	0
DUI Treatment Fines	3,752	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				
		Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
	General					
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court (Cont.)						
Data Entry Fee - General Sessions Court	\$ 6,157	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Courtroom Security Fee	35,511	0	0	0	0	0
Victims Assistance Assessments	5,574	0	0	0	0	0
Juvenile Court						
Fines	116	0	0	16	0	3
Officers Costs	190	0	0	0	0	0
Data Entry Fee - Juvenile Court	132	0	0	0	0	0
Chancery Court						
Officers Costs	15,305	0	0	0	0	0
Data Entry Fee - Chancery Court	1,924	0	0	0	0	0
Courtroom Security Fee	4,523	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 100,857	\$ 0	\$ 0	\$ 2,274	\$ 4,680	\$ 430
Charges for Current Services						
General Service Charges						
Other Employee Benefit Charges/Contributions	\$ 40	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal	0	0	0	3,180	0	0
Patient Charges	1,174,887	0	0	0	0	0
Past Due Collections - Ambulance	1,019	0	0	0	0	0
Service Charges	21,651	0	0	0	0	0
Fees						
Recreation Fees	0	0	0	0	0	27,841
Copy Fees	308	0	0	0	0	0
Library Fees	2,785	0	0	0	0	0
Archives and Records Management Fee	39,088	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
Charges for Current Services (Cont.)						
Fees (Cont.)						
Telephone Commissions	\$ 33,192	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fingerprint Fees	3,736	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	7,045	0	0	0	0	0
Data Processing Fee - Sheriff	1,715	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,900	0	0	0	0	0
Data Processing Fee - County Clerk	3,303	0	0	0	0	0
Vehicle Registration Reinstatement Fees	3,860	0	0	0	0	0
Education Charges						
Other Charges for Services	0	0	0	0	0	0
Total Charges for Current Services	\$ 1,294,529	\$ 0	\$ 0	\$ 3,180	\$ 0	\$ 27,841
Other Local Revenues						
Recurring Items						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals/PPP	19,191	0	0	0	0	0
Sale of Materials and Supplies	135	0	0	0	0	0
Commissary Sales	11,280	0	0	0	0	0
Sale of Recycled Materials	1,476	0	0	30,580	0	0
Miscellaneous Refunds	8,060	0	0	0	0	688
Nonrecurring Items						
Sale of Equipment	5,651	0	0	8,716	0	0
Sale of Property	57,482	0	0	600	0	0
Damages Recovered from Individuals	1,151	0	0	0	0	0
Contributions and Gifts	77,091	0	0	0	0	8,756

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
Other Local Revenues (Cont.)						
Other Local Revenues						
Other Local Revenues	\$ 35,559	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 217,076	\$ 0	\$ 0	\$ 39,896	\$ 0	\$ 9,444
Fees Received From County Officials						
Excess Fees						
Trustee	\$ 155,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fees In-Lieu-of Salary						
County Clerk	246,670	0	0	0	0	0
Circuit Court Clerk	18,164	0	0	0	0	0
General Sessions Court Clerk	89,936	0	0	0	0	0
Clerk and Master	63,612	0	0	0	0	0
Juvenile Court Clerk	9,217	0	0	0	0	0
Register	96,199	0	0	0	0	0
Sheriff	8,835	0	0	0	0	0
Total Fees Received From County Officials	\$ 687,633	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	9,549	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	18,400	0	0	0	0	0
School Resource Officer Grants	402,139	0	0	0	0	0
Health and Welfare Grants						
Public Health Nurses	52,881	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
State of Tennessee (Cont.)						
Public Works Grants						
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Litter Program		24,096	0	0	0	0
Other State Revenues						
Income Tax		232	0	0	0	0
Beer Tax		81,213	0	0	0	0
Vehicle Certificate of Title Fees		21,818	0	0	0	0
Opioid Settlement Funds - TN Abatement Council		0	0	0	0	0
State Revenue Sharing - T.V.A.		650,403	0	0	89,279	0
State Revenue Sharing - Telecommunications		36,755	0	0	0	0
State Shared Sports Gaming Privilege Tax		31,868	0	0	0	0
Contracted Prisoner Boarding		173,307	0	0	0	0
Gasoline and Motor Fuel Tax		0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee		0	0	0	0	0
Petroleum Special Tax		0	0	0	0	0
Registrar's Salary Supplement		15,164	0	0	0	0
Other State Grants		127,790	0	0	0	0
Other State Revenues		27,093	0	0	77,951	0
Total State of Tennessee	\$ 1,677,208	\$ 0	\$ 0	\$ 167,230	\$ 0	\$ 16,758
Federal Government						
Federal Through State						
USDA - Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Community Development		412,603	0	0	0	0
Homeland Security Grants		9,050	0	0	0	0
Medicaid		52,326	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Drug Control	Sports and Recreation
Federal Government (Cont.)						
Federal Through State (Cont.)						
American Rescue Plan Act Grant A	\$ 13,640	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State		118,252	0	0	0	0
Direct Federal Revenue						
FHA Grant		96,784	0	0	0	0
American Rescue Plan Act Grant #6		493,729	0	0	0	0
Total Federal Government	\$ 1,196,384	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Citizens Groups						
Donations		39,613	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation		154,807	0	0	0	0
Total Other Governments and Citizens Groups	\$ 194,420	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 12,870,410	\$ 1,120	\$ 1,116	\$ 1,148,947	\$ 4,680	\$ 231,366

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service		
					Total	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 0	\$ 0	\$ 602,020	\$ 473,550	\$ 8,224,418	
Trustee's Collections - Prior Year	0	0	15,878	12,489	210,371	
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	6,227	4,898	84,414	
Interest and Penalty	0	0	2,978	2,325	39,613	
Pickup Taxes	0	0	38	30	514	
Payments in-Lieu-of Taxes - T.V.A.	0	0	314	247	4,291	
Payments in-Lieu-of Taxes - Local Utilities	0	0	24,634	19,377	336,413	
Payments in-Lieu-of Taxes - Other	0	0	11,346	6,866	122,506	
County Local Option Taxes						
Local Option Sales Tax	0	0	0	700,000	1,067,973	
Litigation Tax - General	0	0	0	0	6,598	
Litigation Tax - Special Purpose	0	0	0	0	33,915	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	14,956	
Litigation Tax - Courthouse Security	0	0	0	0	1,793	
Business Tax	0	0	9,462	7,602	129,238	
Mixed Drink Tax	0	0	0	0	902	
Mineral Severance Tax	0	0	47,791	0	47,791	
Statutory Local Taxes						
Bank Excise Tax	0	0	0	0	110,997	
Wholesale Beer Tax	0	0	0	0	10,068	
City Local Option Taxes						
Hotel/Motel Tax	0	0	0	0	37,900	
Total Local Taxes	\$ 0	\$ 0	\$ 720,688	\$ 1,227,384	\$ 10,484,671	

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service		
					Total	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	584
Cable TV Franchise	0	0	0	0	0	79,866
Permits						
Beer Permits	0	0	0	0	0	525
Other Permits	0	0	0	0	0	225
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	81,200
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 0	\$ 0	\$ 154	\$ 121	\$ 2,100	
Officers Costs	0	0	133	105	1,815	
Drug Control Fines	0	0	0	0	6,177	
Jail Fees	0	0	0	0	1,054	
DUI Treatment Fines	0	0	0	0	190	
Data Entry Fee - Circuit Court	0	0	0	0	554	
Criminal Court						
DUI Treatment Fines	0	0	8	6	112	
Victims Assistance Assessments	0	0	0	0	1,883	
General Sessions Court						
Fines	0	0	397	326	5,590	
Officers Costs	0	0	920	733	12,668	
Game and Fish Fines	0	0	12	9	155	
Drug Control Fines	0	0	0	0	2,321	
Jail Fees	0	0	0	0	3,343	
DUI Treatment Fines	0	0	0	0	3,752	

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service		
					Total	
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court (Cont.)						
Data Entry Fee - General Sessions Court	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6,157
Courtroom Security Fee	0	0	0	0	0	35,511
Victims Assistance Assessments	0	0	0	0	0	5,574
Juvenile Court						
Fines	0	0	11	9	155	
Officers Costs	0	0	0	0	190	
Data Entry Fee - Juvenile Court	0	0	0	0	132	
Chancery Court						
Officers Costs	0	0	0	0	15,305	
Data Entry Fee - Chancery Court	0	0	0	0	1,924	
Courtroom Security Fee	0	0	0	0	4,523	
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 1,635	\$ 1,309	\$ 111,185	
Charges for Current Services						
General Service Charges						
Other Employee Benefit Charges/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	40
Surcharge - Waste Tire Disposal	0	0	0	0	0	3,180
Patient Charges	0	0	0	0	0	1,174,887
Past Due Collections - Ambulance	0	0	0	0	0	1,019
Service Charges	0	0	0	0	0	21,651
Fees						
Recreation Fees	0	0	0	0	0	27,841
Copy Fees	0	0	0	0	0	308
Library Fees	0	0	0	0	0	2,785
Archives and Records Management Fee	0	0	0	0	0	39,088

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Constitu -		Highway /	General	Total	
	Other Special Revenue	tional Officers - Fees	Public Works	Debt Service		
Charges for Current Services (Cont.)						
Fees (Cont.)						
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,192	
Fingerprint Fees	0	0	0	0	3,736	
Constitutional Officers' Fees and Commissions	0	219,426	0	0	219,426	
Special Commissioner Fees/Special Master Fees	0	9,225	0	0	9,225	
Data Processing Fee - Register	0	0	0	0	7,045	
Data Processing Fee - Sheriff	0	0	0	0	1,715	
Sexual Offender Registration Fee - Sheriff	0	0	0	0	1,900	
Data Processing Fee - County Clerk	0	0	0	0	3,303	
Vehicle Registration Reinstatement Fees	0	0	0	0	3,860	
Education Charges						
Other Charges for Services	0	0	971	0	971	
Total Charges for Current Services	\$ 0	\$ 228,651	\$ 971	\$ 0	\$ 1,555,172	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 1,440	\$ 0	\$ 0	\$ 526,894	\$ 528,334	
Lease/Rentals/PPP	0	0	0	0	19,191	
Sale of Materials and Supplies	0	0	0	0	135	
Commissary Sales	0	0	0	0	11,280	
Sale of Recycled Materials	0	0	1,232	0	33,288	
Miscellaneous Refunds	0	0	29,841	0	38,589	
Nonrecurring Items						
Sale of Equipment	0	0	3,800	0	18,167	
Sale of Property	0	0	0	0	58,082	
Damages Recovered from Individuals	0	0	0	0	1,151	
Contributions and Gifts	0	0	0	0	85,847	

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Constitu -		Highway /	General	Debt Service	
	Other Special Revenue	tional Officers - Fees	Public Works	Debt		
					Total	
Other Local Revenues (Cont.)						
Other Local Revenues						
Other Local Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,559
Total Other Local Revenues	\$ 1,440	\$ 0	\$ 34,873	\$ 526,894	\$ 829,623	
Fees Received From County Officials						
Excess Fees						
Trustee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,000
Fees In-Lieu-of Salary						
County Clerk	0	0	0	0	0	246,670
Circuit Court Clerk	0	0	0	0	0	18,164
General Sessions Court Clerk	0	0	0	0	0	89,936
Clerk and Master	0	0	0	0	0	63,612
Juvenile Court Clerk	0	0	0	0	0	9,217
Register	0	0	0	0	0	96,199
Sheriff	0	0	0	0	0	8,835
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 687,633
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,500
Aging Programs	0	0	0	0	0	9,549
Public Safety Grants						
Law Enforcement Training Programs	0	0	0	0	0	18,400
School Resource Officer Grants	0	0	0	0	0	402,139
Health and Welfare Grants						
Public Health Nurses	0	0	0	0	0	52,881

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Constitu -		Highway /	General	Total	
	Other Special Revenue	tional Officers - Fees	Public Works	Debt Service		
State of Tennessee (Cont.)						
Public Works Grants						
State Aid Program	\$ 0	\$ 0	\$ 1,983,538	\$ 0	\$ 1,983,538	
Litter Program	0	0	0	0	0	24,096
Other State Revenues						
Income Tax	0	0	0	0	0	232
Beer Tax	0	0	0	0	0	81,213
Vehicle Certificate of Title Fees	0	0	0	0	0	21,818
Opioid Settlement Funds - TN Abatement Council	110,738	0	0	0	0	110,738
State Revenue Sharing - T.V.A.	0	0	63,729	50,128	50,128	870,297
State Revenue Sharing - Telecommunications	0	0	0	0	0	36,755
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	31,868
Contracted Prisoner Boarding	0	0	0	0	0	173,307
Gasoline and Motor Fuel Tax	0	0	2,172,539	0	0	2,172,539
Hybrid/Electric Vehicle Registration Fee	0	0	6,901	0	0	6,901
Petroleum Special Tax	0	0	15,589	0	0	15,589
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	0	0	127,790
Other State Revenues	0	0	24,169	0	0	129,213
Total State of Tennessee	\$ 110,738	\$ 0	\$ 4,266,465	\$ 50,128	\$ 0	6,288,527
Federal Government						
Federal Through State						
USDA - Other	\$ 0	\$ 0	\$ 17,637	\$ 0	\$ 0	17,637
Community Development	0	0	0	0	0	412,603
Homeland Security Grants	0	0	0	0	0	9,050
Medicaid	0	0	0	0	0	52,326

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	Constitu -					
	Other Special Revenue	tional Officers - Fees	Highway / Public Works	General Debt Service	Total	
Federal Government (Cont.)						
Federal Through State (Cont.)						
American Rescue Plan Act Grant A	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13,640
Other Federal through State	0	0	0	0	0	118,252
Direct Federal Revenue						
FHA Grant	0	0	0	0	0	96,784
American Rescue Plan Act Grant #6	0	0	0	0	0	493,729
Total Federal Government	\$ 0	\$ 0	\$ 17,637	\$ 0	\$ 0	1,214,021
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 0	\$ 0	\$ 823,072	\$ 823,072	
Citizens Groups						
Donations	0	0	0	0	0	39,613
Other						
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	154,807
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 823,072	\$ 823,072	1,017,492
Total	\$ 112,178	\$ 228,651	\$ 5,042,269	\$ 2,628,787	\$ 22,269,524	

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Grainger County School Department

For the Year Ended June 30, 2024

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 2,561,784	\$ 0	\$ 0	\$ 0	\$ 2,561,784
Trustee's Collections - Prior Year	67,565	0	0	0	67,565
Circuit Clerk/Clerk and Master Collections - Prior Years	26,497	0	0	0	26,497
Interest and Penalty	12,674	0	0	0	12,674
Pickup Taxes	160	0	0	0	160
Payments in-Lieu-of Taxes - T.V.A.	1,337	0	0	0	1,337
Payments in-Lieu-of Taxes - Local Utilities	104,827	0	0	0	104,827
Payments in-Lieu-of Taxes - Other	48,281	0	0	0	48,281
County Local Option Taxes					
Local Option Sales Tax	2,761,716	0	0	0	2,761,716
Business Tax	40,263	0	0	0	40,263
Total Local Taxes	\$ 5,625,104	\$ 0	\$ 0	\$ 0	\$ 5,625,104
Licenses and Permits					
Licenses					
Marriage Licenses	\$ 546	\$ 0	\$ 0	\$ 0	\$ 546
Total Licenses and Permits	\$ 546	\$ 0	\$ 0	\$ 0	\$ 546
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 655	\$ 0	\$ 0	\$ 0	\$ 655
Officers Costs	567	0	0	0	567
Criminal Court					
DUI Treatment Fines	35	0	0	0	35

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Grainger County School Department (Cont.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court						
Fines	\$ 1,691	\$ 0	\$ 0	\$ 0	\$ 1,691	
Officers Costs		3,915	0	0	0	3,915
Game and Fish Fines		49	0	0	0	49
Juvenile Court						
Fines		49	0	0	0	49
Total Fines, Forfeitures, and Penalties	\$ 6,961	\$ 0	\$ 0	\$ 0	\$ 0	6,961
Charges for Current Services						
Education Charges						
Lunch Payments - Children	\$ 0	\$ 0	\$ 145,225	\$ 0	\$ 0	145,225
Lunch Payments - Adults		0	46,468	0	0	46,468
Income from Breakfast		0	2,064	0	0	2,064
A la Carte Sales		0	83,204	0	0	83,204
Receipts from Individual Schools		0	1,765	0	0	1,765
Other Charges for Services		0	89,583	0	0	89,583
Total Charges for Current Services	\$ 0	\$ 0	\$ 368,309	\$ 0	\$ 0	368,309
Other Local Revenues						
Recurring Items						
Investment Income	\$ 24,758	\$ 0	\$ 9,943	\$ 0	\$ 0	34,701
Lease/Rentals/PPP		1,650	0	0	0	1,650
Miscellaneous Refunds		358,026	0	33,131	0	391,157
Nonrecurring Items						
Contributions and Gifts		3,000	0	0	0	3,000

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Grainger County School Department (Cont.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Other Local Revenues (Cont.)						
Other Local Revenues						
Other Local Revenues	\$ 3,401	\$ 0	\$ 0	\$ 1,633,864	\$ 1,637,265	
Total Other Local Revenues	<u>\$ 390,835</u>	<u>\$ 0</u>	<u>\$ 43,074</u>	<u>\$ 1,633,864</u>	<u>\$ 2,067,773</u>	
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 144,621	\$ 0	\$ 0	\$ 0	\$ 144,621	
State Education Funds						
Tennessee Investment in Student Achievement	25,323,659	0	0	0	25,323,659	
TISA - On-behalf Payments	50,716	0	0	0	50,716	
Early Childhood Education	483,179	0	0	0	483,179	
School Food Service	0	0	16,370	0	16,370	
Driver Education	7,412	0	0	0	7,412	
Other State Education Funds	1,325,877	0	0	0	1,325,877	
Paid Parental Leave	55,348	0	0	0	55,348	
Career Ladder Program	46,122	0	0	0	46,122	
Other State Revenues						
State Revenue Sharing - T.V.A.	271,187	0	0	0	271,187	
Other State Grants	129,194	0	0	0	129,194	
Total State of Tennessee	<u>\$ 27,837,315</u>	<u>\$ 0</u>	<u>\$ 16,370</u>	<u>\$ 0</u>	<u>\$ 27,853,685</u>	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,198,172	\$ 0	\$ 1,198,172	
USDA - Commodities	0	0	145,405	0	145,405	

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Grainger County School Department (Cont.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Federal Government (Cont.)						
Federal Through State (Cont.)						
Breakfast	\$ 0	\$ 0	\$ 453,432	\$ 0	\$ 453,432	
USDA - Other	0	0	175,355	0	175,355	
Vocational Education - Basic Grants to States	0	65,250	0	0	65,250	
Title I Grants to Local Education Agencies	0	1,128,985	0	0	1,128,985	
Special Education - Grants to States	0	1,282,893	0	0	1,282,893	
Special Education Preschool Grants	0	32,611	0	0	32,611	
Rural Education	0	93,560	0	0	93,560	
Eisenhower Professional Development State Grants	0	130,196	0	0	130,196	
COVID-19 Grant B	0	167,689	0	0	167,689	
American Rescue Plan Act Grant #1	0	4,439,913	0	0	4,439,913	
American Rescue Plan Act Grant #4	0	25,915	0	0	25,915	
Other Federal through State	287,414	0	0	0	287,414	
Direct Federal Revenue						
ROTC Reimbursement	74,934	0	0	0	74,934	
Total Federal Government	\$ 362,348	\$ 7,367,012	\$ 1,972,364	\$ 0	\$ 9,701,724	
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 680,127	\$ 0	\$ 0	\$ 0	\$ 680,127	
Total Other Governments and Citizens Groups	\$ 680,127	\$ 0	\$ 0	\$ 0	\$ 680,127	
Total	\$ 34,903,236	\$ 7,367,012	\$ 2,400,117	\$ 1,633,864	\$ 46,304,229	

GRAINGER 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	\$ 48,500
Social Security	3,710
Pensions	4,148
Dues and Memberships	<u>1,450</u>
Total County Commission	\$ 57,808

Beer Board

Board and Committee Members Fees	\$ 375
Total Beer Board	375

Budget and Finance Committee

Board and Committee Members Fees	\$ 3,125
Total Budget and Finance Committee	3,125

County Mayor/Executive

County Official/Administrative Officer	\$ 110,015
Salary Supplements	2,400
Longevity Pay	500
Other Salaries and Wages	64,858
Social Security	12,618
Pensions	17,320
Medical Insurance	10,968
Unemployment Compensation	87
Data Processing Services	15,105
Maintenance Agreements	909
Postal Charges	1,938
Printing, Stationery, and Forms	300
Travel	2,394
Office Supplies	2,234
Office Equipment	<u>593</u>
Total County Mayor/Executive	242,239

Election Commission

County Official/Administrative Officer	\$ 81,644
Assistant(s)	29,267
Salary Supplements	1,200
Part-time Personnel	1,825
Longevity Pay	750
Election Commission	19,000
Election Workers	15,234
In-service Training	700
Social Security	8,503
Pensions	11,010
Unemployment Compensation	63
Legal Notices, Recording, and Court Costs	4,905
Maintenance Agreements	16,947
Maintenance and Repair Services - Equipment	1,845

(Continued)

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

General Government (Cont.)

Election Commission (Cont.)

Maintenance and Repair Services - Office Equipment	\$	94
Postal Charges		2,338
Printing, Stationery, and Forms		3,187
Travel		3,770
Electricity		3,170
Office Supplies		2,654
Water and Sewer		602
Other Charges		390
Other Equipment		16,888
Total Election Commission	\$	225,986

Register of Deeds

County Official/Administrative Officer	\$	90,715
Salary Supplements		1,200
Clerical Personnel		59,364
Part-time Personnel		8,036
Longevity Pay		1,200
Social Security		11,986
Pensions		15,217
Medical Insurance		16,452
Unemployment Compensation		114
Data Processing Services		4,853
Dues and Memberships		1,424
Maintenance Agreements		3,170
Maintenance and Repair Services - Office Equipment		999
Postal Charges		306
Travel		4,097
Office Supplies		1,418
Office Equipment		7,376
Total Register of Deeds		227,927

Planning

Board and Committee Members Fees	\$	8,875
Other Contracted Services		13,612
Total Planning		22,487

County Buildings

Custodial Personnel	\$	33,542
Maintenance Personnel		14,065
Longevity Pay		150
Social Security		3,668
Pensions		4,164
Medical Insurance		5,474
Unemployment Compensation		43
Communication		11,830
Maintenance and Repair Services - Buildings		15,703
Other Contracted Services		202

(Continued)

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

General Government (Cont.)

County Buildings (Cont.)

Custodial Supplies	\$ 1,107
Electricity	24,836
Propane Gas	155
Water and Sewer	3,824
Building Improvements	<u>17,661</u>
Total County Buildings	\$ 136,424

Other Facilities

Maintenance Personnel	\$ 32,334
Longevity Pay	500
Social Security	2,299
Pensions	3,199
Medical Insurance	5,400
Unemployment Compensation	28
Communication	22,048
Maintenance and Repair Services - Buildings	136,481
Custodial Supplies	2,241
Electricity	112,623
Propane Gas	87,520
Water and Sewer	<u>53,003</u>
Total Other Facilities	457,676

Preservation of Records

Part-time Personnel	\$ 14,471
Social Security	1,107
Unemployment Compensation	28
Communication	3,433
Postal Charges	84
Office Supplies	281
Other Supplies and Materials	35
Other Charges	<u>445</u>
Total Preservation of Records	19,884

Finance

Property Assessor's Office

County Official/Administrative Officer	\$ 90,715
Assistant(s)	25,276
Deputy(ies)	37,430
Salary Supplements	1,200
Part-time Personnel	18,055
Longevity Pay	600
Social Security	13,021
Pensions	12,676
Medical Insurance	5,917
Unemployment Compensation	130
Contracts with Private Agencies	1,680
Data Processing Services	14,624

(Continued)

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

Finance (Cont.)

Property Assessor's Office (Cont.)

Dues and Memberships	\$ 1,450
Maintenance Agreements	789
Maintenance and Repair Services - Vehicles	74
Postal Charges	702
Printing, Stationery, and Forms	370
Travel	1,849
Gasoline	1,622
Office Supplies	<u>1,953</u>
Total Property Assessor's Office	\$ 230,133

County Trustee's Office

Social Security	\$ 16,227
Pensions	18,818
Medical Insurance	10,804
Unemployment Compensation	105
Data Processing Services	31,608
Dues and Memberships	1,449
Maintenance Agreements	1,243
Postal Charges	9,010
Travel	4,316
Office Supplies	3,120
Premiums on Corporate Surety Bonds	3,696
Data Processing Equipment	1,386
Office Equipment	<u>359</u>
Total County Trustee's Office	102,141

County Clerk's Office

County Official/Administrative Officer	\$ 90,715
Salary Supplements	3,600
Clerical Personnel	205,514
Longevity Pay	3,450
Social Security	22,868
Pensions	28,809
Medical Insurance	22,093
Unemployment Compensation	227
Data Processing Services	20,040
Dues and Memberships	2,033
Maintenance Agreements	898
Postal Charges	11,000
Printing, Stationery, and Forms	2,504
Travel	6,402
Office Supplies	6,124
Other Charges	5,114
Data Processing Equipment	<u>1,438</u>
Total County Clerk's Office	432,829

(Continued)

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

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 90,715
Deputy(ies)	34,385
Secretary(ies)	30,006
Longevity Pay	1,100
Jury and Witness Expense	10,008
Social Security	11,631
Pensions	15,350
Medical Insurance	16,256
Unemployment Compensation	56
Dues and Memberships	944
Maintenance Agreements	13,632
Postal Charges	3,622
Printing, Stationery, and Forms	1,712
Office Supplies	4,510
Data Processing Equipment	7,283
Office Equipment	<u>29,000</u>
Total Circuit Court	\$ 270,210

General Sessions Court

Judge(s)	\$ 118,649
Secretary(ies)	73,343
Longevity Pay	650
Social Security	13,359
Pensions	16,724
Medical Insurance	14,540
Unemployment Compensation	127
Maintenance Agreements	11,659
Travel	1,065
Other Contracted Services	1,411
Library Books/Media	2,752
Office Supplies	1,387
Data Processing Equipment	<u>7,283</u>
Total General Sessions Court	262,949

Chancery Court

County Official/Administrative Officer	\$ 90,715
Deputy(ies)	34,461
Social Security	9,276
Pensions	12,211
Medical Insurance	10,967
Unemployment Compensation	28
Dues and Memberships	759
Maintenance Agreements	6,812
Postal Charges	1,546
Printing, Stationery, and Forms	712
Library Books/Media	800
Office Supplies	1,491
Office Equipment	<u>769</u>
Total Chancery Court	170,547

(Continued)

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

Administration of Justice (Cont.)

Juvenile Court

Assistant(s)	\$ 31,984
Supervisor/Director	43,230
Probation Officer(s)	4,766
Longevity Pay	950
Social Security	5,876
Pensions	7,430
Medical Insurance	11,130
Unemployment Compensation	56
Contracts with Other Public Agencies	1,195
Data Processing Services	341
Postal Charges	137
Travel	784
Food Preparation Supplies	352
Office Supplies	1,190
Other Supplies and Materials	329
Office Equipment	627
Total Juvenile Court	\$ 110,377

District Attorney General

Longevity Pay	\$ 377
Other Salaries and Wages	41,880
Social Security	3,153
Pensions	4,117
Medical Insurance	5,400
Unemployment Compensation	28
Postal Charges	98
Travel	967
Office Supplies	608
Other Supplies and Materials	200
Maintenance Equipment	1,050
Total District Attorney General	57,878

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 104,776
Deputy(ies)	692,827
Investigator(s)	55,790
Sergeant(s)	186,353
Medical Personnel	50,375
Salary Supplements	18,400
Secretary(ies)	62,529
School Resource Officer	287,892
Longevity Pay	8,450
In-service Training	16,259
Social Security	105,210
Pensions	130,810
Medical Insurance	116,322

(Continued)

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

Public Safety (Cont.)

Sheriff's Department (Cont.)

Unemployment Compensation	\$ 718
Communication	53,513
Data Processing Services	9,304
Dues and Memberships	2,942
Lease/SBITA Payments	1,069
Maintenance Agreements	54,147
Maintenance and Repair Services - Vehicles	80,544
Postal Charges	977
Printing, Stationery, and Forms	578
Travel	10,075
Gasoline	123,803
Law Enforcement Supplies	176,985
Office Supplies	5,959
Tires and Tubes	8,181
Uniforms	13,726
Other Supplies and Materials	13,421
Other Charges	28,893
Communication Equipment	6,943
Motor Vehicles	354,707
Total Sheriff's Department	\$ 2,782,478

Jail

Guards	\$ 664,057
Cafeteria Personnel	89,708
Longevity Pay	2,750
Social Security	56,482
Pensions	70,623
Medical Insurance	41,397
Unemployment Compensation	882
Medical and Dental Services	314,613
Other Contracted Services	22,442
Drugs and Medical Supplies	865
Food Preparation Supplies	253,475
Uniforms	8,375
Other Supplies and Materials	99,628
Other Charges	12,554
Total Jail	1,637,851

Fire Prevention and Control

Contracts with Government Agencies	\$ 1,500
Total Fire Prevention and Control	1,500

Civil Defense

Supervisor/Director	\$ 11,203
Social Security	857
Unemployment Compensation	29
Communication	3,293

(Continued)

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

Public Safety (Cont.)

Civil Defense (Cont.)

Maintenance and Repair Services - Equipment	\$ 330
Maintenance and Repair Services - Office Equipment	1,432
Maintenance and Repair Services - Vehicles	888
Rentals	387
Gasoline	1,279
Office Supplies	148
Uniforms	105
Communication Equipment	9,213
Data Processing Equipment	444
Other Equipment	9,050
Total Civil Defense	\$ 38,658

Other Emergency Management

Contributions	\$ 252,000
Data Processing Services	2,000
Lease/SBITA Payments	3,600
Communication Equipment	1,418
Total Other Emergency Management	\$ 259,018

Inspection and Regulation

Supervisor/Director	\$ 3,622
Social Security	277
Unemployment Compensation	1
Total Inspection and Regulation	\$ 3,900

Public Health and Welfare

Local Health Center

Longevity Pay	\$ 300
Other Salaries and Wages	57,858
Social Security	4,325
Pensions	4,154
Medical Insurance	6,230
Unemployment Compensation	98
Communication	3,504
Dues and Memberships	375
Maintenance Agreements	13,308
Maintenance and Repair Services - Buildings	1,855
Travel	2,104
Drugs and Medical Supplies	233
Office Supplies	155
Utilities	13,448
Other Charges	22,697
Building Construction	18,187
Total Local Health Center	\$ 148,831

Ambulance/Emergency Medical Services

Supervisor/Director	\$ 61,059
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(Continued)

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

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Medical Personnel	\$ 1,219,913
Paraprofessionals	6,000
Longevity Pay	1,800
Other Salaries and Wages	35,862
In-service Training	4,396
Social Security	98,923
Pensions	120,997
Medical Insurance	89,815
Unemployment Compensation	885
Debt Collection Services	56,344
Licenses	3,451
Maintenance Agreements	21,952
Maintenance and Repair Services - Vehicles	41,163
Pest Control	3,168
Postal Charges	334
Rentals	7,200
Travel	1,118
Diesel Fuel	64,453
Drugs and Medical Supplies	72,145
Electricity	15,024
Office Supplies	2,784
Tires and Tubes	6,654
Uniforms	9,164
Water and Sewer	3,585
Other Supplies and Materials	4,454
Other Charges	28,419
Building Improvements	1,511
Communication Equipment	4,224
Health Equipment	120,160
Total Ambulance/Emergency Medical Services	\$ 2,106,957

Appropriation to State

Contracts with Government Agencies	\$ 21,484
Total Appropriation to State	21,484

General Welfare Assistance

Contributions	\$ 7,000
Total General Welfare Assistance	7,000

Sanitation Management

Solid Waste Equipment	\$ 59,719
Total Sanitation Management	59,719

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Supervisor/Director	\$ 33,472
Longevity Pay	300

(Continued)

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

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Social Security	\$ 2,553
Pensions	3,290
Unemployment Compensation	28
Communication	1,539
Contributions	24,983
Travel	6,852
Office Supplies	423
Total Senior Citizens Assistance	\$ 73,440

Libraries

Assistant(s)	\$ 16,617
Librarians	92,820
Longevity Pay	2,250
Social Security	8,031
Pensions	8,860
Medical Insurance	17,461
Unemployment Compensation	163
Communication	7,197
Data Processing Services	4,657
Maintenance and Repair Services - Buildings	1,229
Maintenance and Repair Services - Office Equipment	2,200
Postal Charges	653
Electricity	7,995
Library Books/Media	16,201
Office Supplies	987
Periodicals	664
Water and Sewer	712
Other Supplies and Materials	482
Other Charges	2,824
Total Libraries	192,003

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$ 62,916
Communication	2,174
Dues and Memberships	260
Maintenance Agreements	1,338
Pest Control	264
Travel	100
Utilities	4,793
Water and Sewer	582
Total Agricultural Extension Service	72,427

Soil Conservation

Supervisor/Director	\$ 31,948
Secretary(ies)	26,650
Longevity Pay	1,100

(Continued)

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

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Other Salaries and Wages	\$ 33,403
Social Security	7,053
Pensions	9,070
Unemployment Compensation	84
Contributions	5,500
Maintenance Agreements	346
Rentals	4,200
Gasoline	582
Other Supplies and Materials	1,080
Other Charges	902
Office Equipment	595
Total Soil Conservation	\$ 122,513

Other Operations

Tourism

Contributions	\$ 3,000
Total Tourism	3,000

Industrial Development

Other Salaries and Wages	\$ 45,947
Social Security	3,515
Pensions	2,496
Unemployment Compensation	56
Maintenance and Repair Services - Equipment	5,765
Postal Charges	56
Other Contracted Services	4,438
Electricity	17,180
Water and Sewer	1,197
Other Supplies and Materials	15,705
Other Charges	1,474
Total Industrial Development	97,829

Other Economic and Community Development

Other Construction	\$ 1,042,104
Total Other Economic and Community Development	1,042,104

Veterans' Services

Supervisor/Director	\$ 11,177
Social Security	855
Unemployment Compensation	29
Postal Charges	134
Travel	469
Office Supplies	349
Office Equipment	1,093
Total Veterans' Services	14,106

(Continued)

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

Other Operations (Cont.)

Other Charges

Other Contracted Services	\$ 4,329
Building and Contents Insurance	57,203
Liability Insurance	108,852
Trustee's Commission	174,352
Vehicle and Equipment Insurance	59,402
Workers' Compensation Insurance	98,333
Total Other Charges	\$ 502,471

Contributions to Other Agencies

Contributions	\$ 3,775
Total Contributions to Other Agencies	3,775

Miscellaneous

Audit Services	\$ 10,117
Contributions	148,000
Legal Services	5,814
Pauper Burials	650
Premiums on Corporate Surety Bonds	1,000
Other Charges	29,861
Total Miscellaneous	195,442

Highways

Litter and Trash Collection

Guards	\$ 43,860
Social Security	3,223
Pensions	4,258
Medical Insurance	5,433
Unemployment Compensation	28
Gasoline	2,811
Instructional Supplies and Materials	11,050
Other Supplies and Materials	1,432
Total Litter and Trash Collection	72,095

Total General Fund

\$ 12,489,596

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Trustee's Commission	\$ 12
Total County Buildings	\$ 12

Total Courthouse and Jail Maintenance Fund

12

Law Library Fund

Social, Cultural, and Recreational Services

Libraries

Trustee's Commission	\$ 11
Total Libraries	\$ 11

Total Law Library Fund

11

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Expenditures -**
All Governmental Fund Types (Cont.)**Solid Waste/Sanitation Fund**

Public Health and Welfare

Sanitation Management

Attendants	\$ 288,973
Longevity Pay	800
Social Security	22,005
Pensions	11,138
Medical Insurance	17,002
Unemployment Compensation	566
Communication	1,979
Maintenance and Repair Services - Vehicles	6,727
Disposal Fees	638,313
Other Contracted Services	1,400
Asphalt - Hot Mix	23,683
Diesel Fuel	10,158
Lubricants	434
Tires and Tubes	388
Utilities	12,354
Other Supplies and Materials	55,571
Liability Insurance	12,040
Trustee's Commission	19,581
Vehicle and Equipment Insurance	16,521
Workers' Compensation Insurance	14,495
Total Sanitation Management	\$ 1,154,128

Postclosure Care Costs

Other Contracted Services	\$ 2,000
Testing	13,000
Other Supplies and Materials	375
Total Postclosure Care Costs	\$ 15,375

Total Solid Waste/Sanitation Fund

\$ 1,169,503

Drug Control Fund

Public Safety

Drug Enforcement

Trustee's Commission

Total Drug Enforcement

\$ 43

\$ 43

Total Drug Control Fund

43

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

Supervisor/Director	\$ 39,467
Salary Supplements	1,200
Clerical Personnel	14,988
Custodial Personnel	39,303
Longevity Pay	1,150
Social Security	7,180

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****Sports and Recreation Fund (Cont.)**

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Pensions	\$ 7,904
Medical Insurance	9,716
Unemployment Compensation	82
Communication	2,539
Contributions	8,569
Maintenance and Repair Services - Equipment	1,524
Postal Charges	384
Printing, Stationery, and Forms	98
Travel	1,013
Other Contracted Services	874
Electricity	24,612
Gasoline	4,300
Office Supplies	1,001
Other Supplies and Materials	2,196
Trustee's Commission	4,024
Vehicle and Equipment Insurance	8,000
Other Charges	34,012
Maintenance Equipment	5,673
Other Construction	2,685
Total Parks and Fair Boards	<u>\$ 222,494</u>

Total Sports and Recreation Fund \$ 222,494

Other General Government Special Revenue Fund

Other Operations

American Rescue Plan Act Grant #1

Building Improvements	\$ 104,512
Total American Rescue Plan Act Grant #1	\$ 104,512

American Rescue Plan Act Grant #3

Other Construction	\$ 58,204
Total American Rescue Plan Act Grant #3	58,204

American Rescue Plan Act Grant #4

Communication Equipment	\$ 13,638
Total American Rescue Plan Act Grant #4	13,638

American Rescue Plan Act Grant #5

Data Processing Equipment	\$ 17,987
Total American Rescue Plan Act Grant #5	17,987

American Rescue Plan Act Grant #6

Office Equipment	\$ 15,692
Total American Rescue Plan Act Grant #6	15,692

American Rescue Plan Act Grant #8

Motor Vehicles	\$ 413,217
Total American Rescue Plan Act Grant #8	413,217

Total Other General Government Special Revenue Fund 623,250

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Constitutional Officers - Fees Fund**

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 215,244
Total County Trustee's Office	\$ 215,244

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 9,225
Total Chancery Court	<u>9,225</u>

Total Constitutional Officers - Fees Fund

\$ 224,469

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 99,787
Accountants/Bookkeepers	42,075
Salary Supplements	1,950
Secretary(ies)	16,761
Social Security	12,136
Pensions	14,036
Life Insurance	43
Medical Insurance	5,601
Unemployment Compensation	420
Data Processing Services	11,091
Legal Notices, Recording, and Court Costs	210
Postal Charges	986
Travel	833
Office Supplies	1,565
Other Charges	<u>4,777</u>
Total Administration	\$ 212,271

Highway and Bridge Maintenance

Salary Supplements	\$ 10,200
Foremen	132,903
Equipment Operators	233,899
Truck Drivers	264,236
Laborers	253,796
Social Security	67,437
Pensions	80,920
Life Insurance	473
Medical Insurance	95,951
Unemployment Compensation	6,300
Rentals	3,755
Asphalt - Cold Mix	4,538
Asphalt - Hot Mix	369,098
Crushed Stone	33,197
Road Signs	10,061
Small Tools	62

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Highway/Public Works Fund (Cont.)**

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Other Supplies and Materials	\$ 2,560
Other Charges	5,128
Total Highway and Bridge Maintenance	\$ 1,574,514

Operation and Maintenance of Equipment

Salary Supplements	\$ 200
Mechanic(s)	52,298
Nightwatchmen	16,548
Social Security	5,180
Pensions	5,124
Life Insurance	27
Medical Insurance	8,984
Unemployment Compensation	420
Maintenance and Repair Services - Equipment	21,230
Diesel Fuel	61,409
Electricity	4,998
Equipment and Machinery Parts	72,491
Gasoline	55,229
Lubricants	6,504
Small Tools	1,603
Tires and Tubes	18,950
Other Supplies and Materials	3,354
Total Operation and Maintenance of Equipment	\$ 334,549

Other Charges

Communication	\$ 7,095
Custodial Supplies	74
Electricity	2,966
Water and Sewer	635
Trustee's Commission	36,471
Vehicle and Equipment Insurance	144,006
Workers' Compensation Insurance	101,462
Other Self-insured Claims	243
Total Other Charges	\$ 292,952

Capital Outlay

Building Improvements	\$ 4,807
Highway Equipment	303,221
State Aid Projects	1,915,999
Total Capital Outlay	\$ 2,224,027

Total Highway/Public Works Fund

\$ 4,638,313

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 165,100
Principal on Notes	19,712
Total General Government	\$ 184,812

(Continued)

GRAINGER COUNTY, TENNESSEE**Schedule of Detailed Expenditures -**
All Governmental Fund Types (Cont.)**General Debt Service Fund (Cont.)**

Principal on Debt (Cont.)

Education

Principal on Bonds	\$ 1,279,900
Principal on Other Loans	<u>109,368</u>
Total Education	\$ 1,389,268

Interest on Debt

General Government

Interest on Bonds	\$ 77,863
Interest on Notes	<u>562</u>
Total General Government	78,425

Education

Interest on Bonds	\$ 332,087
Interest on Other Loans	<u>13,704</u>
Total Education	345,791

Other Debt Service

General Government

Trustee's Commission	\$ 25,943
Total General Government	25,943

Education

Other Debt Service	\$ 3,500
Total Education	<u>3,500</u>

Total General Debt Service Fund

\$ 2,027,739

Total Governmental Funds - Primary Government

\$ 21,395,430

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

Discretely Presented Grainger County School Department

For the Year Ended June 30, 2024**General Purpose School Fund**

Instruction

Regular Instruction Program

Teachers	\$ 9,228,541
Career Ladder Program	27,030
Homebound Teachers	11,858
Educational Assistants	412,309
Bonus Payments	156,521
Other Salaries and Wages	464,716
Social Security	589,708
Pensions	712,209
Life Insurance	4,152
Medical Insurance	1,711,674
Unemployment Compensation	2,108
Employer Medicare	138,868
Contracts for Substitute Teachers - Certified	31,696
Contracts for Substitute Teachers - Non-certified	294,398
Other Contracted Services	7,264
Instructional Supplies and Materials	120,582
Textbooks - Bound	216,211
Other Supplies and Materials	400
TISA - On-behalf Payments	50,716
Other Charges	146,938
Regular Instruction Equipment	<u>33,425</u>
Total Regular Instruction Program	\$ 14,361,324

Alternative Instruction Program

Teachers	\$ 52,130
Social Security	3,232
Pensions	3,550
Life Insurance	24
Medical Insurance	4,284
Employer Medicare	756
Other Supplies and Materials	<u>8,690</u>
Total Alternative Instruction Program	72,666

Special Education Program

Teachers	\$ 994,750
Career Ladder Program	3,000
Homebound Teachers	18,296
Educational Assistants	397,151
Speech Pathologist	72,763
Bonus Payments	45,513
Other Salaries and Wages	146,809
Social Security	94,967
Pensions	137,752
Life Insurance	525
Medical Insurance	235,261
Employer Medicare	22,849

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Contracts with Private Agencies	\$ 196,868
Contracts for Substitute Teachers - Certified	6,561
Contracts for Substitute Teachers - Non-certified	97,874
Other Contracted Services	62,635
Instructional Supplies and Materials	5,889
Other Supplies and Materials	7,079
Other Charges	9,755
Special Education Equipment	13,540
Total Special Education Program	\$ 2,569,837

Career and Technical Education Program

Teachers	\$ 924,513
Guidance Personnel	64,903
Other Salaries and Wages	37,674
Social Security	59,629
Pensions	73,184
Life Insurance	426
Medical Insurance	171,039
Employer Medicare	13,946
Contracts for Substitute Teachers - Certified	4,951
Contracts for Substitute Teachers - Non-certified	15,944
Instructional Supplies and Materials	46,752
T&I Construction Materials	2,656
Software	15,382
Other Supplies and Materials	7,154
In Service/Staff Development	2,079
Other Charges	3,453
Vocational Instruction Equipment	402,436
Total Career and Technical Education Program	1,846,121

Student Body Education Program

Instructional Supplies and Materials	\$ 28,815
Total Student Body Education Program	28,815

Adult Education Program

Teachers	\$ 51,790
Social Security	2,785
Pensions	3,527
Life Insurance	24
Medical Insurance	12,424
Employer Medicare	651
Instructional Supplies and Materials	220
Total Adult Education Program	71,421

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$ 6,727
Social Security	417
Pensions	458
Employer Medicare	98
Total Attendance	\$ 7,700

Health Services

Supervisor/Director	\$ 57,343
Medical Personnel	308,183
Other Salaries and Wages	35,632
Social Security	22,345
Pensions	37,633
Life Insurance	189
Medical Insurance	82,780
Employer Medicare	5,226
Travel	1,453
Drugs and Medical Supplies	956
Other Charges	429
Health Equipment	1,920
Total Health Services	554,089

Other Student Support

Career Ladder Program	\$ 2,000
Guidance Personnel	324,909
Social Security	17,131
Pensions	25,554
Life Insurance	143
Medical Insurance	62,605
Employer Medicare	4,006
Evaluation and Testing	23,272
Travel	537
Other Supplies and Materials	19,898
Other Equipment	7,296
Total Other Student Support	487,351

Regular Instruction Program

Supervisor/Director	\$ 308,384
Career Ladder Program	3,500
Librarians	278,645
Other Salaries and Wages	4,745
Social Security	35,909
Pensions	41,539
Life Insurance	214
Medical Insurance	67,800
Employer Medicare	8,398
Travel	9,365

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Library Books/Media	\$ 3,688
Other Supplies and Materials	3,908
In Service/Staff Development	<u>3,939</u>
Total Regular Instruction Program	\$ 770,034

Special Education Program

Supervisor/Director	\$ 72,000
Career Ladder Program	1,000
Psychological Personnel	55,671
Bonus Payments	3,475
Other Salaries and Wages	77,447
Social Security	12,698
Pensions	15,417
Life Insurance	71
Medical Insurance	16,009
Employer Medicare	2,970
Communication	3,380
Contracts with Private Agencies	213,564
Lease/SBITA Payments	3,490
Maintenance and Repair Services - Equipment	709
Postal Charges	403
Travel	6,652
Other Supplies and Materials	37
In Service/Staff Development	6,200
Other Charges	9,459
Other Equipment	<u>500</u>
Total Special Education Program	501,152

Career and Technical Education Program

Supervisor/Director	\$ 80,568
Social Security	4,763
Pensions	5,487
Life Insurance	24
Medical Insurance	10,416
Employer Medicare	1,114
Travel	13,756
Other Contracted Services	20,377
Other Supplies and Materials	1,423
In Service/Staff Development	11,304
Other Charges	1,804
Other Equipment	<u>64,916</u>
Total Career and Technical Education Program	215,952

Technology

Other Salaries and Wages	\$ 106,123
Social Security	6,224

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Pensions	\$ 10,184
Medical Insurance	10,852
Employer Medicare	1,456
Maintenance and Repair Services - Equipment	20,845
Internet Connectivity	680,127
Other Contracted Services	9,640
Other Charges	1,771
Other Equipment	1,642
Total Technology	\$ 848,864

Other Programs

On-behalf Payments to OPEB	\$ 144,621
Total Other Programs	144,621

Board of Education

Other Salaries and Wages	\$ 45,255
Board and Committee Members Fees	25,875
Social Security	4,228
Pensions	6,596
Employer Medicare	1,030
Audit Services	16,600
Dues and Memberships	22,019
Legal Services	33,386
Travel	14,257
Liability Insurance	120,000
Premiums on Corporate Surety Bonds	4,400
Trustee's Commission	98,237
Workers' Compensation Insurance	138,000
Other Charges	1,254
Total Board of Education	531,137

Director of Schools

County Official/Administrative Officer	\$ 108,000
Supervisor/Director	8,000
Career Ladder Program	1,000
Secretary(ies)	95,517
Overtime Pay	2,342
Other Salaries and Wages	98,604
Social Security	17,914
Pensions	24,796
Life Insurance	27
Medical Insurance	15,084
Employer Medicare	4,444
Communication	24,558
Dues and Memberships	2,412
Postal Charges	4,610

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Travel	\$ 2,330
Other Contracted Services	14,784
Office Supplies	7,716
In Service/Staff Development	8,138
Other Charges	<u>11,473</u>
Total Director of Schools	\$ 451,749

Office of the Principal

Principals	\$ 546,480
Career Ladder Program	2,500
Assistant Principals	477,423
Secretary(ies)	253,976
Social Security	73,275
Pensions	94,658
Life Insurance	330
Medical Insurance	195,586
Employer Medicare	17,137
Communication	24,368
Travel	1,377
Other Contracted Services	45,834
Other Charges	<u>48,446</u>
Total Office of the Principal	1,781,390

Operation of Plant

Custodial Personnel	\$ 537,591
Overtime Pay	445
Other Salaries and Wages	24,869
Social Security	29,228
Pensions	48,089
Employer Medicare	6,957
Other Contracted Services	12,500
Custodial Supplies	69,095
Electricity	810,973
Natural Gas	28,705
Water and Sewer	76,002
Other Supplies and Materials	25,946
Building and Contents Insurance	<u>125,824</u>
Total Operation of Plant	1,796,224

Maintenance of Plant

Supervisor/Director	\$ 77,556
Other Salaries and Wages	409,332
Social Security	28,584
Pensions	43,402
Life Insurance	22
Medical Insurance	33,398

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Employer Medicare	\$ 6,853
Maintenance and Repair Services - Buildings	206,460
Travel	87
Other Supplies and Materials	23,184
Other Charges	<u>118,149</u>
Total Maintenance of Plant	\$ 947,027

Transportation

Bus Drivers	\$ 355,811
Other Salaries and Wages	61,242
Social Security	24,009
Pensions	30,880
Employer Medicare	5,786
Contracts with Parents	48,710
Contracts with Vehicle Owners	791,931
Maintenance and Repair Services - Vehicles	70,087
Medical and Dental Services	6,987
Travel	520
Other Contracted Services	226
Diesel Fuel	135,395
Gasoline	42,127
Lubricants	5,000
Tires and Tubes	10,000
Vehicle and Equipment Insurance	84,000
Other Charges	13,485
Transportation Equipment	<u>314,428</u>
Total Transportation	2,000,624

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$ 16,175
Social Security	1,003
Pensions	970
Employer Medicare	<u>235</u>
Total Food Service	18,383

Community Services

Other Salaries and Wages	\$ 23,648
Social Security	1,461
Pensions	2,308
Employer Medicare	342
Travel	<u>577</u>
Total Community Services	28,336

Early Childhood Education

Supervisor/Director	\$ 12,210
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(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Teachers	\$ 213,132
Educational Assistants	90,993
Social Security	18,161
Pensions	24,227
Life Insurance	89
Medical Insurance	36,000
Employer Medicare	4,247
Other Supplies and Materials	20,405
In Service/Staff Development	200
Total Early Childhood Education	\$ 419,664

Capital Outlay

Regular Capital Outlay

Architects	\$ 73,105
Building Improvements	50,148
Other Capital Outlay	6,816
Total Regular Capital Outlay	\$ 130,069

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 823,072
Total Education	\$ 823,072

Total General Purpose School Fund

\$ 31,407,622

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 357,460
Educational Assistants	392,037
Bonus Payments	18,625
Other Salaries and Wages	559,542
Social Security	64,513
Pensions	88,301
Life Insurance	274
Medical Insurance	116,232
Employer Medicare	17,698
Tuition	11,214
Contracts for Substitute Teachers - Certified	1,003
Contracts for Substitute Teachers - Non-certified	39,661
Other Contracted Services	30,600
Instructional Supplies and Materials	216,936
Other Supplies and Materials	169,221
Regular Instruction Equipment	522,077
Total Regular Instruction Program	\$ 2,605,394

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Homebound Teachers	\$ 7,526
Educational Assistants	342,930
Speech Pathologist	59,800
Bonus Payments	1,700
Other Salaries and Wages	32,891
Social Security	25,531
Pensions	40,431
Life Insurance	24
Medical Insurance	8,094
Employer Medicare	6,049
Contracts with Private Agencies	143,726
Contracts for Substitute Teachers - Non-certified	15,400
Instructional Supplies and Materials	3,687
Other Supplies and Materials	13,581
Special Education Equipment	30,901
Total Special Education Program	\$ 732,271

Career and Technical Education Program

Other Salaries and Wages	\$ 3,000
Social Security	186
Pensions	204
Employer Medicare	43
Instructional Supplies and Materials	13,940
Other Supplies and Materials	14,458
Vocational Instruction Equipment	18,490
Total Career and Technical Education Program	50,321

Support Services

Other Student Support

Guidance Personnel	\$ 99,133
Other Salaries and Wages	49,002
Social Security	8,808
Pensions	11,656
Life Insurance	73
Medical Insurance	19,058
Employer Medicare	2,060
Evaluation and Testing	312
Travel	9,429
Other Supplies and Materials	2,100
In Service/Staff Development	4,500
Total Other Student Support	206,131

Regular Instruction Program

Supervisor/Director	\$ 90,165
Clerical Personnel	33,046
Bonus Payments	1,900

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Social Security	\$ 7,317
Pensions	9,510
Life Insurance	24
Medical Insurance	18,465
Employer Medicare	1,711
Travel	936
Other Contracted Services	71,250
Library Books/Media	17,412
Other Supplies and Materials	13,082
In Service/Staff Development	68,802
Total Regular Instruction Program	\$ 333,620

Special Education Program

Clerical Personnel	\$ 600
Social Security	37
Pensions	36
Employer Medicare	9
Contracts with Private Agencies	373,884
Evaluation and Testing	1,388
Travel	1,065
In Service/Staff Development	29,071
Other Charges	848
Other Equipment	4,440
Total Special Education Program	411,378

Career and Technical Education Program

In Service/Staff Development	\$ 1,000
Total Career and Technical Education Program	1,000

Operation of Plant

Custodial Supplies	\$ 7,225
Plant Operation Equipment	221,406
Total Operation of Plant	228,631

Transportation

Bus Drivers	\$ 72,576
Other Salaries and Wages	5,582
Social Security	3,743
Pensions	6,362
Employer Medicare	1,064
Transportation Equipment	400,599
Total Transportation	489,926

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 2,214,772
Total Regular Capital Outlay	2,214,772

Total School Federal Projects Fund

\$ 7,273,444

(Continued)

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

Discretely Presented Grainger County School Department (Cont.)

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 70,449
Clerical Personnel	50,257
Cafeteria Personnel	753,194
Bonus Payments	20,350
Other Salaries and Wages	4,500
Social Security	51,871
Pensions	84,246
Life Insurance	25
Medical Insurance	85,305
Employer Medicare	12,131
Communication	6,013
Maintenance and Repair Services - Equipment	43,353
Travel	2,814
Other Contracted Services	31,155
Food Preparation Supplies	101,275
Food Supplies	973,350
USDA - Commodities	145,405
In Service/Staff Development	15,586
Other Charges	36,647
Food Service Equipment	<u>241,525</u>
Total Food Service	<u>\$ 2,729,451</u>

Total Central Cafeteria Fund

\$ 2,729,451

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,581,730
Total Community Services	<u>\$ 1,581,730</u>

Total Internal School Fund

1,581,730

Total Governmental Funds - Grainger County School Department

\$ 42,992,247

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***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grainger County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Grainger County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 18, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Grainger County School Department, as described in our report on Grainger County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Grainger 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 Grainger County's internal control. Accordingly, we do not express an opinion on the effectiveness of Grainger 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

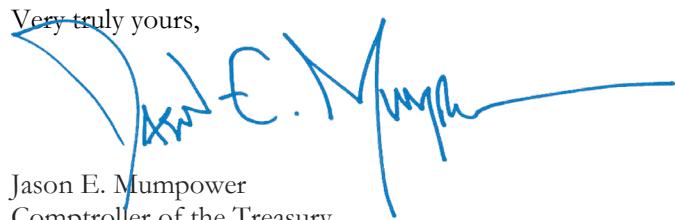
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Grainger 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*.

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 Grainger County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 18, 2024

JEM/gc



JASON E. MUMPOWER
Comptroller

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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Grainger County's compliance with the types of compliance requirements as identified subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Grainger County's major federal programs for the year ended June 30, 2024. Grainger 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, Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger 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 Grainger County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Grainger County's basic financial statements. We issued our report thereon dated November 18, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,

Jason E. Mumppower
Comptroller of the Treasury
Nashville, Tennessee

November 18, 2024

JEM/gc

GRAINGER COUNTY, TENNESSEE, AND THE GRAINGER COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7)

For the Year-Ended June 30, 2024

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount		
			Passed-through to Subrecipients	Expenditures	
U.S. Department of Agriculture:					
Direct Program:					
Emergency Watershed Protection Program	10.923	N/A	\$ 0	\$ 17,637	
Passed-through State Department of Education:					
Local Food for Schools Grant	10.185	N/A	0	47,033	
Child Nutrition Cluster: (5)					
School Breakfast Program	10.553	N/A	0	495,589	
National School Lunch Program	10.555	N/A	0	1,219,993 (4)	
National School Lunch Program (Supply Chain Assistance Fund)	10.555	N/A	0	75,120 (4)	
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	0	37,793	
COVID -19 Pandemic EBT Admin Cost	10.649	N/A	0	3,256	
Passed-through State Department of Agriculture:					
Child Nutrition Cluster: (5)					
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	0	145,405 (4)	
Passed-through State Department of Health:					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-24-80268	0	12,494	
Total U.S. Department of Agriculture				\$ 2,054,320	
U.S. Department of Housing and Urban Development:					
Passed-through State Department of Economic and Community Development:					
Community Development Block Grants/State's Program	14.228	33004-18623	0	\$ 412,603	
Home Investment Partnerships Program	14.239	31620-00570	0	96,784	
Total U.S. Department of Housing and Urban Development				\$ 509,387	
U.S. Department of Justice:					
Direct Program:					
Crime Victim Assistance	16.575	N/A	0	\$ 44,923	
Total U.S. Department of Justice				\$ 44,923	
U.S. Department of Transportation:					
Passed-through State Department of Transportation:					
Alcohol Open Container Requirements	20.607	Z-24-THS114	0	\$ 10,837	
Total U.S. Department of Transportation				\$ 10,837	
U.S. Department of the Treasury:					
Passed-through State Department of Environment and Conservation:					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	424,083	\$ 493,728 (4)(6)	
Passed-through State Department of Health:					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	0	13,640 (4)	
Passed-through State Department of Education:					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	46,332 (4)	
Total U.S. Department of the Treasury				\$ 553,700	
Appalachian Regional Commission:					
Passed-through State Department of Economic and Community Development:					
Appalachian Area Development	23.001	(3)	0	\$ 7,776	
Total Appalachian Regional Commission				\$ 7,776	

(Continued)

GRAINGER COUNTY, TENNESSEE, AND THE GRAINGER COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount				
			Passed-through to Subrecipients	Expenditures			
U.S. Department of Education:							
Passed-through State Department of Human Services:							
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(3)	\$ 0	\$ 88,093			
Passed-through State Department of Education:							
Title 1 Grants to Local Educational Agencies	84.010	N/A	30,809	1,118,062 (6)			
Special Education Cluster: (5)							
Special Education - Grants to States	84.027	N/A	0	1,168,986			
Special Education - Preschool Grants	84.173	N/A	0	108,068			
Career and Technical Education - Basic Grants to States	84.048	N/A	0	65,250			
Rural Education	84.358	N/A	0	93,526			
Supporting Effective Instruction State Grant	84.367	N/A	0	130,196			
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	0	306,231 (4)			
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	0	4,181,931 (4)			
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (Math Implementation) (ESSER II)	84.425D	N/A	0	71,250 (4)			
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary ARP Homeless 2.0 (ESSER ARP)	84.425W	N/A	0	25,915 (4)			
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (Best for All Districts) (ESSER II)	84.425D	N/A	0	4,029 (4)			
Total U.S. Department of Education				\$ 7,361,537			
U.S. Election Assistance Commission:							
Passed-through Tennessee Secretary of State:							
HAVA Election Security Grants	90.404	T3F1K5ELSF19	0	\$ 10,387			
Total U.S. Election Assistance Commission				\$ 10,387			
U.S. Department of Health and Human Services:							
Passed-through East Tennessee Human Resource Agency:							
Aging Cluster: (5)							
COVID 19 - Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	223-112	0	\$ 2,500 (4)			
Passed-through State Department of Health:							
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Disease (ARP)	93.323	NU50CK000528	0	20,866			
Sexually Transmitted Disease Prevention and Control Grant	93.977	GG-24-80268	0	2,545			
Medicaid Cluster: (5)							
Medical Assistance Program	93.778	GG-24-80268	0	12,540			
Maternal and Child Health Services Block Grants to States	93.994	GG-24-80268	0	3,661			
Total U.S. Department of Health and Human Services				\$ 42,112			
U.S. Department of Homeland Security:							
Passed-through State Department of Military:							
Homeland Security Grant Program	97.067	34101-16123	0	\$ 9,050			
Total U.S. Department of Homeland Security				\$ 9,050			
Total Expenditures of Federal Grants				\$ 10,604,029			

(Continued)

GRAINGER COUNTY, TENNESSEE, AND THE GRAINGER COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount	
			Passed-through to Subrecipients	Expenditures
State Grants				
Health Department Programs - State Department of Health	N/A	GG-24-80268	\$	30,811
Litter Program - State Department of Transportation	N/A	(3)		24,096
Violent Crime Intervention Funding - State Department of Transportation	N/A	(3)		84,220
Emergency Management Indigency Fund- State Department of Health	N/A	(3)		200,400
I/D Contract State (TennCare)- State Department of Health	N/A	(3)		12,540
Special Programs for the Aging - East Tennessee Human Resource Agency	N/A	(3)		28,327
Special Education Grant- State Department of Education	N/A	(3)		63,515
SPARC Grant - State Department of Education	N/A	(3)		102,000
Voluntary Preschool Grant- State Department of Education	N/A	(3)		419,664
Voluntary School to Work- State Department of Education	N/A	(3)		9,297
Safe Schools Act Grant - State Department of Education	N/A	(3)		402,139
Public Schools Safety Grant- State Department of Education	N/A	(3)		27,193
Summer Learning Camps Transportation - State Department of Education	N/A	(3)		28,604
Summer Learning Camps - State Department of Education	N/A	(3)		245,065
Innovative School Models - State Department of Education	N/A	(3)		930,765
Total State Grants			\$	<u>2,608,636</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) Grainger County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Information not available.

(4) ALN Totals: ALN 10.555, \$1,440,518; ALN 21.027, \$553,700; ALN 84.425, \$4,589,356.

(5) Child Nutrition Cluster total \$1,936,107; Special Education Cluster total \$1,277,054; Aging Cluster total \$2,500; Medicaid Cluster total \$12,540.

(6) SUBRECIPIENT AMOUNTS

The following amounts were paid to subrecipients:

Subrecipient	ALN	Amount Provided to Subrecipient
Kingswood School	84.010	\$ 30,809
Bean Station Utilities	21.027	424,083
Total amounts provided to subrecipients		<u>\$ 454,892</u>

(7) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title 1 Grants to Local Educational Agencies	84.010	\$ 154,674
Rural Education	84.358	1,850
Supporting Effective Instruction State Grant	84.367	1,850
Total amounts consolidated for administration purposes		<u>\$ 158,374</u>

GRAINGER 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 Grainger 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
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OFFICE OF COUNTY MAYOR

2023	199	2023-001	The office had purchasing deficiencies.	N/A	Corrected
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OFFICE OF DIRECTOR OF SCHOOLS

2023	200	2023-002	The school department failed to request reimbursements for grant expenditures on a timely basis resulting in a deficit in unassigned fund balance at June 30, 2023.	N/A	Corrected
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Prior-year Federal Awards Findings

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

GRAINGER 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 Grainger County is unmodified.
2. Internal Control Over Financial Reporting:

* Material weakness identified?	NO
* Significant deficiency identified?	NONE REPORTED
3. Noncompliance material to the financial statements noted?	NO

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings as a result of our examination of the financial statements of Grainger County, Tennessee, for the year ended June 30, 2024.

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.

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

The audit of Grainger County did not report any findings and recommendations. Therefore no management responses are required by the auditee requirement within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Grainger County.

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

Grainger County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Grainger County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.