



## ANNUAL FINANCIAL REPORT

### Grundy County, Tennessee

*For the Year Ended June 30, 2024*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**GRUNDY COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**COMPTROLLER OF THE TREASURY**  
*JASON E. MUMPOWER*

**DIVISION OF LOCAL GOVERNMENT AUDIT**  
*JAMES R. ARNETTE*  
*Director*

*STEVE REEDER, CPA, CGFM, CFE*  
*Audit Manager*

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov).

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## GRUNDY COUNTY, TENNESSEE

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# Summary of Audit Findings

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

## *Scope*

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

## *Results*

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

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

## *Findings*

The following are summaries of the audit findings:

### **OFFICE OF COUNTY MAYOR**

- ◆ The General Fund required material audit adjustments for proper financial statement presentation.

### **OFFICE OF SHERIFF**

- ◆ The office had accounting deficiencies.



## INTRODUCTORY SECTION

## GRUNDY COUNTY OFFICIALS

June 30, 2024

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### Officials

Michael Brady, County Mayor  
Johnny Ray Fults, Highway Superintendent  
Dr. Donald Durley, Director of Schools  
Tyler McCullough, Trustee  
Daniel Crabtree, Assessor of Property  
Tammy Sholey, County Clerk  
Penny Sons, Circuit and General Sessions Courts Clerk  
Patricia Campbell, Clerk and Master  
Gayle VanHooser, Register of Deeds  
Heath Gunter, Sheriff

### Board of County Commissioners

Gary Brewer, Chairman	Matthew Layne
Mike Cordell	David Lockhart
Kelly Gibbs	Danny Lusk
David Griswold	Chris Rogers
Don Hutcheson	

### Board of Education

Rick Rust, Chairman	Catrina Magourik
Linda Broom	Doyle Shrum
Dr. David Dickerson	Nelda Stiefel
Justin Harris	Margaret Thomas
Phyllis Lusk	

### Audit Committee

Rusty Payne, Chairman  
Brenda Andy  
Danny Lusk

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

Grundy County Mayor and  
Board of County Commissioners  
Grundy 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grundy County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grundy County, Tennessee, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Solid Waste/Sanitation, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Grundy County School Department (a discretely presented component unit), which represent 1.94 percent, 1.96 percent, and 2.57 percent, respectively, of the assets, net position, and revenues of the discretely presented component Grundy 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 Grundy 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 Grundy 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., Grundy 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 Grundy 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 Grundy 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 Grundy County's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total OPEB 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 Grundy 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 Grundy 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 Grundy County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

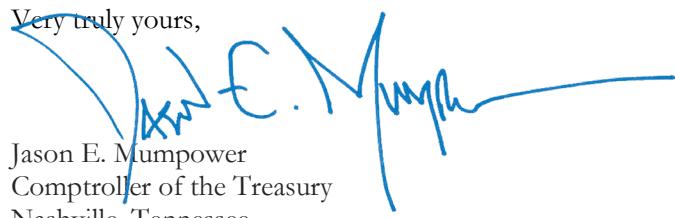
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information,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

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

### ***Other Reporting Requirements by *Government Auditing Standards****

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2025, on our consideration of Grundy County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Grundy 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 Grundy County's internal control over financial reporting and compliance.

Very truly yours,

  
Jason E. Mumppower  
Comptroller of the Treasury  
Nashville, Tennessee

February 19, 2025

JEM/gc

## **BASIC FINANCIAL STATEMENTS SECTION**

Exhibit A

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2024**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Grundy County School Department</b>
<b>ASSETS</b>				
Cash	\$ 600	\$ 0	\$ 600	\$ 505,629
Equity in Pooled Cash and Investments	13,539,579	245,494	13,785,073	12,245,176
Accounts Receivable	3,892	0	3,892	5,989
Due from Other Governments	1,224,809	0	1,224,809	862,358
Property Taxes Receivable	5,948,979	0	5,948,979	512,782
Allowance for Uncollectible Property Taxes	(475,067)	0	(475,067)	(40,758)
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	248,688
Net Pension Asset - Agent Plan	461,607	0	461,607	258,079
Net Pension Asset - Teacher Retirement Plan	0	0	0	47,966
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	2,132,580
Capital Assets:				
Assets Not Depreciated:				
Land	655,600	30,000	685,600	257,571
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	9,189,904	469,120	9,659,024	7,618,389
Infrastructure	1,184,708	166,212	1,350,920	0
Other Capital Assets	1,584,898	0	1,584,898	1,371,061
Total Assets	\$ 33,319,509	\$ 910,826	\$ 34,230,335	\$ 26,025,510
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Changes in Experience	\$ 172,051	\$ 0	\$ 172,051	\$ 605,897
Pension Changes in Investment Earnings	114,903	0	114,903	446,450
Pension Changes in Assumptions	187,497	0	187,497	835,768
Pension Changes in Proportion	0	0	0	153,368
Pension Contributions After Measurement Date	275,757	0	275,757	694,539
OPEB Changes in Experience	0	0	0	11,420
OPEB Changes in Assumptions	5,100	0	5,100	357,194
OPEB Changes in Proportion	0	0	0	29,049
OPEB Changes in Contributions after Measurement Date	270	0	270	65,256
Total Deferred Outflows of Resources	\$ 755,578	\$ 0	\$ 755,578	\$ 3,198,941
<b>LIABILITIES</b>				
Accounts Payable	\$ 24,903	\$ 0	\$ 24,903	\$ 69,758
Accrued Interest Payable	6,326	0	6,326	0
Accrued Payroll	0	0	0	6,066
Payroll Deductions Payable	0	0	0	638,892
Due to Litigants, Heirs, and Others	16,282	0	16,282	0

(Continued)

Exhibit A

**GRUNDY COUNTY, TENNESSEE**

**Statement of Net Position (Cont.)**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES (CONT.)</b>				
Noncurrent Liabilities:				
Due Within One Year - Debt	\$ 524,061	\$ 0	\$ 524,061	\$ 0
Due Within One Year - Other	33,804	0	33,804	101,834
Due in More Than One Year - Debt	5,857,090	0	5,857,090	0
Due in More Than One Year - Other	377,562	0	377,562	1,512,979
Total Liabilities	\$ 6,840,028	\$ 0	\$ 6,840,028	\$ 2,329,529
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 5,211,584	\$ 0	\$ 5,211,584	\$ 393,030
Pension Changes in Experience	62,060	0	62,060	161,660
Pension Changes in Proportion	0	0	0	8,206
OPEB Changes in Experience	14,991	0	14,991	242,381
OPEB Changes in Assumptions	10,572	0	10,572	174,845
OPEB Changes in Proportion	0	0	0	123,186
Total Deferred Inflows of Resources	\$ 5,299,207	\$ 0	\$ 5,299,207	\$ 1,103,308
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 6,233,959	\$ 665,332	\$ 6,899,291	\$ 9,247,021
Restricted for:				
General Government	449,770	0	449,770	0
Finance	28,467	0	28,467	0
Administration of Justice	239,017	0	239,017	0
Public Safety	128,343	0	128,343	0
Public Health and Welfare	821,757	0	821,757	0
Highways	3,304,795	0	3,304,795	0
Debt Service	4,432,439	0	4,432,439	0
Capital Outlay	459,012	0	459,012	0
Education	0	0	0	1,882,480
Pensions	461,607	0	461,607	2,687,313
Unrestricted	5,376,686	245,494	5,622,180	11,974,800
Total Net Position	\$ 21,935,852	\$ 910,826	\$ 22,846,678	\$ 25,791,614

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

Exhibit B

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

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position					Component Unit	
		Program Revenues			Primary Government			
		Charges for Services	Grants and Contributions	Governmental Activities	Business-type Activities	Total		
Primary Government:								
Governmental Activities:								
General Government	\$ 1,611,800	\$ 138,553	\$ 427,910	\$ (1,045,337)	\$ 0	\$ (1,045,337)	\$ 0	
Finance	720,477	542,800	0	(177,677)	0	(177,677)	0	
Administration of Justice	631,189	275,255	123,746	(232,188)	0	(232,188)	0	
Public Safety	3,878,560	709,560	15,650	(3,153,350)	0	(3,153,350)	0	
Public Health and Welfare	2,206,935	130,314	3,385,207	1,308,586	0	1,308,586	0	
Social, Cultural, and Recreational Services	313,112	0	9,500	(303,612)	0	(303,612)	0	
Agriculture and Natural Resources	156,890	0	0	(156,890)	0	(156,890)	0	
Highways/Public Works	2,695,473	249,866	2,245,707	(199,900)	0	(199,900)	0	
Interest on Long-term Debt	235,303	0	0	(235,303)	0	(235,303)	0	
Total Governmental Activities	\$ 12,449,739	\$ 2,046,348	\$ 6,207,720	\$ (4,195,671)	0	\$ (4,195,671)	\$ 0	
Business-type Activities:								
Waste Water	\$ 144,585	\$ 150,397	0	\$ 0	\$ 5,812	\$ 5,812	\$ 0	
Total Primary Government	\$ 12,594,324	\$ 2,196,745	\$ 6,207,720	\$ (4,195,671)	\$ 5,812	\$ (4,189,859)	\$ 0	
Component Unit:								
Grundy County School Department	\$ 25,441,651	\$ 88,879	\$ 8,376,308	\$ 0	\$ 0	\$ 0	\$ (16,976,464)	
Total Component Unit	\$ 25,441,651	\$ 88,879	\$ 8,376,308	\$ 0	\$ 0	\$ 0	\$ (16,976,464)	

(Continued)

Exhibit B

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Activities (Cont.)**

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position				Component Unit Grundy County School Department	
		Program Revenues		Primary Government			
		Charges for Services	Grants and Contributions	Governmental Activities	Business-type Activities		
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes				\$ 4,689,426	\$ 0	\$ 4,689,426	
Local Option Sales Taxes				375,880	0	375,880	
Litigation Tax - General				18,236	0	18,236	
Litigation Tax - Special Purpose				32,123	0	32,123	
Litigation Tax - Jail, Workhouse, or Courthouse				12,447	0	12,447	
Hotel/Motel Tax				404,537	0	404,537	
Business Tax				49,578	0	49,578	
Grants and Contributions Not Restricted to Specific Programs				1,487,255	0	1,487,255	
Unrestricted Investment Earnings				751,403	0	751,403	
Sale of Equipment				1,800	0	1,800	
Miscellaneous				55,482	0	55,482	
Total General Revenues		\$ 7,878,167	\$ 0	\$ 7,878,167	\$ 0	\$ 18,930,034	
Insurance Recovery		\$ 17,341	\$ 0	\$ 17,341	\$ 0	\$ 2,423	
Change in Net Position		\$ 3,699,837	\$ 5,812	\$ 3,705,649	\$ 0	\$ 1,955,993	
Net Position, July 1, 2023		18,236,015	905,014	19,141,029	\$ 0	\$ 23,835,621	
Net Position, June 30, 2024		\$ 21,935,852	\$ 910,826	\$ 22,846,678	\$ 0	\$ 25,791,614	

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

Exhibit C-1

**GRUNDY COUNTY, TENNESSEE**

**Balance Sheet**

Governmental Funds

**June 30, 2024**

	<b>Major Funds</b>				<b>Nonmajor Funds</b>		<b>Total Governmental Funds</b>
	<b>General</b>	<b>Solid Waste / Sanitation</b>	<b>Highway / Public Works</b>	<b>General Debt Service</b>	<b>Other</b>		
					<b>Govern-mental Funds</b>		
<b>ASSETS</b>							
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 600	\$ 600	
Equity in Pooled Cash and Investments	5,175,003	617,689	2,898,527	4,388,518	457,594	13,537,331	
Accounts Receivable	0	0	0	0	3,892	3,892	
Due from Other Governments	621,304	48,976	427,010	43,921	83,598	1,224,809	
Due from Other Funds	4,492	0	2,248	0	0	6,740	
Property Taxes Receivable	5,189,971	759,008	0	0	0	5,948,979	
Allowance for Uncollectible Property Taxes	(414,481)	(60,586)	0	0	0	(475,067)	
<b>Total Assets</b>	<b>\$ 10,576,289</b>	<b>\$ 1,365,087</b>	<b>\$ 3,327,785</b>	<b>\$ 4,432,439</b>	<b>\$ 545,684</b>	<b>\$ 20,247,284</b>	
<b>LIABILITIES</b>							
Accounts Payable	\$ 23,517	\$ 0	\$ 1,386	\$ 0	\$ 0	\$ 24,903	
Due to Other Funds	0	0	0	0	4,492	4,492	
Due to Litigants, Heirs, and Others	0	0	0	0	16,282	16,282	
<b>Total Liabilities</b>	<b>\$ 23,517</b>	<b>\$ 0</b>	<b>\$ 1,386</b>	<b>\$ 0</b>	<b>\$ 20,774</b>	<b>\$ 45,677</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Current Property Taxes	\$ 4,553,258	\$ 658,326	\$ 0	\$ 0	\$ 0	\$ 5,211,584	
Deferred Delinquent Property Taxes	213,284	38,410	0	0	0	251,694	
Other Deferred/Unavailable Revenue	4,492	0	185,670	21,960	0	212,122	
<b>Total Deferred Inflows of Resources</b>	<b>\$ 4,771,034</b>	<b>\$ 696,736</b>	<b>\$ 185,670</b>	<b>\$ 21,960</b>	<b>\$ 0</b>	<b>\$ 5,675,400</b>	

(Continued)

Exhibit C-1

**GRUNDY COUNTY, TENNESSEE**

**Balance Sheet**

Governmental Funds (Cont.)

	<b>Major Funds</b>				<b>Nonmajor Funds</b>	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other	Total Governmental Funds
					Govern- mental Funds	
<b>FUND BALANCES</b>						
Restricted:						
Restricted for General Government	\$ 4,863	\$ 0	\$ 0	\$ 0	\$ 444,907	\$ 449,770
Restricted for Finance	28,467	0	0	0	0	28,467
Restricted for Administration of Justice	239,017	0	0	0	0	239,017
Restricted for Public Safety	48,340	0	0	0	80,003	128,343
Restricted for Public Health and Welfare	153,806	667,951	0	0	0	821,757
Restricted for Highways/Public Works	0	0	3,140,729	0	0	3,140,729
Restricted for Capital Outlay	458,612	400	0	0	0	459,012
Restricted for Debt Service	0	0	0	4,410,479	0	4,410,479
Committed:						
Committed for Public Health and Welfare	19,240	0	0	0	0	19,240
Unassigned	4,829,393	0	0	0	0	4,829,393
Total Fund Balances	\$ 5,781,738	\$ 668,351	\$ 3,140,729	\$ 4,410,479	\$ 524,910	\$ 14,526,207
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,576,289	\$ 1,365,087	\$ 3,327,785	\$ 4,432,439	\$ 545,684	\$ 20,247,284

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

**GRUNDY 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)	\$ 14,526,207
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 655,600
Add: buildings and improvements net of accumulated depreciation	9,189,904
Add: infrastructure net of accumulated depreciation	1,184,708
Add: other capital assets net of accumulated depreciation	<u>1,584,898</u>
	12,615,110
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: bonds payable	\$ (5,976,151)
Less: notes payable	(405,000)
Less: accrued interest on outstanding debt	(6,326)
Less: compensated absences payable	(21,604)
Less: net OPEB liability	(24,332)
Less: landfill closure/postclosure care costs	<u>(365,430)</u>
	(6,798,843)
(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	\$ 750,208
Less: deferred inflows of resources related to pensions	(62,060)
Add: deferred outflows of resources related to OPEB	5,370
Less: deferred inflows of resources related to OPEB	<u>(25,563)</u>
	667,955
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.	461,607
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	<u>463,816</u>
Net position of governmental activities (Exhibit A)	\$ 21,935,852

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

Exhibit C-3

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

	<b>Major Funds</b>				<b>Nonmajor Funds</b>	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Govern- mental Funds
<b>Revenues</b>						
Local Taxes	\$ 4,856,122	\$ 716,136	\$ 0	\$ 121,568	\$ 32,123	\$ 5,725,949
Licenses and Permits	32,789	0	0	0	0	32,789
Fines, Forfeitures, and Penalties	60,494	0	0	0	19,248	79,742
Charges for Current Services	46,456	30	221,556	0	0	268,042
Other Local Revenues	116,316	90,189	34,709	695,916	28,893	966,023
Fees Received From County Officials	791,824	0	0	0	0	791,824
State of Tennessee	2,732,606	91,520	2,235,784	0	0	5,059,910
Federal Government	3,143,834	0	0	0	83,598	3,227,432
Other Governments and Citizens Groups	9,500	0	0	0	0	9,500
Total Revenues	\$ 11,789,941	\$ 897,875	\$ 2,492,049	\$ 817,484	\$ 163,862	\$ 16,161,211
<b>Expenditures</b>						
Current:						
General Government	\$ 1,369,779	\$ 0	\$ 0	\$ 0	\$ 40,232	\$ 1,410,011
Finance	661,247	0	0	0	0	661,247
Administration of Justice	597,018	0	0	0	0	597,018
Public Safety	3,408,688	0	0	0	33,500	3,442,188
Public Health and Welfare	986,101	966,759	0	0	0	1,952,860
Social, Cultural, and Recreational Services	313,112	0	0	0	0	313,112
Agriculture and Natural Resources	156,399	0	0	0	0	156,399
Other Operations	1,109,537	14,693	0	0	495	1,124,725
Highways	0	0	2,883,832	0	0	2,883,832

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Govern- mental Funds
<b>Expenditures (Cont.)</b>						
Debt Service:						
Principal on Debt	\$ 0	\$ 0	\$ 0	\$ 464,972	\$ 0	\$ 464,972
Interest on Debt	0	0	0	230,099	0	230,099
Other Debt Service	0	0	0	8,804	0	8,804
Capital Projects	37,708	0	0	0	0	37,708
Total Expenditures	\$ 8,639,589	\$ 981,452	\$ 2,883,832	\$ 703,875	\$ 74,227	\$ 13,282,975
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,150,352	\$ (83,577)	\$ (391,783)	\$ 113,609	\$ 89,635	\$ 2,878,236
<b>Other Financing Sources (Uses)</b>						
Notes Issued	\$ 338,000	\$ 67,000	\$ 0	\$ 0	\$ 0	\$ 405,000
Insurance Recovery	17,341	0	0	0	0	17,341
Total Other Financing Sources (Uses)	\$ 355,341	\$ 67,000	\$ 0	\$ 0	\$ 0	\$ 422,341
Net Change in Fund Balances	\$ 3,505,693	\$ (16,577)	\$ (391,783)	\$ 113,609	\$ 89,635	\$ 3,300,577
Fund Balance, July 1, 2023	2,276,045	684,928	3,532,512	4,296,870	435,275	11,225,630
Fund Balance, June 30, 2024	\$ 5,781,738	\$ 668,351	\$ 3,140,729	\$ 4,410,479	\$ 524,910	\$ 14,526,207

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

**GRUNDY 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)		\$ 3,300,577
(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	\$ 1,238,168	
Less: current-year depreciation expense	<u>(843,338)</u>	394,830
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 463,816	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(492,792)</u>	(28,976)
(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 net effect of these differences in the treatment of long-term debt and related items.		
Less: note proceeds	\$ (405,000)	
Add: principal payments on bonds	314,972	
Add: principal payments on notes	<u>150,000</u>	59,972
(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	\$ (5,204)	
Change in compensated absences payable	(1,618)	
Change in net pension liability/asset	(20,328)	
Change in deferred outflows related to pensions	(55,000)	
Change in deferred inflows related to pensions	58,752	
Change in OPEB liability	(5,382)	
Change in deferred outflows related to OPEB	4,687	
Change in deferred inflows related to OPEB	(165)	
Change in landfill closure/postclosure care costs	<u>(2,308)</u>	(26,566)
Change in net position of governmental activities (Exhibit B)		\$ <u>3,699,837</u>

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

**GRUNDY COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**

General Fund

**For the Year Ended June 30, 2024**

	Actual	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 4,856,122	\$ 4,970,300	\$ 4,970,300	\$ (114,178)
Licenses and Permits	32,789	40,300	40,300	(7,511)
Fines, Forfeitures, and Penalties	60,494	92,850	92,850	(32,356)
Charges for Current Services	46,456	38,850	49,886	(3,430)
Other Local Revenues	116,316	70,600	71,326	44,990
Fees Received From County Officials	791,824	604,700	604,700	187,124
State of Tennessee	2,732,606	589,800	1,717,819	1,014,787
Federal Government	3,143,834	295,183	3,234,850	(91,016)
Other Governments and Citizens Groups	9,500	7,500	7,500	2,000
Total Revenues	\$ 11,789,941	\$ 6,710,083	\$ 10,789,531	\$ 1,000,410
<b>Expenditures</b>				
General Government				
County Commission	\$ 112,789	\$ 84,649	\$ 122,097	\$ 9,308
Board of Equalization	1,500	2,000	2,000	500
Beer Board	0	600	600	600
County Mayor/Executive	252,718	273,934	274,503	21,785
County Attorney	14,235	23,000	23,000	8,765
Election Commission	347,599	205,579	366,185	18,586
Register of Deeds	153,709	152,345	156,078	2,369
County Buildings	475,916	348,485	680,868	204,952
Preservation of Records	11,313	0	12,455	1,142
Finance				
Property Assessor's Office	222,208	232,631	238,664	16,456
County Trustee's Office	208,335	209,772	214,040	5,705
County Clerk's Office	230,704	221,857	230,793	89
Administration of Justice				
Circuit Court	244,693	307,744	308,244	63,551
General Sessions Judge	184,839	185,231	186,300	1,461
Chancery Court	153,796	158,463	158,863	5,067
Juvenile Court	13,690	16,725	17,225	3,535
Other Administration of Justice	0	40,000	0	0
Public Safety				
Sheriff's Department	1,308,895	1,289,272	1,542,595	233,700
Special Patrols	278,370	0	375,000	96,630
Jail	1,474,698	1,358,194	1,550,005	75,307
Correctional Incentive Program Improvements	37,575	0	37,577	2
Juvenile Services	123,211	107,400	123,548	337
Work Release Program	30,093	10,000	80,600	50,507
Fire Prevention and Control	19,000	23,000	23,000	4,000
Rescue Squad	5,000	10,000	10,000	5,000
Other Emergency Management	44,572	50,154	50,154	5,582

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Expenditures (Cont.)</b>				
Public Safety (Cont.)				
County Coroner/Medical Examiner	\$ 10,900	\$ 13,600	\$ 13,600	\$ 2,700
Public Safety Grants Program	68,782	0	181,643	112,861
Other Public Safety	7,592	8,383	8,383	791
Public Health and Welfare				
Local Health Center	47,010	50,658	52,158	5,148
Ambulance/Emergency Medical Services	400,000	400,000	400,000	0
Alcohol and Drug Programs	159,541	0	159,541	0
Other Local Health Services	127,550	227,300	277,300	149,750
Regional Mental Health Center	2,000	2,000	2,000	0
Other Public Health and Welfare	250,000	150,000	250,000	0
Social, Cultural, and Recreational Services				
Libraries	51,574	53,570	53,570	1,996
Other Social, Cultural, and Recreational	261,538	0	263,000	1,462
Agriculture and Natural Resources				
Agricultural Extension Service	111,702	116,680	117,230	5,528
Soil Conservation	44,697	51,332	51,332	6,635
Other Operations				
Tourism	188,658	175,000	196,000	7,342
Other Economic and Community Development	46,350	0	46,356	6
Veterans' Services	10,811	17,757	17,757	6,946
Other Charges	258,245	261,002	261,002	2,757
Contributions to Other Agencies	45,000	62,350	63,350	18,350
Employee Benefits	455,561	477,000	511,141	55,580
COVID-19 Grant I	56,011	0	80,748	24,737
Miscellaneous	48,901	48,000	55,000	6,099
Capital Projects				
Public Health and Welfare Projects	37,708	0	200,000	162,292
Total Expenditures	\$ 8,639,589	\$ 7,425,667	\$ 10,045,505	\$ 1,405,916
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,150,352	\$ (715,584)	\$ 744,026	\$ 2,406,326
<b>Other Financing Sources (Uses)</b>				
Notes Issued	\$ 338,000	\$ 0	\$ 338,000	\$ 0
Insurance Recovery	17,341	0	17,341	0
Total Other Financing Sources	\$ 355,341	\$ 0	\$ 355,341	\$ 0
Net Change in Fund Balance	\$ 3,505,693	\$ (715,584)	\$ 1,099,367	\$ 2,406,326
Fund Balance, July 1, 2023	2,276,045	3,572,563	3,572,563	(1,296,518)
Fund Balance, June 30, 2024	\$ 5,781,738	\$ 2,856,979	\$ 4,671,930	\$ 1,109,808

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

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
**Solid Waste/Sanitation Fund**  
**For the Year Ended June 30, 2024**

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 716,136	\$ 702,870	\$ 702,870	\$ 13,266
Charges for Current Services	30	0	0	30
Other Local Revenues	90,189	73,000	73,000	17,189
State of Tennessee	91,520	44,200	44,200	47,320
<b>Total Revenues</b>	<b>\$ 897,875</b>	<b>\$ 820,070</b>	<b>\$ 820,070</b>	<b>\$ 77,805</b>
<b>Expenditures</b>				
Public Health and Welfare				
Waste Pickup	\$ 41,098	\$ 44,200	\$ 44,200	\$ 3,102
Convenience Centers	911,791	701,875	922,075	10,284
Landfill Operation and Maintenance	13,870	16,000	16,000	2,130
Other Operations				
Other Charges	14,693	15,000	17,000	2,307
<b>Total Expenditures</b>	<b>\$ 981,452</b>	<b>\$ 777,075</b>	<b>\$ 999,275</b>	<b>\$ 17,823</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ (83,577)</b>	<b>\$ 42,995</b>	<b>\$ (179,205)</b>	<b>\$ 95,628</b>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	\$ 67,000	\$ 0	\$ 67,000	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 67,000</b>	<b>\$ 0</b>	<b>\$ 67,000</b>	<b>\$ 0</b>
Net Change in Fund Balance Fund Balance, July 1, 2023	<b>\$ (16,577)</b>	<b>\$ 42,995</b>	<b>\$ (112,205)</b>	<b>\$ 95,628</b>
Fund Balance, June 30, 2024	<b>\$ 684,928</b>	<b>\$ 718,996</b>	<b>\$ 718,996</b>	<b>\$ (34,068)</b>
	<b>\$ 668,351</b>	<b>\$ 761,991</b>	<b>\$ 606,791</b>	<b>\$ 61,560</b>

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

**GRUNDY 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**

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Charges for Current Services	\$ 221,556	\$ 175,000	\$ 175,000	\$ 46,556
Other Local Revenues	34,709	85,500	85,500	(50,791)
State of Tennessee	2,235,784	2,691,247	2,691,247	(455,463)
Total Revenues	\$ 2,492,049	\$ 2,951,747	\$ 2,951,747	\$ (459,698)
<b>Expenditures</b>				
Highways				
Administration	\$ 218,157	\$ 215,688	\$ 217,358	\$ (799)
Highway and Bridge Maintenance	1,278,221	1,612,230	1,613,307	335,086
Operation and Maintenance of Equipment	203,197	309,995	310,625	107,428
Other Charges	145,956	180,000	180,000	34,044
Capital Outlay	1,038,301	1,302,533	1,552,533	514,232
Total Expenditures	\$ 2,883,832	\$ 3,620,446	\$ 3,873,823	\$ 989,991
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (391,783)	\$ (668,699)	\$ (922,076)	\$ 530,293
Net Change in Fund Balance				
Fund Balance, July 1, 2023	\$ 3,532,512	\$ 3,167,547	\$ 3,167,547	\$ 364,965
Fund Balance, June 30, 2024	\$ 3,140,729	\$ 2,498,848	\$ 2,245,471	\$ 895,258

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

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Net Position**  
 Proprietary Fund  
**June 30, 2024**

	<b>Business-type Activities</b>
	<b>Major Enterprise</b>
	<b>Fund</b>
	Waste
	<b>Water Fund</b>

**ASSETS**

Current Assets:

Equity in Pooled Cash and Investments	\$ 245,494
Total Current Assets	<u>\$ 245,494</u>

Noncurrent Assets:

Capital Assets:

Assets Not Depreciated:	
Land	\$ 30,000
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	469,120
Infrastructure	<u>166,212</u>
Total Noncurrent Assets	<u>\$ 665,332</u>
Total Assets	<u>\$ 910,826</u>

**NET POSITION**

Net Investment in Capital Assets	\$ 665,332
Unrestricted	<u>245,494</u>
Total Net Position	<u>\$ 910,826</u>

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

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Revenues, Expenses, and Changes**  
**in Net Position**  
 Proprietary Funds  
**For the Year Ended June 30, 2024**

	<b>Business-type Activities</b>
	<b>Major Enterprise Fund</b>
	<b>Waste Water Fund</b>
<b>Operating Revenues</b>	
Water Treatment Charges	\$ 150,397
Total Operating Revenues	<u>\$ 150,397</u>
<b>Operating Expenses</b>	
Communication	\$ 880
Other Contracted Services	36,773
Electricity	11,828
Water and Sewer	312
Testing	7,048
Other Supplies and Materials	16,346
Depreciation	68,845
Other Charges	2,553
Total Operating Expenses	<u>\$ 144,585</u>
Operating Income (Loss)	<u>\$ 5,812</u>
Change in Net Position	\$ 5,812
Net Position, July 1, 2023	<u>905,014</u>
Net Position, June 30, 2024	<u>\$ 910,826</u>

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

**GRUNDY COUNTY, TENNESSEE**  
**Statement of Cash Flows**  
 Proprietary Fund  
**For the Year Ended June 30, 2024**

	<b>Business-type Activities</b>
	<b>Major Enterprise</b>
	<b>Fund</b>
	Waste
	<u>Water Fund</u>
<b>Cash Flows from Operating Activities</b>	
Receipts from Customers	\$ 158,618
Payments to Vendors	(74,187)
Other Payments	(1,553)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 82,878</u>
Net Increase (Decrease) in Cash	\$ 82,878
Cash, July 1, 2023	<u>162,616</u>
Cash, June 30, 2024	<u><u>\$ 245,494</u></u>
<b>Reconciliation of Net Operating Income (Loss)</b>	
<b>to Net Cash Provided By (Used In) Operating Activities</b>	
Operating Income (Loss)	\$ 5,812
Adjustments to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	68,845
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	<u>8,221</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 82,878</u></u>

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

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

	<b>Custodial Funds</b>
<b>ASSETS</b>	
Cash	\$ 1,462,077
Equity in Pooled Cash and Investments	1,303
Due from Other Governments	<u>211,999</u>
Total Assets	<u>\$ 1,675,379</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 213,302</u>
Total Liabilities	<u>\$ 213,302</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,462,077</u>
Total Net Position	<u><u>\$ 1,462,077</u></u>

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

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

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 1,183,320
Fines/Fees and Other Collections	<u>4,265,129</u>
Total Additions	<u><u>\$ 5,448,449</u></u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 1,183,320
Payments to State	<u>1,886,562</u>
Payments to Cities, Individuals, and Others	<u>2,228,147</u>
Total Deductions	<u><u>\$ 5,298,029</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 150,420
Net Position, July 1, 2023	<u><u>1,311,657</u></u>
Net Position, June 30, 2024	<u><u><u>\$ 1,462,077</u></u></u>

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

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## GRUNDY COUNTY, TENNESSEE

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Grundy 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 Grundy County:

**A. *Reporting Entity***

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

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

Administrative Office:

Grundy County Emergency Communications District  
P.O. Box 433  
Altamont, TN 37301

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

***B. Government-wide and Fund Financial Statements***

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

Grundy County issues all debt for the discretely presented Grundy 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, the proprietary fund, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund 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 proprietary fund and 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 Grundy 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/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Grundy County only reports one proprietary fund, an enterprise fund. It has no internal service funds to report.

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

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

Proprietary and fiduciary funds financial statements are reported using the economic resources measurement focus, except for agency funds, which have no 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 a private-purpose trust fund and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Grundy 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 Grundy County's solid waste. Local taxes are the foundational revenues of this fund.

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

**General 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.

Grundy County reports the following major proprietary fund:

**Waste Water Fund** – This fund accounts for a wastewater system, which treats wastewater for various industries, businesses, and citizens in the county.

Additionally, Grundy 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 Grundy County.

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

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

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

**Central Cafeteria Fund** – This special revenue fund is used to account for the cafeteria operations in each of the schools. USDA School Lunch and Breakfast Programs and payments received from the sale of meals are the foundational revenues of this fund.

Additionally, the school department reports the following fund type:

**Private Purpose Trust Fund** – The Other Trust Fund is used to account for savings bond awards given to Grundy County students who win an essay contest and a spelling bee. Money for this fund was provided by a citizen.

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an enterprise fund used to account for wastewater treatment. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations.

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

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term investment Fund; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Grundy 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. Grundy 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. Grundy 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.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 8 percent of total taxes levied.

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

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

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for

any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

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

### **3. Restricted Assets**

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

### **4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of \$10,000 (\$15,000 for roads and bridges) or more and an estimated useful life of more than three 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 with salvage values of five percent:

Assets	Years
Buildings and Improvements	7 - 40
Infrastructure:	
Roads	20 - 40
Bridges	40
Other Capital Assets	5 - 20

## 5. Deferred Outflows/Inflows of Resources

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

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

The general policy of Grundy County does not allow for the accumulation of vacation and sick days beyond the fiscal year-end, except for the highway department, which permits the accumulation of vacation and sick leave exceeding a normal year's accumulation. There is no liability for unpaid accumulated sick leave since the highway department does not have a policy to pay any amounts when employees separate from service with the department. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

### Discretely Presented Grundy County School Department

The general policy of the Grundy County School Department does not allow for the accumulation of personal days beyond the fiscal year-end. Professional personnel earn two days of personal leave a year and any unused personal leave is converted to sick leave. Support personnel receive one sick day for each month the employee works. Support personnel may request and receive compensation for unused sick leave, accumulated during the current school year, at the end of the fiscal school year. A liability for sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

## **7. Long-term Debt and Long-term Obligations**

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

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, other postemployment benefits, and landfill closure/postclosure care costs, 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 and the proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

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

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and

then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

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

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

## *E. Pension Plans*

### **Primary Government**

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

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

#### **F. Other Postemployment Benefit (OPEB) Plans**

##### **Primary Government**

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

##### **Discretely Presented Grundy 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 Grundy 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 Grundy County School Department**

Exhibit J-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 Grundy County School Department**

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

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. *Budgetary Information***

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

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

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

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

On June 30, 2024, the discretely presented school department's General Purpose School Fund had outstanding encumbrances totaling \$1,886,924.

**B. *Expenditures Exceeded Appropriations***

Expenditures exceeded appropriations approved by the county commission in the Administration major appropriations category (the legal level of control) of the

Highway/Public Works Fund by \$799. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the Highway/Public Works Fund.

## IV. DETAILED NOTES ON ALL FUNDS

### A. *Deposits and Investments*

Grundy County and the Grundy 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 and investments reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

#### Deposits

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

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

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

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

## **Investments**

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

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

## **TCRS Stabilization Trust**

**Legal Provisions.** The Grundy 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 Grundy 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 Grundy 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	\$ 77,093
Developed Market International Equity	N/A	N/A	34,816
Emerging Market International Equity	N/A	N/A	9,948
U.S. Fixed Income	N/A	N/A	49,738
Real Estate	N/A	N/A	24,869
Short-term Securities	N/A	N/A	2,487
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>49,737</u>
Total			<u>\$ 248,688</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
<b>Capital Assets Not Depreciated:</b>				
Land				
	\$ 414,790	\$ 240,810	\$ 0	\$ 655,600
Construction in Progress	948,664	317,173	(1,265,837)	0
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 1,363,454</b>	<b>\$ 557,983</b>	<b>\$ (1,265,837)</b>	<b>\$ 655,600</b>
<b>Capital Assets Depreciated:</b>				
Buildings and Improvements				
	\$ 11,664,289	\$ 1,265,837	\$ 0	\$ 12,930,126
Infrastructure	8,274,806	0	0	8,274,806
Other Capital Assets	4,841,829	680,185	0	5,522,014
<b>Total Capital Assets Depreciated</b>	<b>\$ 24,780,924</b>	<b>\$ 1,946,022</b>	<b>\$ 0</b>	<b>\$ 26,726,946</b>
<b>Less Accumulated Depreciation For:</b>				
Buildings and Improvements				
	\$ 3,439,089	\$ 301,133	\$ 0	\$ 3,740,222
Infrastructure	6,987,860	102,238	0	7,090,098
Other Capital Assets	3,497,149	439,967	0	3,937,116
<b>Total Accumulated Depreciation</b>	<b>\$ 13,924,098</b>	<b>\$ 843,338</b>	<b>\$ 0</b>	<b>\$ 14,767,436</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 10,856,826</b>	<b>\$ 1,102,684</b>	<b>\$ 0</b>	<b>\$ 11,959,510</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 12,220,280</b>	<b>\$ 1,660,667</b>	<b>\$ (1,265,837)</b>	<b>\$ 12,615,110</b>

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

**Governmental Activities:**

General Government	\$ 113,954
Public Safety	281,489
Public Health and Welfare	137,069
Agriculture and Natural Resources	491
Highways/Public Works	<u>310,335</u>

Total Depreciation Expense -	
Governmental Activities	<u>\$ 843,338</u>

**Net Investment in Capital Assets**

---

Capital Assets	\$ 12,615,110
Less:	
Outstanding principal of capital debt and other capital borrowings	<u>(6,381,151)</u>
Net Investment in Capital Assets	<u>\$ 6,233,959</u>

### Waste Water Fund (enterprise fund)

#### Business-type Activities:

	Balance 7-1-23	Increases	Balance 6-30-24
Capital Assets Not Depreciated:			
Land	\$ 30,000	\$ 0	\$ 30,000
Total Capital Assets Not Depreciated	<u>\$ 30,000</u>	<u>\$ 0</u>	<u>\$ 30,000</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 1,654,496	\$ 0	\$ 1,654,496
Infrastructure	<u>777,647</u>	<u>0</u>	<u>777,647</u>
Total Capital Assets Depreciated	<u>\$ 2,432,143</u>	<u>\$ 0</u>	<u>\$ 2,432,143</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 1,146,081	\$ 39,295	\$ 1,185,376
Infrastructure	<u>581,885</u>	<u>29,550</u>	<u>611,435</u>
Total Accumulated Depreciation	<u>\$ 1,727,966</u>	<u>\$ 68,845</u>	<u>\$ 1,796,811</u>
Total Capital Assets Depreciated, Net	<u>\$ 704,177</u>	<u>\$ (68,845)</u>	<u>\$ 635,332</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 734,177</u></u>	<u><u>\$ (68,845)</u></u>	<u><u>\$ 665,332</u></u>

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

Depreciation expense was charged to functions of the enterprise fund as follows:

#### Business-type Activities:

Public Health and Welfare	<u><u>\$ 68,845</u></u>
Total Depreciation Expense - Business-type Activities	<u><u>\$ 68,845</u></u>

## Discretely Presented Grundy County School Department

### Governmental Activities:

	Balance 7-1-23	Increases	Balance 6-30-24
<b>Capital Assets Not Depreciated:</b>			
Land	\$ 257,571	\$ 0	\$ 257,571
Construction in Progress	0	0	0
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 257,571</b>	<b>\$ 0</b>	<b>\$ 257,571</b>
<b>Capital Assets Depreciated:</b>			
Buildings and Improvements	\$ 23,224,982	\$ 0	\$ 23,224,982
Other Capital Assets	3,801,593	571,874	4,373,467
<b>Total Capital Assets Depreciated</b>	<b>\$ 27,026,575</b>	<b>\$ 571,874</b>	<b>\$ 27,598,449</b>
<b>Less Accumulated Depreciation For:</b>			
Buildings and Improvements	\$ 15,094,480	\$ 512,113	\$ 15,606,593
Other Capital Assets	2,800,186	202,220	3,002,406
<b>Total Accumulated Depreciation</b>	<b>\$ 17,894,666</b>	<b>\$ 714,333</b>	<b>\$ 18,608,999</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 9,131,909</b>	<b>\$ (142,459)</b>	<b>\$ 8,989,450</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 9,389,480</b>	<b>\$ (142,459)</b>	<b>\$ 9,247,021</b>

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

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

### Governmental Activities:

Instruction	\$ 397,102
Support Services	283,722
Operation of Non-instructional Services	33,509
<b>Total Depreciation Expense - Governmental Activities</b>	<b>\$ 714,333</b>

**C. *Construction Commitments***

On June 30, 2024, the county had uncompleted construction contracts of approximately \$1,194,000 for the Coalmont Wastewater and Treatment Plant expansion and upgrades. Funding for these future expenditures is expected to be paid from grant funds.

On June 30, 2024, the school department had uncompleted construction contracts of approximately \$276,723 for a security vestibule upgrade and two HVAC upgrades. Funding for these future expenditures is expected to be received from federal grants.

**D. *Interfund Receivables, Payables, and Transfers***

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

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 4,492
Highway/Public Works	Solid Waste/Sanitation	2,248
Discretely Presented School Department:		
General Purpose School	School Federal Projects	1
School Federal Projects	General Purpose School	220

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

The receivable in the Highway/Public Works Fund totaling \$2,248 was in transit from the Solid Waste/Sanitation Fund on June 30, 2024.

### **Interfund Transfers:**

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

#### **Discretely Presented Grundy County School Department**

Transfer Out	Transfer In		
	General	School	Purpose
	Purpose	Federal	
School Federal Projects Fund	\$ 14,414	\$ 0	Indirect costs
General Purpose School Fund	0	300,000	Cash flows

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.

### **E. Long-term Debt**

#### **Primary Government**

##### **General Obligation Bonds, Notes, and Other Loans**

**General Obligation Bonds** - Grundy 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. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 38 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** - Grundy County issues capital outlay notes are issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes were issued for original terms of up to 1 year. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds	3.5%	5-11-54	\$ 7,000,000	\$ 5,976,151
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	4.8 to 5.19	11-15-24	405,000	405,000

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 119,061	\$ 214,419	\$ 333,480
2026	123,296	210,184	333,480
2027	127,681	205,799	333,480
2028	132,222	201,258	333,480
2029	136,925	196,555	333,480
2030-2034	761,233	906,167	1,667,400
2035-2039	906,586	760,814	1,667,400
2040-2044	1,079,694	587,706	1,667,400
2045-2049	1,285,853	381,547	1,667,400
2050-2054	1,303,600	136,009	1,439,609
<b>Total</b>	<b>\$ 5,976,151</b>	<b>\$ 3,800,458</b>	<b>\$ 9,776,609</b>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2025	\$ 405,000	\$ 14,203	\$ 419,203
<b>Total</b>	<b>\$ 405,000</b>	<b>\$ 14,203</b>	<b>\$ 419,203</b>

There is \$4,410,479 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$442, based on the 2020 federal census. Total debt per capita, including bonds and notes totaled \$472, based on the 2020 federal census.

### Changes in Long-term Debt

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

#### Governmental Activities:

	Bonds	Notes - Direct Placement
Balance July 1, 2023	\$ 6,291,123	\$ 150,000
Additions	0	405,000
Reductions	(314,972)	(150,000)
Balance June 30, 2024	<u>\$ 5,976,151</u>	<u>\$ 405,000</u>
Balance Due Within One Year	<u>\$ 119,061</u>	<u>\$ 405,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 6,381,151
Less: Due Within One Year - Debt	<u>(524,061)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 5,857,090</u>

#### F. *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:	Other Postemployment Benefits	Landfill Postclosure Care Costs	Compensated Absences
Balance July 1, 2023	\$ 18,950	\$ 363,122	\$ 19,986
Additions	11,312	13,378	38,197
Reductions	(5,930)	(11,070)	(36,579)
Balance June 30, 2024	<u>\$ 24,332</u>	<u>\$ 365,430</u>	<u>\$ 21,604</u>
Balance Due Within One Year	<u>\$ 1,130</u>	<u>\$ 11,070</u>	<u>\$ 21,604</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 411,366
Less: Due Within One Year - Other	<u>(33,804)</u>
Noncurrent Liabilities - Other - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 377,562</u>

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

During February 2004, Grundy County entered into a revocable contract with a private firm to provide postclosure care for the county's closed landfill. Terms of this agreement require the county to pay an annual fee of \$9,920 for postclosure care costs. The county is required to provide postclosure care for this closed landfill for the next 7 years.

**Discretely Presented Grundy County School Department**

**Changes in Long-term Obligations**

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

<b>Governmental Activities:</b>	<b>Other</b>
	Postemployment Benefits
Balance July 1, 2023	\$ 1,585,828
Additions	235,614
Reductions	<u>(206,629)</u>
Balance June 30, 2024	<u>\$ 1,614,813</u>
Balance Due Within One Year	<u>\$ 101,834</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 1,614,813
Less: Due Within One Year - Other	<u>(101,834)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 1,512,979</u>

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

**G. On-Behalf Payments**

**Discretely Presented Grundy County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Grundy County School Department. These payments are made by the state to the Local Education Group Insurance. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were \$50,541. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

**Primary Government**

Grundy County is exposed to various risks related to general liability, property, casualty, and workers' compensation. Grundy County is a member of the Local Government Property and Casualty Fund (LGPCF) and the Local Government Workers' Compensation Fund, which are public entity risk pools established by the Tennessee County Services Association, an association of member counties. The county pays annual premiums to the pools for general liability, property, casualty losses, and workers' compensation insurance coverage. The creation of these pools provides for them to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

Grundy 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.

Grundy County participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, *Tennessee Code Annotated (TCA)*, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

**Discretely Presented Grundy County School Department**

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *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.

The discretely presented Grundy County School Department is exposed to various risks related to general liability, property, casualty, and workers' compensation. The county continues to carry commercial insurance for all other risks of loss, including general liability, property, casualty, workers' compensation, and environmental. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

**B. *Accounting Change***

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

**C. *Contingent Liabilities***

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

The county is involved in other pending lawsuits. Attorneys for the county and the school department do not believe that claims resulting from such litigation not covered by insurance would materially affect the county's financial statements.

**D. *Landfill Postclosure Care Costs***

Grundy 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 landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. These closure and postclosure care costs generally are paid near or after the date that the landfill stops accepting waste. Although the Grundy County landfill closed in 2001, the county has contracted with a private company for its waste disposal. The Solid Waste/Sanitation Fund (special revenue fund) reports postclosure care costs as expenditures in each period in which they are incurred. The \$365,430 reported as landfill postclosure care cost liability on June 30, 2024, represents the net amount reported to date based on 100 percent use of the estimated capacity of the landfill. The county maintains a revocable contract with a private firm for postclosure care costs on the closed landfill. The county is required to monitor the closed landfill for the next 7 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**E. *Joint Venture***

The Twelfth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twelfth Judicial District and the municipalities within the district. The district includes Grundy, Franklin, Marion, Rhea, and Sequatchie 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 and the sheriffs and police chiefs of the participating law enforcement agencies within each judicial district. Grundy 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  
Twelfth Judicial District  
7794 Rhea County Highway, Suite 102  
Dayton, TN 37321

**F. *Retirement Commitments***

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

***General Information About the Pension Plan***

*Plan Description.* Employees of Grundy County and non-certified employees of the discretely presented Grundy 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 64.14 percent and the non-certified employees of the discretely presented school department comprise 35.86 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	153
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	264
Active Employees	185
<hr/> Total	<hr/> 602

*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 to the plan. Grundy County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2024, the employer contribution for Grundy County was \$466,626 based on a rate of 7.42 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Grundy 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)*

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

*Actuarial Assumptions.* The total pension liability as of the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	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 Grundy 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	Plan	Net Pension
	Pension	Fiduciary	Liability
	Liability	Net Position	(Asset)
	(a)	(b)	(a)-(b)
Balance, July 1, 2022	\$ 23,146,626	\$ 23,918,587	\$ (771,961)
Changes for the Year:			
Service Cost	\$ 608,941	\$ 0	\$ 608,941
Interest	1,564,654	0	1,564,654
Differences Between Expected and Actual Experience	84,199	0	84,199
Contributions-Employer	0	347,162	(347,162)
Contributions-Employees	0	289,303	(289,303)
Net Investment Income	0	1,589,786	(1,589,786)
Benefit Payments, Including Refunds of Employee Contributions	(1,151,018)	(1,151,018)	0
Administrative Expense	0	(20,732)	20,732
Net Changes	\$ 1,106,776	\$ 1,054,501	\$ 52,275
Balance, June 30, 2023	\$ 24,253,402	\$ 24,973,088	\$ (719,686)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	64.14%	\$ 15,556,132	\$ 16,017,739	\$ (461,607)
School Department	35.86%	8,697,270	8,955,349	(258,079)
Total		<u>\$ 24,253,402</u>	<u>\$ 24,973,088</u>	<u>\$ (719,686)</u>

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

Grundy County	1%	Current Discount Rate	1%
	Decrease	6.75%	Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 2,279,582	\$ (719,686)	\$ (3,213,401)

***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, Grundy County recognized pension expense (negative pension expense) of \$516,915.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 268,243	\$ 96,757
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	179,144	0
Changes in Assumptions	292,325	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	<u>466,626</u>	N/A
 Total	 <u>\$ 1,206,338</u>	 <u>\$ 96,757</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	\$ 750,208	\$ 62,060
School Department	<u>456,130</u>	34,697
 Total	 <u>\$ 1,206,338</u>	 <u>\$ 96,757</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	
June 30	Amount
2025	\$ 187,173
2026	(99,431)
2027	553,888
2028	1,331
2029	0
Thereafter	0

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

### **Discretely Presented Grundy County School Department - Non-certified Employees**

#### ***General Information About the Pension Plan***

*Plan Description.* As noted above under the primary government, employees of Grundy County and non-certified employees of the discretely presented Grundy 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 64.14 percent and the non-certified employees of the discretely presented school department comprise 35.86 percent of the plan based on contribution data.

### **Discretely Presented Grundy County School Department - Certified Employees - Teacher Retirement Plan**

#### ***General Information About the Pension Plan***

*Plan Description.* Teachers of the Grundy 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 \$88,910, which is 2.95 percent of covered payroll. In addition, employer contributions of \$28,851, which is 1.05 percent 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, 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 (\$47,966) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, the school department's proportion was .113118 percent. The proportion as of June 30, 2022, was .123687 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the Grundy County School Department recognized pension expense (negative pension expense) of \$62,419.

*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	\$ 1,616	\$ 27,997
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	12,195	0
Changes in Assumptions	36,087	0
Changes in Proportion of Net Pension Liability (Asset)	23,396	8,206
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	88,910	N/A
<b>Total</b>	<b>\$ 162,204</b>	<b>\$ 36,203</b>

The school department's employer contributions of \$88,910, 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	\$ 1,491
2026	(284)
2027	18,529
2028	2,579
2029	2,653
Thereafter	12,124

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)		\$ 220,641	\$ (47,966) \$ (241,341)

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

### **Discretely Presented Grundy County School Department - Certified Employees - Teacher Legacy Pension Plan**

#### ***General Information About the Pension Plan***

*Plan Description.* Teachers of the Grundy 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 Grundy County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$414,760, which is 6.81 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* On June 30, 2024, the school department reported a liability (asset) of (\$2,132,580) 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 .180884 percent. The proportion measured on June 30, 2022, was .184973 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$610,250.

*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	\$ 508,089	\$ 98,966
Changes in Assumptions	694,853	0
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	370,014	0
Changes in Proportion of Net Pension Liability (Asset)	129,972	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	414,760	N/A
 Total	 <u>\$ 2,117,688</u>	 <u>\$ 98,966</u>

The school department's employer contributions of \$414,760 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	\$ 564,454
2026	(245,966)
2027	1,282,576
2028	2,898
2029	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	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 net pension liability (asset) of Grundy County School Department calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) 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)	\$ 4,644,909	\$ (2,132,580)	\$ 7,769,540

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

## **2. Deferred Compensation**

The Grundy County School Department 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 Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$212,378 and teachers contributed \$51,154 to this deferred compensation pension plan.

## **G. Other Postemployment Benefits (OPEB)**

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

### **OPEB Provided through State Administered Public Entity Risk Pools**

Retirees of Grundy County (with the exception of the Grundy County Highway Department) are provided healthcare under the Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. Certified and noncertified employees of the 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 premium support for teachers in the TNM plan.

The county's and the school department's total OPEB liability for each plan was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2023, actuarial valuation of each plan was determined using the following actuarial

assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.31% for pre-65 retirees in the 2023 calendar year, and decreasing annually over a 11-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit	
Related Cost	Discussed under each plan

The discount rate was 3.65 percent, based on an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2023, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

*Changes in Assumptions.* The discount rate changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of the measurement date of June 30, 2023. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2023 plan year was revised from 8.37 percent to 10.31 percent.

### **Local Government OPEB Plan (Primary Government)**

*Plan Description.* Employees of Grundy County (with the exception of the Grundy County Highway Department) are provided with pre-65 retiree health insurance benefits through the

Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

*Benefits Provided.* Grundy County (with the exception of the Grundy County Highway Department) offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Grundy County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	54
<hr/> Total	<hr/> 54

An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county paid \$270 to the LGP for OPEB benefits as they came due.

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

	Grundy County
Balance July 1, 2022	\$ 18,950
Changes for the Year:	
Service Cost	4,482
Interest	818
Difference between Expected and Actuarial Experience	(5,247)
Changes in Assumption	6,012
Benefit Payments	(683)
Net Changes	<u><u>\$ 5,382</u></u>
Balance June 30, 2023	<u><u>\$ 24,332</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the county recognized OPEB expense of \$1,130. On June 30, 2024, the department reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 14,991
Changes of Assumptions and Other Inputs	5,100	10,572
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2023	<u>270</u>	<u>0</u>
Total	<u><u>\$ 5,370</u></u>	<u><u>\$ 25,563</u></u>

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

Amounts reported as deferred 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	Grundy County
2025	\$ (4,170)
2026	(4,170)
2027	(4,170)
2028	(4,170)
2029	(3,672)
Thereafter	(111)

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

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

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
<u>Grundy County</u>	2.65%	3.65%	4.65%
Total OPEB Liability	\$ 26,047	\$ 24,332	\$ 22,732

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
<u>Grundy County</u>	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%
Total OPEB Liability	\$ 21,640	\$ 24,332	\$ 27,493

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

*Plan Description* - Employees of the Grundy 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 Grundy County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-301* establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school department does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees and Beneficiaries Currently Receiving Benefits	8
Inactive Employees Entitled to but Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>156</u>
Total	<u><u>164</u></u>

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 \$65,256 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			Total OPEB Liability	
	Grundy County	State of	TN		
	School Department	59.96%			
Balance July 1, 2022	\$ 1,585,828	\$ 967,576	\$ 2,553,404		
Changes for the Year:					
Service Cost	\$ 73,408	\$ 49,021	\$ 122,429		
Interest	55,526	37,079	92,605		
Difference between Expected and Actuarial Experience	(79,440)	(53,048)	(132,488)		
Changes in Assumption	106,680	71,238	177,918		
Change in Proportion	(54,775)	54,775	0		
Benefit Payments	(72,414)	(48,357)	(120,771)		
Net Changes	\$ 28,985	\$ 110,708	\$ 139,693		
Balance June 30, 2023	<u>\$ 1,614,813</u>	<u>\$ 1,078,284</u>	<u>\$ 2,693,097</u>		

The Grundy 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 Grundy County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department is required by GASB Statement No. 75 to recognize revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department employees. The amount of the subsidy is equal to the nonemployer share of collective OPEB expenses. The school department recognized \$93,297 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Grundy County School Department's proportionate share of the collective OPEB liability was 59.96 percent and the State of Tennessee's share was 40.04 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department recognized OPEB expense of \$195,131 including the state's share of the expense. On June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 11,420	\$ 242,381
Changes of Assumptions	357,194	174,845
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors		
As Benefits Came Due	29,049	123,186
Benefits Paid After the Measurement Date of June 30, 2023	<u>65,256</u>	0
 Total	 <u>\$ 462,919</u>	 <u>\$ 540,412</u>

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

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

Year Ending June 30	School Department
2025	\$ (27,103)
2026	(27,103)
2027	(27,103)
2028	(21,465)
2029	(11,462)
Thereafter	(28,513)

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

Proportionate Share of the Collective Total OPEB Liability	\$ 1,722,689	\$ 1,614,813	\$ 1,511,071
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

#### Healthcare Cost Trend Rate

	1%	Current	1%
	Decrease	Rate	Increase
	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 1,460,837	\$ 1,614,813	\$ 1,792,062
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### ***H. Purchasing Laws***

#### **Office of County Mayor**

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, which provide for purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

#### **Office of Highway Superintendent**

Purchasing procedures for the highway department are governed by provisions of Chapter 435, Private Acts of 1939, and the Uniform Road Law, Section 54-7-113, *TCA*, which 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 school department are governed by purchasing laws applicable to the 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 the chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

## **REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**GRUNDY 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
<b>Total Pension Liability</b>										
Service Cost	\$ 323,260	\$ 334,316	\$ 329,090	\$ 339,718	\$ 360,946	\$ 367,269	\$ 461,038	\$ 501,629	\$ 595,721	\$ 608,941
Interest	1,109,654	1,141,657	1,196,624	1,240,546	1,270,121	1,330,589	1,390,025	1,457,823	1,473,328	1,564,654
Differences Between Actual and Expected Experience	(254,053)	96,714	(110,982)	(119,561)	153,117	55,738	114,339	(387,034)	410,188	84,199
Changes in Assumptions	0	0	0	366,384	0	0	0	1,169,300	0	0
Benefit Payments, Including Refunds of Employee Contributions	(690,937)	(835,488)	(833,633)	(845,847)	(894,179)	(1,018,746)	(1,036,376)	(1,105,309)	(1,127,955)	(1,151,018)
Net Change in Total Pension Liability	\$ 487,924	\$ 737,199	\$ 581,099	\$ 981,240	\$ 890,005	\$ 734,850	\$ 929,026	\$ 1,636,409	\$ 1,351,282	\$ 1,106,776
Total Pension Liability, Beginning	\$ 14,817,592	\$ 15,305,516	\$ 16,042,715	\$ 16,623,814	\$ 17,605,054	\$ 18,495,059	\$ 19,229,909	\$ 20,158,935	\$ 21,795,344	\$ 23,146,626
Total Pension Liability, Ending (a)	\$ 15,305,516	\$ 16,042,715	\$ 16,623,814	\$ 17,605,054	\$ 18,495,059	\$ 19,229,909	\$ 20,158,935	\$ 21,795,344	\$ 23,146,626	\$ 24,253,402
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 380,039	\$ 314,675	\$ 326,496	\$ 328,222	\$ 350,117	\$ 286,676	\$ 322,991	\$ 333,328	\$ 353,842	\$ 347,162
Contributions - Employee	181,333	181,758	190,920	195,309	203,458	249,952	269,161	277,774	294,870	289,303
Net Investment Income	2,327,596	496,295	431,616	1,856,210	1,484,969	1,410,825	985,971	5,256,676	(961,335)	1,589,786
Benefit Payments, Including Refunds of Employee Contributions	(690,937)	(835,488)	(833,633)	(845,847)	(894,179)	(1,018,746)	(1,036,376)	(1,105,309)	(1,127,955)	(1,151,018)
Administrative Expense	(7,074)	(9,024)	(12,738)	(14,016)	(15,297)	(16,742)	(17,428)	(17,902)	(18,622)	(20,732)
Net Change in Plan Fiduciary Net Position	\$ 2,190,957	\$ 148,216	\$ 102,661	\$ 1,519,878	\$ 1,129,068	\$ 911,965	\$ 524,319	\$ 4,744,567	\$ (1,459,200)	\$ 1,054,501
Plan Fiduciary Net Position, Beginning	\$ 14,106,156	\$ 16,297,113	\$ 16,445,329	\$ 16,547,990	\$ 18,067,868	\$ 19,196,936	\$ 20,108,901	\$ 20,633,220	\$ 25,377,787	\$ 23,918,587
Plan Fiduciary Net Position, Ending (b)	\$ 16,297,113	\$ 16,445,329	\$ 16,547,990	\$ 18,067,868	\$ 19,196,936	\$ 20,108,901	\$ 20,633,220	\$ 25,377,787	\$ 23,918,587	\$ 24,973,088
Net Pension Liability (Asset), Ending (a - b)	\$ (991,597)	\$ (402,614)	\$ 75,824	\$ (462,814)	\$ (701,877)	\$ (878,992)	\$ (474,285)	\$ (3,582,443)	\$ (771,961)	\$ (719,686)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.48%	102.51%	99.54%	102.63%	103.79%	104.57%	102.35%	116.44%	103.34%	102.97%
Covered Payroll	\$ 3,622,870	\$ 3,555,651	\$ 3,685,774	\$ 3,793,168	\$ 3,956,128	\$ 4,777,936	\$ 5,383,198	\$ 5,565,362	\$ 5,897,357	\$ 5,786,023
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(27.37)%	(11.32)%	2.06%	(12.20)%	(17.74)%	(18.40)%	(8.81)%	(64.37)%	(13.09)%	(12.44)%

Note 1: 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.

**GRUNDY 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**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Actuarially Determined Contribution	\$ 314,675	\$ 326,496	\$ 189,279	\$ 176,839	\$ 216,918	\$ 239,552	\$ 247,219	\$ 262,433	\$ 324,018	\$ 466,626
Less: Contributions in Relation to the Actuarially Determined Contribution	(314,675)	(326,496)	(328,222)	(350,117)	(286,676)	(322,991)	(333,328)	(353,842)	(347,162)	(466,626)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (138,943)	\$ (173,278)	\$ (69,758)	\$ (83,439)	\$ (86,109)	\$ (91,409)	\$ (23,144)	\$ 0
Covered Payroll	\$ 3,555,651	\$ 3,685,774	\$ 3,793,168	\$ 3,956,128	\$ 4,777,936	\$ 5,383,198	\$ 5,565,362	\$ 5,897,357	\$ 5,786,023	\$ 6,292,421
Contributions as a Percentage of Covered Payroll	8.85%	8.86%	8.65%	8.85%	6.00%	6.00%	5.99%	6.00%	6.00%	7.42%

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 F-3

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Contributions Based on Participation in the Teacher**

**Retirement Plan of TCRS**

Discretely Presented Grundy County School Department

**For the Fiscal Year Ended June 30**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Contractually Required Contribution	\$ 12,151	\$ 20,724	\$ 34,594	\$ 50,584	\$ 33,755	\$ 39,542	\$ 40,127	\$ 42,455	\$ 64,574	\$ 88,910
Less: Contributions in Relation to the Contractually Required Contribution	(12,151)	(20,724)	(34,594)	(50,584)	(33,755)	(39,542)	(40,127)	(42,455)	(64,574)	(88,910)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 303,782	\$ 518,094	\$ 834,864	\$ 1,264,592	\$ 1,739,905	\$ 1,947,890	\$ 1,986,477	\$ 2,112,181	\$ 2,249,957	\$ 3,013,930
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.14%	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 (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

Exhibit F-4

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Contributions Based on Participation in the Teacher**

**Legacy Pension Plan of TCRS**

Discretely Presented Grundy County School Department

**For the Fiscal Year Ended June 30**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Contractually Required Contribution	\$ 760,113	\$ 752,024	\$ 718,426	\$ 701,645	\$ 738,186	\$ 701,060	\$ 646,717	\$ 626,998	\$ 510,084	\$ 414,760
Less: Contributions in Relation to the Contractually Required Contribution	(760,113)	(752,024)	(718,426)	(701,645)	(738,186)	(701,060)	(646,717)	(626,998)	(510,084)	(414,760)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 8,408,339	\$ 8,318,882	\$ 7,980,068	\$ 7,727,353	\$ 7,057,218	\$ 6,595,107	\$ 6,299,777	\$ 6,087,363	\$ 5,869,786	\$ 6,090,442
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.00%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%

Exhibit F-5

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Proportionate Share of the Net Pension Asset**

**in the Teacher Retirement Plan of TCRS**

Discretely Presented Grundy 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)	0.143189%	0.117748%	0.131768%	0.144710%	0.164423%	0.154359%	0.137644%	0.123687%	0.113118%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (5,882)	\$ (12,258)	\$ (34,764)	\$ (65,630)	\$ (92,815)	\$ (87,775)	\$ (149,098)	\$ (37,468)	\$ (47,966)
Covered Payroll	\$ 303,782	\$ 518,094	\$ 834,864	\$ 1,264,592	\$ 1,739,905	\$ 1,947,890	\$ 1,986,477	\$ 2,112,181	\$ 2,249,957
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.16)%	(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.

**GRUNDY COUNTY, TENNESSEE****Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Grundy 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)	0.227730%	0.224611%	0.230452%	0.224818%	0.220677%	0.210466%	0.198155%	0.191859%	0.184973%	0.180884%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (37,005)	\$ 92,009	\$ 1,440,197	\$ (73,558)	\$ (776,542)	\$ (2,163,969)	\$ (1,511,077)	\$ (8,275,355)	\$ (2,268,524)	\$ (2,132,580)
Covered Payroll	\$ 8,938,401	\$ 8,408,339	\$ 8,318,882	\$ 7,980,068	\$ 7,727,353	\$ 7,057,218	\$ 6,595,107	\$ 6,299,777	\$ 6,087,363	\$ 5,869,786
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.92)%	(10.05)%	(30.66)%	(22.91)%	(131.36)%	(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%	103.09%	116.13%	104.42%	104.11%

**GRUNDY COUNTY, TENNESSEE****Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plan**

Primary Government

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 381	\$ 340	\$ 0	\$ 0	\$ 10,175	\$ 7,460	\$ 4,482
Interest	296	366	0	0	943	710	818
Differences Between Actual and Expected Experience	0	0	0	0	(10,325)	(5,846)	(5,247)
Changes in Assumptions or Other Inputs	(497)	(10,643)	0	0	(7,249)	(8,523)	6,012
Benefit Payments	0	0	0	0	(677)	(557)	(683)
Change of Benefit Terms	0	0	0	32,839	0	0	0
Net Change in Total OPEB Liability	\$ 180	\$ (9,937)	\$ 0	\$ 32,839	\$ (7,133)	\$ (6,756)	\$ 5,382
Total OPEB Liability, Beginning	9,757	9,937	0	0	32,839	25,706	18,950
Total OPEB Liability, Ending	\$ 9,937	\$ 0	\$ 0	\$ 32,839	\$ 25,706	\$ 18,950	\$ 24,332
Covered Employee Payroll	\$ 79,219	\$ 0	\$ 0	\$ 2,669,790	\$ 3,125,055	\$ 3,177,265	\$ 3,136,783
Net OPEB Liability as a percentage of Covered Employee Payroll	15.54%	0.00%	0.00%	1.23%	0.82%	0.60%	0.78%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%
- For the 2024 plan year - from 8.37% to 10.31%

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

Note 4: The county had a private OPEB plan for the 2017 and 2018 years. They did not offer OPEB during the 2019 year.

The county switched to the state health insurance plan for the 2020 year.

**GRUNDY COUNTY, TENNESSEE****Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan**

Discretely Presented Grundy County School Department

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 128,975	\$ 119,259	\$ 111,415	\$ 101,723	\$ 126,764	\$ 170,614	\$ 122,429
Interest	74,577	88,223	80,807	75,461	53,694	62,167	92,605
Differences Between Actual and Expected Experience	0	(348,230)	41,995	(29,075)	(114,257)	(82,435)	(132,488)
Changes in Assumptions or Other Inputs	(105,493)	60,377	(170,618)	238,989	467,461	(244,863)	177,918
Benefit Payments	(158,759)	(169,610)	(147,098)	(125,194)	(139,367)	(118,508)	(120,771)
Net Change in Total OPEB Liability	\$ (60,700)	\$ (249,981)	\$ (83,499)	\$ 261,904	\$ 394,295	\$ (213,025)	\$ 139,693
Total OPEB Liability, Beginning	2,504,410	2,443,710	2,193,729	2,110,230	2,372,134	2,766,429	2,553,404
Total OPEB Liability, Ending	\$ 2,443,710	\$ 2,193,729	\$ 2,110,230	\$ 2,372,134	\$ 2,766,429	\$ 2,553,404	\$ 2,693,097
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 879,347	\$ 775,525	\$ 775,930	\$ 823,315	\$ 998,437	\$ 967,576	\$ 1,078,284
Employer Proportionate Share of the Total OPEB Liability	1,564,363	1,418,204	1,334,300	1,548,819	1,767,992	1,585,828	1,614,813
Covered Employee Payroll	\$ 11,144,289	\$ 10,760,925	\$ 10,692,292	\$ 10,624,158	\$ 10,415,343	\$ 10,073,279	\$ 11,593,772
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.93%	20.39%	19.74%	22.33%	26.56%	25.35%	23.23%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%
- For the 2024 plan year - from 8.37% to 10.31%

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

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

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

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

Methods and assumptions used to determine contribution rates:

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

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

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

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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*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. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

**Industrial/Economic Development Fund** – The Industrial/Economic Development Fund is used to account for lease/rental revenues on county industrial buildings and state/federal grants related to industrial/economic development.

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

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

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

	Special Revenue Funds				Total
	Courthouse and Jail Maintenance	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 600	\$ 600
Equity in Pooled Cash and Investments	112,099	249,210	96,285	0	457,594
Accounts Receivable	0	0	0	3,892	3,892
Due from Other Governments	0	83,598	0	0	83,598
<b>Total Assets</b>	<b>\$ 112,099</b>	<b>\$ 332,808</b>	<b>\$ 96,285</b>	<b>\$ 4,492</b>	<b>\$ 545,684</b>
<b>LIABILITIES</b>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 4,492	\$ 4,492
Due to Litigants, Heirs, and Others	0	0	16,282	0	16,282
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 16,282</b>	<b>\$ 4,492</b>	<b>\$ 20,774</b>
<b>FUND BALANCES</b>					
Restricted:					
Restricted for General Government	\$ 112,099	\$ 332,808	\$ 0	\$ 0	\$ 444,907
Restricted for Public Safety	0	0	80,003	0	80,003
<b>Total Fund Balances</b>	<b>\$ 112,099</b>	<b>\$ 332,808</b>	<b>\$ 80,003</b>	<b>\$ 0</b>	<b>\$ 524,910</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 112,099</b>	<b>\$ 332,808</b>	<b>\$ 96,285</b>	<b>\$ 4,492</b>	<b>\$ 545,684</b>

Exhibit G-2

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

	<b>Special Revenue Funds</b>			<b>Total</b>
	<b>Courthouse and Jail Maintenance</b>	<b>Industrial / Economic Development</b>	<b>Drug Control</b>	<b>Nonmajor Governmental Funds</b>
<b>Revenues</b>				
Local Taxes	\$ 32,123	\$ 0	\$ 0	\$ 32,123
Fines, Forfeitures, and Penalties	0	0	19,248	19,248
Other Local Revenues	0	28,834	59	28,893
Federal Government	0	83,598	0	83,598
<b>Total Revenues</b>	<b>\$ 32,123</b>	<b>\$ 112,432</b>	<b>\$ 19,307</b>	<b>\$ 163,862</b>
<b>Expenditures</b>				
Current:				
General Government	\$ 40,232	\$ 0	\$ 0	\$ 40,232
Public Safety	0	0	33,500	33,500
Other Operations	321	174	0	495
<b>Total Expenditures</b>	<b>\$ 40,553</b>	<b>\$ 174</b>	<b>\$ 33,500</b>	<b>\$ 74,227</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,430)	\$ 112,258	\$ (14,193)	\$ 89,635
Net Change in Fund Balances	\$ (8,430)	\$ 112,258	\$ (14,193)	\$ 89,635
Fund Balance, July 1, 2023	120,529	220,550	94,196	435,275
Fund Balance, June 30, 2024	<b>\$ 112,099</b>	<b>\$ 332,808</b>	<b>\$ 80,003</b>	<b>\$ 524,910</b>

**GRUNDY 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

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 32,123	\$ 24,000	\$ 24,000	\$ 8,123
Total Revenues	\$ 32,123	\$ 24,000	\$ 24,000	\$ 8,123
<b>Expenditures</b>				
General Government				
County Buildings	\$ 40,232	\$ 37,000	\$ 42,000	\$ 1,768
Other Operations				
Other Charges	321	400	400	79
Total Expenditures	\$ 40,553	\$ 37,400	\$ 42,400	\$ 1,847
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,430)	\$ (13,400)	\$ (18,400)	\$ 9,970
Net Change in Fund Balance	\$ (8,430)	\$ (13,400)	\$ (18,400)	\$ 9,970
Fund Balance, July 1, 2023	120,529	121,173	121,173	(644)
Fund Balance, June 30, 2024	\$ 112,099	\$ 107,773	\$ 102,773	\$ 9,326

**GRUNDY COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 Industrial/Economic Development Fund  
**For the Year Ended June 30, 2024**

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 28,834	\$ 36,000	\$ 36,000	\$ (7,166)
Federal Government	83,598	0	0	83,598
Total Revenues	\$ 112,432	\$ 36,000	\$ 36,000	\$ 76,432
<b>Expenditures</b>				
Other Operations				
Industrial Development	\$ 174	\$ 30,000	\$ 30,000	\$ 29,826
Total Expenditures	\$ 174	\$ 30,000	\$ 30,000	\$ 29,826
Excess (Deficiency) of Revenues Over Expenditures	\$ 112,258	\$ 6,000	\$ 6,000	\$ 106,258
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 112,258	\$ 6,000	\$ 6,000	\$ 106,258
	220,550	219,718	219,718	832
Fund Balance, June 30, 2024	\$ 332,808	\$ 225,718	\$ 225,718	\$ 107,090

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

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 19,248	\$ 26,100	\$ 26,100	\$ (6,852)
Other Local Revenues	59	0	0	59
Total Revenues	\$ 19,307	\$ 26,100	\$ 26,100	\$ (6,793)
<b>Expenditures</b>				
Public Safety				
Drug Enforcement	\$ 33,500	\$ 7,500	\$ 36,000	\$ 2,500
Total Expenditures	\$ 33,500	\$ 7,500	\$ 36,000	\$ 2,500
Excess (Deficiency) of Revenues Over Expenditures	\$ (14,193)	\$ 18,600	\$ (9,900)	\$ (4,293)
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ (14,193)	\$ 18,600	\$ (9,900)	\$ (4,293)
	94,196	97,888	97,888	(3,692)
Fund Balance, June 30, 2024	\$ 80,003	\$ 116,488	\$ 87,988	\$ (7,985)

## MAJOR GOVERNMENTAL FUND

### GENERAL DEBT SERVICE FUND

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

Exhibit H

**GRUNDY 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	
<b>Revenues</b>				
Local Taxes	\$ 121,568	\$ 361,100	\$ 361,100	\$ (239,532)
Other Local Revenues	695,916	290,000	290,000	405,916
Total Revenues	\$ 817,484	\$ 651,100	\$ 651,100	\$ 166,384
<b>Expenditures</b>				
Principal on Debt				
General Government	\$ 464,972	\$ 464,980	\$ 464,980	8
Interest on Debt				
General Government	230,099	226,020	230,970	871
Other Debt Service				
General Government	8,804	14,000	15,500	6,696
Total Expenditures	\$ 703,875	\$ 705,000	\$ 711,450	\$ 7,575
Excess (Deficiency) of Revenues Over Expenditures	\$ 113,609	\$ (53,900)	\$ (60,350)	\$ 173,959
Net Change in Fund Balance	\$ 113,609	\$ (53,900)	\$ (60,350)	\$ 173,959
Fund Balance, July 1, 2023	4,296,870	4,104,707	4,104,707	192,163
Fund Balance, June 30, 2024	\$ 4,410,479	\$ 4,050,807	\$ 4,044,357	\$ 366,122

## CUSTODIAL FUNDS

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

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

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

Exhibit I-1

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

<b>Custodial Funds</b>				
	Cities -	Constitu -		
	Sales	tional	Officers -	
	Tax	Custodial		Total
<b>ASSETS</b>				
Cash	\$ 0	\$ 1,462,077	\$ 1,462,077	
Equity in Pooled Cash and Investments	1,303	0	0	1,303
Due from Other Governments	211,999	0	0	211,999
<b>Total Assets</b>	<b>\$ 213,302</b>	<b>\$ 1,462,077</b>	<b>\$ 1,462,077</b>	<b>\$ 1,675,379</b>
<b>LIABILITIES</b>				
Due to Other Taxing Units	\$ 213,302	\$ 0	\$ 0	\$ 213,302
<b>Total Liabilities</b>	<b>\$ 213,302</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 213,302</b>
<b>NET POSITION</b>				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,462,077	\$ 1,462,077	
<b>Total Net Position</b>	<b>\$ 0</b>	<b>\$ 1,462,077</b>	<b>\$ 1,462,077</b>	<b>\$ 1,462,077</b>

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

		<b>Custodial Funds</b>		
		Constitu -		
		Cities -	tional	
		Sales	Officers -	
		Tax	Custodial	Total
<b>Additions</b>				
Sales Tax Collections for Other Governments		\$ 1,183,320	\$ 0	\$ 1,183,320
Fines/Fees and Other Collections		0	4,265,129	4,265,129
<b>Total Additions</b>		<b>\$ 1,183,320</b>	<b>\$ 4,265,129</b>	<b>\$ 5,448,449</b>
<b>Deductions</b>				
Payment of Sales Tax Collections for Other Governments		\$ 1,183,320	\$ 0	\$ 1,183,320
Payments to State		0	1,886,562	1,886,562
Payments to Cities, Individuals, and Others		0	2,228,147	2,228,147
<b>Total Deductions</b>		<b>\$ 1,183,320</b>	<b>\$ 4,114,709</b>	<b>\$ 5,298,029</b>
Change in Net Position		\$ 0	\$ 150,420	\$ 150,420
Net Position July 1, 2023		0	1,311,657	1,311,657
<b>Net Position June 30, 2024</b>		<b>\$ 0</b>	<b>\$ 1,462,077</b>	<b>\$ 1,462,077</b>

# GRUNDY COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

**Private Purpose Trust Fund** – The Private Purpose Trust Fund is used to account for savings bond awards given to Grundy County students who win an essay contest and a spelling bee. Money for this fund was provided by a citizen.

Exhibit J-1

**GRUNDY COUNTY, TENNESSEE**

**Statement of Activities**

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

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	
		<b>Total</b>	<b>Governmental Activities</b>	
<b>Governmental Activities:</b>				
Instruction	\$ 12,653,690	\$ 33,013	\$ 1,550,481	\$ (11,070,196)
Support Services	9,726,567	0	5,032,659	(4,693,908)
Operation of Non-instructional Services	<u>3,061,394</u>	<u>55,866</u>	<u>1,793,168</u>	<u>(1,212,360)</u>
<b>Total Governmental Activities</b>	<b>\$ 25,441,651</b>	<b>\$ 88,879</b>	<b>\$ 8,376,308</b>	<b>\$ (16,976,464)</b>
<b>General Revenues:</b>				
Taxes:				
Property Taxes Leved for General Purposes				\$ 1,413,886
Local Option Sales Taxes				1,854,387
Business Tax				48,501
Grants and Contributions Not Restricted to Specific Programs				15,516,676
Unrestricted Investment Earnings				21,164
Miscellaneous				75,420
<b>Total General Revenues</b>				<b>\$ 18,930,034</b>
Insurance Recovery				\$ 2,423
Change in Net Position				\$ 1,955,993
Net Position, July 1, 2023				<u>23,835,621</u>
<b>Net Position, June 30, 2024</b>				<b>\$ 25,791,614</b>

Exhibit J-2

**GRUNDY COUNTY, TENNESSEE**

**Balance Sheet - Governmental Funds**

Discretely Presented Grundy County School Department

**June 30, 2024**

	<b>Major Funds</b>				<b>Nonmajor Fund</b>		<b>Total Governmental Funds</b>
	<b>General Purpose School</b>	<b>School Federal Projects</b>	<b>Central Cafeteria</b>	<b>Internal School</b>			
<b>ASSETS</b>							
Cash	\$ 0	\$ 0	\$ 0	\$ 505,629	\$ 505,629		
Equity in Pooled Cash and Investments	10,428,370	449,955	1,366,851	0	12,245,176		
Accounts Receivable	5,941	48	0	0	5,989		
Due from Other Governments	746,111	108,841	7,406	0	862,358		
Due from Other Funds	1	220	0	0	221		
Property Taxes Receivable	512,782	0	0	0	512,782		
Allowance for Uncollectible Property Taxes	(40,758)	0	0	0	(40,758)		
Restricted Assets	248,688	0	0	0	248,688		
<b>Total Assets</b>	<b>\$ 11,901,135</b>	<b>\$ 559,064</b>	<b>\$ 1,374,257</b>	<b>\$ 505,629</b>	<b>\$ 14,340,085</b>		
<b>LIABILITIES</b>							
Accounts Payable	\$ 69,758	\$ 0	\$ 0	\$ 0	\$ 69,758		
Accrued Payroll	6,066	0	0	0	6,066		
Payroll Deductions Payable	562,111	56,798	19,983	0	638,892		
Due to Other Funds	220	1	0	0	221		
<b>Total Liabilities</b>	<b>\$ 638,155</b>	<b>\$ 56,799</b>	<b>\$ 19,983</b>	<b>\$ 0</b>	<b>\$ 714,937</b>		

(Continued)

Exhibit J-2

**GRUNDY COUNTY, TENNESSEE**

**Balance Sheet - Governmental Funds**

Discretely Presented Grundy County School Department (Cont.)

	<b>Major Funds</b>				<b>Nonmajor Fund</b>	<b>Total Governmental Funds</b>
	<b>General Purpose School</b>	<b>School Federal Projects</b>	<b>Central Cafeteria</b>	<b>Internal School</b>		
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 393,030	\$ 0	\$ 0	\$ 0	\$ 393,030	
Deferred Delinquent Property Taxes	75,678	0	0	0	75,678	
Other Deferred/Unavailable Revenue	148,027	0	0	0	148,027	
Total Deferred Inflows of Resources	\$ 616,735	\$ 0	\$ 0	\$ 0	\$ 616,735	

**FUND BALANCES**

Restricted:

Restricted for Education	\$ 20,312	\$ 2,265	\$ 1,354,274	\$ 505,629	\$ 1,882,480
Restricted for Hybrid Retirement Stabilization Funds	248,688	0	0	0	248,688

Committed:

Committed for Education	0	500,000	0	0	500,000
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Assigned:

Assigned for Education	1,886,924	0	0	0	1,886,924
Unassigned	8,490,321	0	0	0	8,490,321

Total Fund Balances

\$ 10,646,245	\$ 502,265	\$ 1,354,274	\$ 505,629	\$ 13,008,413
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Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 11,901,135	\$ 559,064	\$ 1,374,257	\$ 505,629	\$ 14,340,085
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**GRUNDY COUNTY, TENNESSEE****Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**

Discretely Presented Grundy 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 J-2)		\$ 13,008,413
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 257,571	
Add: buildings and improvements net of accumulated depreciation	7,618,389	
Add: other capital assets net of accumulated depreciation	<u>1,371,061</u>	9,247,021
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: net OPEB liability		(1,614,813)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,736,022	
Less: deferred inflows of resources related to pensions	(169,866)	
Add: deferred outflows of resources related to OPEB	462,919	
Less: deferred inflows of resources related to OPEB	<u>(540,412)</u>	2,488,663
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 258,079	
Add: net pension asset - teacher retirement plan	47,966	
Add: net pension asset - teacher legacy pension plan	<u>2,132,580</u>	2,438,625
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		
Net position of governmental activities (Exhibit A)		<u>\$ 25,791,614</u>

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

Discretely Presented Grundy County School Department

**For the Year Ended June 30, 2024**

	<b>Major Funds</b>				<b>Nonmajor Fund</b>	<b>Total</b>		
	<b>General</b>	<b>School</b>	<b>Central Cafeteria</b>	<b>Internal School</b>				
	<b>Purpose School</b>	<b>Federal Projects</b>						
<b>Revenues</b>								
Local Taxes	\$ 3,259,831	\$ 0	\$ 0	\$ 0	\$ 3,259,831			
Licenses and Permits	461	0	0	0	461			
Charges for Current Services	8,860	0	55,866	0	64,726			
Other Local Revenues	95,616	0	968	703,382	799,966			
State of Tennessee	16,349,970	0	11,293	0	16,361,263			
Federal Government	281,438	5,362,016	1,346,063	0	6,989,517			
<b>Total Revenues</b>	<b>\$ 19,996,176</b>	<b>\$ 5,362,016</b>	<b>\$ 1,414,190</b>	<b>\$ 703,382</b>	<b>\$ 27,475,764</b>			
<b>Expenditures</b>								
Current:								
Instruction	\$ 10,558,745	\$ 1,452,368	\$ 0	\$ 0	\$ 12,011,113			
Support Services	6,226,287	1,361,085	0	0	7,587,372			
Operation of Non-Instructional Services	593,504	56,919	1,717,186	660,276	3,027,885			
Capital Outlay	120,581	2,477,080	0	0	2,597,661			
<b>Total Expenditures</b>	<b>\$ 17,499,117</b>	<b>\$ 5,347,452</b>	<b>\$ 1,717,186</b>	<b>\$ 660,276</b>	<b>\$ 25,224,031</b>			
Excess (Deficiency) of Revenues								
Over Expenditures	\$ 2,497,059	\$ 14,564	\$ (302,996)	\$ 43,106	\$ 2,251,733			
<b>Other Financing Sources (Uses)</b>								
Insurance Recovery	\$ 2,423	\$ 0	\$ 0	\$ 0	\$ 2,423			
Transfers In	14,414	300,000	0	0	314,414			
Transfers Out	(300,000)	(14,414)	0	0	(314,414)			
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (283,163)</b>	<b>\$ 285,586</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,423</b>			
Net Change in Fund Balances	\$ 2,213,896	\$ 300,150	\$ (302,996)	\$ 43,106	\$ 2,254,156			
Fund Balance, July 1, 2023	8,432,349	202,115	1,657,270	462,523	10,754,257			
Fund Balance, June 30, 2024	<b>\$ 10,646,245</b>	<b>\$ 502,265</b>	<b>\$ 1,354,274</b>	<b>\$ 505,629</b>	<b>\$ 13,008,413</b>			

**GRUNDY COUNTY, TENNESSEE****Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities**Discretely Presented Grundy County School Department  
**For the Year Ended June 30, 2024**Amounts reported for governmental activities in the statement  
of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 2,254,156
(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	\$ 571,874	
Less: current-year depreciation expense	<u>(714,333)</u>	(142,459)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 223,705	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(160,410)</u>	63,295
(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 pension asset - agent plan	\$ (31,947)	
Change in net pension asset - teacher retirement plan	10,498	
Change in net pension asset - teacher legacy pension plan	(135,944)	
Change in deferred outflows related to pensions	(343,223)	
Change in deferred inflows related to pensions	318,195	
Change in OPEB liability	(28,985)	
Change in deferred outflows related to OPEB	7,456	
Change in deferred inflows related to OPEB	<u>(15,049)</u>	<u>(218,999)</u>
Change in net position of governmental activities (Exhibit B)		\$ 1,955,993

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

Discretely Presented Grundy County School Department

General Purpose School Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
			Original	Final	Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 3,259,831	\$ 0	\$ 3,259,831	\$ 2,256,920	\$ 2,256,920	\$ 1,002,911	
Licenses and Permits	461	0	461	400	400	61	
Charges for Current Services	8,860	0	8,860	0	4,730	4,130	
Other Local Revenues	95,616	0	95,616	2,000	2,000	93,616	
State of Tennessee	16,349,970	0	16,349,970	13,635,857	17,276,316	(926,346)	
Federal Government	281,438	0	281,438	0	133,605	147,833	
Total Revenues	\$ 19,996,176	\$ 0	\$ 19,996,176	\$ 15,895,177	\$ 19,673,971	\$ 322,205	
<b>Expenditures</b>							
Instruction							
Regular Instruction Program	\$ 7,277,691	\$ 0	\$ 7,277,691	\$ 8,252,951	\$ 7,953,267	\$ 675,576	
Special Education Program	2,379,122	0	2,379,122	2,149,375	2,523,383	144,261	
Career and Technical Education Program	901,932	0	901,932	581,438	1,324,976	423,044	
Support Services							
Attendance	191,889	0	191,889	186,710	215,894	24,005	
Health Services	366,294	0	366,294	281,150	399,959	33,665	
Other Student Support	275,540	0	275,540	470,559	489,341	213,801	
Regular Instruction Program	127,052	0	127,052	157,801	157,943	30,891	
Special Education Program	420,314	0	420,314	466,675	481,893	61,579	
Career and Technical Education Program	3,434	0	3,434	0	6,983	3,549	
Technology	161,898	0	161,898	118,099	177,534	15,636	
Other Programs	50,541	0	50,541	0	50,541	0	
Board of Education	494,155	0	494,155	373,131	519,928	25,773	
Director of Schools	303,536	0	303,536	273,495	318,457	14,921	

(Continued)

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
			Original	Final	Original	Final	
<b>Expenditures (Cont.)</b>							
Support Services (Cont.)							
Office of the Principal	\$ 848,198	\$ 0	\$ 848,198	\$ 913,675	\$ 884,954	\$ 36,756	
Fiscal Services	300,351	0	300,351	276,039	309,292	8,941	
Human Services/Personnel	143,001	0	143,001	97,785	144,041	1,040	
Operation of Plant	1,019,623	0	1,019,623	1,118,433	1,033,829	14,206	
Maintenance of Plant	544,808	29,553	574,361	499,130	668,180	93,819	
Transportation	975,653	389,678	1,365,331	1,146,181	1,590,380	225,049	
Operation of Non-Instructional Services							
Food Service	10,157	0	10,157	0	18,119	7,962	
Community Services	181,522	0	181,522	545,293	249,845	68,323	
Early Childhood Education	401,825	0	401,825	404,915	438,555	36,730	
Capital Outlay							
Regular Capital Outlay	120,581	1,467,693	1,588,274	100,000	1,856,413	268,139	
Total Expenditures	\$ 17,499,117	\$ 1,886,924	\$ 19,386,041	\$ 18,412,835	\$ 21,813,707	\$ 2,427,666	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,497,059	\$ (1,886,924)	\$ 610,135	\$ (2,517,658)	\$ (2,139,736)	\$ 2,749,871	
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 2,423	\$ 0	\$ 2,423	\$ 0	\$ 0	\$ 2,423	
Transfers In	14,414	0	14,414	29,854	29,854	(15,440)	
Transfers Out	(300,000)	0	(300,000)	0	(300,000)	0	
Total Other Financing Sources	\$ (283,163)	\$ 0	\$ (283,163)	\$ 29,854	\$ (270,146)	\$ (13,017)	
Net Change in Fund Balance	\$ 2,213,896	\$ (1,886,924)	\$ 326,972	\$ (2,487,804)	\$ (2,409,882)	\$ 2,736,854	
Fund Balance, July 1, 2023	8,432,349	0	8,432,349	4,256,019	4,256,019	4,176,330	
Fund Balance, June 30, 2024	\$ 10,646,245	\$ (1,886,924)	\$ 8,759,321	\$ 1,768,215	\$ 1,846,137	\$ 6,913,184	

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

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

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Federal Government	\$ 5,362,016	\$ 1,700,511	\$ 6,542,764	\$ (1,180,748)
Total Revenues	<u>\$ 5,362,016</u>	<u>\$ 1,700,511</u>	<u>\$ 6,542,764</u>	<u>\$ (1,180,748)</u>
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 799,217	\$ 453,211	\$ 960,596	\$ 161,379
Special Education Program	614,277	606,334	812,346	198,069
Career and Technical Education Program	38,874	0	40,587	1,713
Support Services				
Health Services	13,290	0	14,340	1,050
Other Student Support	307,741	17,672	410,797	103,056
Regular Instruction Program	937,729	515,506	1,026,740	89,011
Special Education Program	85,793	62,269	131,105	45,312
Career and Technical Education Program	956	0	1,000	44
Transportation	15,576	31,105	35,843	20,267
Operation of Non-Instructional Services				
Community Services	56,919	0	83,250	26,331
Capital Outlay				
Regular Capital Outlay	2,477,080	0	3,011,747	534,667
Total Expenditures	<u>\$ 5,347,452</u>	<u>\$ 1,686,097</u>	<u>\$ 6,528,351</u>	<u>\$ 1,180,899</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 14,564</u>	<u>\$ 14,414</u>	<u>\$ 14,413</u>	<u>\$ 151</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 300,000	\$ 0	\$ 300,000	\$ 0
Transfers Out	(14,414)	(14,414)	(14,414)	0
Total Other Financing Sources	<u>\$ 285,586</u>	<u>\$ (14,414)</u>	<u>\$ 285,586</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 300,150	\$ 0	\$ 299,999	\$ 151
Fund Balance, July 1, 2023	<u>\$ 202,115</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 202,115</u>
Fund Balance, June 30, 2024	<u>\$ 502,265</u>	<u>\$ 0</u>	<u>\$ 299,999</u>	<u>\$ 202,266</u>

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

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

	Actual	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		Original	Final	
<b>Revenues</b>				
Charges for Current Services	\$ 55,866	\$ 181,000	\$ 181,000	\$ (125,134)
Other Local Revenues	968	0	0	968
State of Tennessee	11,293	20,000	20,000	(8,707)
Federal Government	1,346,063	1,773,243	1,773,243	(427,180)
Total Revenues	\$ 1,414,190	\$ 1,974,243	\$ 1,974,243	\$ (560,053)
<b>Expenditures</b>				
Operation of Non-Instructional Services				
Food Service	\$ 1,717,186	\$ 1,974,243	\$ 2,060,243	\$ 343,057
Total Expenditures	\$ 1,717,186	\$ 1,974,243	\$ 2,060,243	\$ 343,057
Excess (Deficiency) of Revenues Over Expenditures	\$ (302,996)	\$ 0	\$ (86,000)	\$ (216,996)
Net Change in Fund Balance	\$ (302,996)	\$ 0	\$ (86,000)	\$ (216,996)
Fund Balance, July 1, 2023	1,657,270	1,740,821	1,740,821	(83,551)
Fund Balance, June 30, 2024	\$ 1,354,274	\$ 1,740,821	\$ 1,654,821	\$ (300,547)

**GRUNDY COUNTY, TENNESSEE****Statement of Fiduciary Net Position**Discretely Presented Grundy County School Department  
Fiduciary Fund**June 30, 2024**

	<b>Private Purpose Trust Fund</b>
	<hr/>
Cash with Trustee	Other
Total Assets	<hr/>
<b>ASSETS</b>	
Current Assets:	
Cash with Trustee	\$ 23,381
Total Assets	<hr/>
	\$ 23,381
<b>NET POSITION</b>	
Funds Held in Trust for Scholarships	\$ 23,381
Total Net Position	<hr/>
	\$ 23,381

**GRUNDY COUNTY, TENNESSEE****Statement of Changes in Fiduciary Net Position**Discretely Presented Grundy County School Department  
Fiduciary Funds**For the Year Ended June 30, 2024**

	<b>Private Purpose Trust Fund</b>
Investment Income	\$ 851
Contributions and Gifts	350
Total Additions	<u><u>\$ 1,201</u></u>
<b>ADDITIONS</b>	
Awards	\$ 350
Trustee's Commission	9
Total Deductions	<u><u>\$ 359</u></u>
Change in Net Position	\$ 842
Net Position, July 1, 2023	<u><u>22,539</u></u>
Net Position, June 30, 2024	<u><u>\$ 23,381</u></u>

## **MISCELLANEOUS SCHEDULES**

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

<b>Description of Indebtedness</b>	<b>Original Amount of Issue</b>	<b>Interest Rate</b>	<b>Date of Issue</b>	<b>Last Maturity</b>	<b>Outstanding 7-1-23</b>	<b>Issued During Period</b>	<b>Paid and/or Matured During Period</b>	<b>Outstanding 6-30-24</b>		
<b>BONDS PAYABLE</b>										
Payable through General Debt Service Fund										
General Obligation Bond, Series 2014	\$ 7,000,000	3.5 %	5-22-16	5-11-54	\$ 6,291,123	\$ 0	\$ 314,972	\$ 5,976,151		
Total Bonds Payable					\$ 6,291,123	\$ 0	\$ 314,972	\$ 5,976,151		
<b>NOTES PAYABLE</b>										
Payable through General Debt Service Fund										
Park Land	245,000	4.8	10-30-23	10-1-24	\$ 0	\$ 245,000	\$ 0	\$ 245,000		
Solid Waste/Food Bank	160,000	5.19	11-15-23	11-15-24	0	160,000	0	160,000		
Patrol Cars	150,000	4.49	5-11-23	5-10-24	150,000	0	150,000	0		
Total Notes Payable					\$ 150,000	\$ 405,000	\$ 150,000	\$ 405,000		

Exhibit K-2

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Long-term Debt Requirements by Year**

<b>Year Ending June 30</b>	<b>Bonds</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 119,061	\$ 214,419	\$ 333,480
2026	123,296	210,184	333,480
2027	127,681	205,799	333,480
2028	132,222	201,258	333,480
2029	136,925	196,555	333,480
2030	141,795	191,685	333,480
2031	146,838	186,642	333,480
2032	152,061	181,419	333,480
2033	157,469	176,011	333,480
2034	163,070	170,410	333,480
2035	168,870	164,610	333,480
2036	174,876	158,604	333,480
2037	181,096	152,384	333,480
2038	187,537	145,943	333,480
2039	194,207	139,273	333,480
2040	201,115	132,365	333,480
2041	208,268	125,212	333,480
2042	215,675	117,805	333,480
2043	223,346	110,134	333,480
2044	231,290	102,190	333,480
2045	239,516	93,964	333,480
2046	248,035	85,445	333,480
2047	256,857	76,623	333,480
2048	265,992	67,488	333,480
2049	275,453	58,027	333,480
2050	285,250	48,230	333,480
2051	295,395	38,085	333,480
2052	305,901	27,579	333,480
2053	316,782	16,698	333,480
2054	100,272	5,417	105,689
<b>Total</b>	<b>\$ 5,976,151</b>	<b>\$ 3,800,458</b>	<b>\$ 9,776,609</b>

<b>Year Ending June 30</b>	<b>Notes</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 405,000	\$ 14,203	\$ 419,203
<b>Total</b>	<b>\$ 405,000</b>	<b>\$ 14,203</b>	<b>\$ 419,203</b>

Exhibit K-3

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Transfers**

Discretely Presented Grundy County School Department

**For the Year Ended June 30, 2024**

<b>From Fund</b>	<b>To Fund</b>	<b>Purpose</b>	<b>Amount</b>
School Federal Projects	General Purpose School	Indirect costs	\$ 14,414
General Purpose School	School Federal Projects	Cash flows	<u>300,000</u>
Total Transfers Discretely Presented			
Grundy County School Department			\$ <u>314,414</u>

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

Primary Government and Discretely Presented Grundy County School Department

**For the Year Ended June 30, 2024**

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Mayor</b>		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 100,157</u></u>			
<b>Highway Superintendent</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 95,388</u></u>			
<b>Director of Schools</b>		State Board of Education and County Board of Education	(1)	Liberty Mutual Insurance
Base salary	\$ 128,664			
Chief executive officer training supplement	800			
Travel allowance	9,600			
Accumulated leave payout	8,238			
Total compensation	<u><u>\$ 147,302</u></u>			
<b>Trustee</b>		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>Assessor of Property</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>County Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>Circuit and General Sessions Courts Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>Clerk and Master</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>Register of Deeds</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
<b>Sheriff</b>		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary	\$ 95,388			
Law enforcement training supplement	800			
Total compensation	<u><u>\$ 96,188</u></u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			400,000	Liberty Mutual Insurance

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

Exhibit K-5

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

**For the Year Ended June 30, 2024**

	<b>Special Revenue Funds</b>					
	<b>General</b>	<b>Courthouse and Jail Maintenance</b>	<b>Solid Waste / Sanitation</b>	<b>Industrial / Economic Development</b>	<b>Drug Control</b>	<b>Highway / Public Works</b>
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 3,709,347	0	\$ 669,161	0	\$ 0	0
Trustee's Collections - Prior Year	131,859	0	24,740	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	75,031	0	14,440	0	0	0
Interest and Penalty	23,728	0	4,566	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	1,413	0	266	0	0	0
Payments in-Lieu-of Taxes - Other	20,708	0	2,963	0	0	0
County Local Option Taxes						
Local Option Sales Tax	332,352	0	0	0	0	0
Hotel/Motel Tax	404,537	0	0	0	0	0
Litigation Tax - General	18,236	0	0	0	0	0
Litigation Tax - Special Purpose	0	32,123	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	12,447	0	0	0	0	0
Business Tax	49,578	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	76,886	0	0	0	0	0
Total Local Taxes	\$ 4,856,122	\$ 32,123	\$ 716,136	0	\$ 0	0
<b>Licenses and Permits</b>						
Licenses						
Marriage Licenses	\$ 527	0	\$ 0	0	\$ 0	0
Cable TV Franchise	31,312	0	0	0	0	0
Permits						
Beer Permits	950	0	0	0	0	0
Total Licenses and Permits	\$ 32,789	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 104	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	3,841	0	0	0	0	0
Drug Control Fines	0	0	0	0	14,034	0
Drug Court Fees	629	0	0	0	0	0
Data Entry Fee - Circuit Court	704	0	0	0	0	0
Criminal Court						
DUI Treatment Fines	499	0	0	0	0	0
General Sessions Court						
Fines	6,992	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	9,451	0	0	0	0	0
Game and Fish Fines	312	0	0	0	0	0
Drug Control Fines	0	0	0	0	4,214	0
Drug Court Fees	2,643	0	0	0	0	0
Jail Fees	1,158	0	0	0	0	0
Data Entry Fee - General Sessions Court	30,470	0	0	0	0	0
Courtroom Security Fee	11	0	0	0	0	0
Juvenile Court						
Officers Costs	997	0	0	0	0	0
Data Entry Fee - Juvenile Court	118	0	0	0	0	0
Chancery Court						
Officers Costs	543	0	0	0	0	0
Data Entry Fee - Chancery Court	1,970	0	0	0	0	0
Courtroom Security Fee	4	0	0	0	0	0

(Continued)

Exhibit K-5

**GRUNDY COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types (Cont.)**

	<b>Special Revenue Funds</b>					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Other Fines, Forfeitures, and Penalties		\$ 0 \$	0 \$	0 \$	1,000 \$	0
Proceeds from Confiscated Property		\$ 60,494 \$	0 \$	0 \$	19,248 \$	0
Total Fines, Forfeitures, and Penalties						
<b>Charges for Current Services</b>						
General Service Charges		\$ 0 \$	0 \$	0 \$	0 \$	221,556
Other General Service Charges		\$ 0 \$	0 \$	0 \$	0 \$	221,556
Fees						
Archives and Records Management Fee		4,823	0	0	0	0
Greenbelt Late Application Fee		160	0	30	0	0
Telephone Commissions		16,531	0	0	0	0
Additional Fees - Titling and Registration		13,770	0	0	0	0
Data Processing Fee - Register		4,856	0	0	0	0
Data Processing Fee - Sheriff		1,165	0	0	0	0
Sexual Offender Registration Fee - Sheriff		2,100	0	0	0	0
Data Processing Fee - County Clerk		1,846	0	0	0	0
Vehicle Registration Reinstatement Fees		1,205	0	0	0	0
Total Charges for Current Services		\$ 46,456 \$	0 \$	30 \$	0 \$	221,556
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income		\$ 57,871 \$	0 \$	0 \$	0 \$	0
Lease/Rentals/PPP		0	0	79,064	28,834	0
Commissary Sales		9,902	0	0	0	0
Sale of Diesel		0	0	0	0	28,310
Miscellaneous Refunds		46,638	0	2	0	6,399

(Continued)

Exhibit K-5

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

	<b>Special Revenue Funds</b>					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
<b>Other Local Revenues (Cont.)</b>						
Nonrecurring Items						
Sale of Property	\$ 1,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	105	0	0	0	0	0
Other Local Revenues						
Other Local Revenues	0	0	11,123	0	0	0
Total Other Local Revenues	\$ 116,316	\$ 0	\$ 90,189	\$ 28,834	\$ 59	\$ 34,709
<b>Fees Received From County Officials</b>						
Excess Fees						
Juvenile Court Clerk	\$ 4,030	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fees In-Lieu-of Salary						
County Clerk	172,433	0	0	0	0	0
Circuit Court Clerk	41,094	0	0	0	0	0
General Sessions Court Clerk	72,404	0	0	0	0	0
Clerk and Master	74,162	0	0	0	0	0
Register	69,824	0	0	0	0	0
Sheriff	4,858	0	0	0	0	0
Trustee	353,019	0	0	0	0	0
Total Fees Received From County Officials	\$ 791,824	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Government Grants	4,955	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	11,200	0	0	0	0	0

(Continued)

Exhibit K-5

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

	<b>Special Revenue Funds</b>					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
<b>State of Tennessee (Cont.)</b>						
Public Safety Grants (Cont.)						
Safe and Drug-Free Schools and Communities	\$ 114,746	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Public Safety Grants	201,631	0	0	0	0	0
Public Works Grants						
Litter Program	0	0	91,520	0	0	0
State Education Funds						
Adult Vocational	70,705	0	0	0	0	0
Other State Revenues						
Beer Tax	117,660	0	0	0	0	0
Vehicle Certificate of Title Fees	5,877	0	0	0	0	0
Alcoholic Beverage Tax	25,160	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	133,959	0	0	0	0	0
State Revenue Sharing - Telecommunications	59,572	0	0	0	0	0
Contracted Prisoner Boarding	512,500	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,218,204
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	8,616
Petroleum Special Tax	0	0	0	0	0	8,964
Registrar's Salary Supplement	18,955	0	0	0	0	0
Other State Grants	404,000	0	0	0	0	0
Other State Revenues	1,042,686	0	0	0	0	0
Total State of Tennessee	\$ 2,732,606	\$ 0	\$ 91,520	\$ 0	\$ 0	\$ 2,235,784

**Federal Government**

**Federal Through State**

Homeland Security Grants	\$ 10,626	\$ 0	\$ 0	\$ 0	\$ 0	0
Law Enforcement Grants	4,450	0	0	0	0	0

(Continued)

## Exhibit K-5

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

	<b>Special Revenue Funds</b>					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
<b>Federal Government (Cont.)</b>						
Federal Through State (Cont.)						
American Rescue Plan Act Grant #1	\$ 17,637	0	0	0	0	0
American Rescue Plan Act Grant #2	34,914	0	0	83,598	0	0
Other Federal through State	413,704	0	0	0	0	0
Direct Federal Revenue						
COVID-19 Grant I	54,466	0	0	0	0	0
American Rescue Plan Act Grant #6	2,608,037	0	0	0	0	0
Total Federal Government	\$ 3,143,834	0	0	83,598	0	0
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 9,500	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 9,500	0	0	0	0	0
Total	\$ 11,789,941	\$ 32,123	\$ 897,875	\$ 112,432	\$ 19,307	\$ 2,492,049

(Continued)

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

	<u>Debt Service Fund</u>		
	General Debt Service		Total
<b>Local Taxes</b>			
County Property Taxes			
Current Property Tax	\$ 0	\$ 4,378,508	
Trustee's Collections - Prior Year	0	156,599	
Circuit Clerk/Clerk and Master Collections - Prior Years	0	89,471	
Interest and Penalty	0	28,294	
Payments in-Lieu-of Taxes - T.V.A.	0	1,679	
Payments in-Lieu-of Taxes - Other	0	23,671	
County Local Option Taxes			
Local Option Sales Tax	121,568	453,920	
Hotel/Motel Tax	0	404,537	
Litigation Tax - General	0	18,236	
Litigation Tax - Special Purpose	0	32,123	
Litigation Tax - Jail, Workhouse, or Courthouse	0	12,447	
Business Tax	0	49,578	
Statutory Local Taxes			
Bank Excise Tax	0	76,886	
Total Local Taxes	\$ 121,568	\$ 5,725,949	
<b>Licenses and Permits</b>			
Licenses			
Marriage Licenses	\$ 0	\$ 527	
Cable TV Franchise	0	31,312	
Permits			
Beer Permits	0	950	
Total Licenses and Permits	\$ 0	\$ 32,789	

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
	Total		
<b>Fines, Forfeitures, and Penalties</b>			
Circuit Court			
Fines	\$ 0	\$ 104	
Officers Costs	0	3,841	
Drug Control Fines	0	14,034	
Drug Court Fees	0	629	
Data Entry Fee - Circuit Court	0	704	
Criminal Court			
DUI Treatment Fines	0	499	
General Sessions Court			
Fines	0	6,992	
Fines for Littering	0	48	
Officers Costs	0	9,451	
Game and Fish Fines	0	312	
Drug Control Fines	0	4,214	
Drug Court Fees	0	2,643	
Jail Fees	0	1,158	
Data Entry Fee - General Sessions Court	0	30,470	
Courtroom Security Fee	0	11	
Juvenile Court			
Officers Costs	0	997	
Data Entry Fee - Juvenile Court	0	118	
Chancery Court			
Officers Costs	0	543	
Data Entry Fee - Chancery Court	0	1,970	
Courtroom Security Fee	0	4	

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
			Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>			
Other Fines, Forfeitures, and Penalties			
Proceeds from Confiscated Property	\$ 0	\$ 1,000	
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 79,742	
<b>Charges for Current Services</b>			
General Service Charges			
Other General Service Charges	\$ 0	\$ 221,556	
Fees			
Archives and Records Management Fee	0	4,823	
Greenbelt Late Application Fee	0	190	
Telephone Commissions	0	16,531	
Additional Fees - Titling and Registration	0	13,770	
Data Processing Fee - Register	0	4,856	
Data Processing Fee - Sheriff	0	1,165	
Sexual Offender Registration Fee - Sheriff	0	2,100	
Data Processing Fee - County Clerk	0	1,846	
Vehicle Registration Reinstatement Fees	0	1,205	
Total Charges for Current Services	\$ 0	\$ 268,042	
<b>Other Local Revenues</b>			
Recurring Items			
Investment Income	\$ 693,532	\$ 751,403	
Lease/Rentals/PPP	0	107,898	
Commissary Sales	0	9,902	
Sale of Diesel	0	28,310	
Miscellaneous Refunds	2,384	55,482	

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
	Total		
<b>Other Local Revenues (Cont.)</b>			
Nonrecurring Items			
Sale of Property	\$ 0	\$ 1,800	
Contributions and Gifts	0	105	
Other Local Revenues			
Other Local Revenues	0	11,123	
Total Other Local Revenues	\$ 695,916	\$ 966,023	
<b>Fees Received From County Officials</b>			
Excess Fees			
Juvenile Court Clerk	\$ 0	\$ 4,030	
Fees In-Lieu-of Salary			
County Clerk	0	172,433	
Circuit Court Clerk	0	41,094	
General Sessions Court Clerk	0	72,404	
Clerk and Master	0	74,162	
Register	0	69,824	
Sheriff	0	4,858	
Trustee	0	353,019	
Total Fees Received From County Officials	\$ 0	\$ 791,824	
<b>State of Tennessee</b>			
General Government Grants			
Juvenile Services Program	\$ 0	\$ 9,000	
Other General Government Grants	0	4,955	
Public Safety Grants			
Law Enforcement Training Programs	0	11,200	

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
			Total
<b>State of Tennessee (Cont.)</b>			
Public Safety Grants (Cont.)			
Safe and Drug-Free Schools and Communities	\$ 0	\$ 114,746	
Other Public Safety Grants	0	201,631	
Public Works Grants			
Litter Program	0	91,520	
State Education Funds			
Adult Vocational	0	70,705	
Other State Revenues			
Beer Tax	0	117,660	
Vehicle Certificate of Title Fees	0	5,877	
Alcoholic Beverage Tax	0	25,160	
Opioid Settlement Funds - TN Abatement Council	0	133,959	
State Revenue Sharing - Telecommunications	0	59,572	
Contracted Prisoner Boarding	0	512,500	
Gasoline and Motor Fuel Tax	0	2,218,204	
Hybrid/Electric Vehicle Registration Fee	0	8,616	
Petroleum Special Tax	0	8,964	
Registrar's Salary Supplement	0	18,955	
Other State Grants	0	404,000	
Other State Revenues	0	1,042,686	
Total State of Tennessee	\$ 0	\$ 5,059,910	

**Federal Government**

Federal Through State			
Homeland Security Grants	\$ 0	\$ 10,626	
Law Enforcement Grants	0	4,450	

(Continued)

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

	<u>Debt Service Fund</u>		
	General Debt Service		Total
<b>Federal Government (Cont.)</b>			
Federal Through State (Cont.)			
American Rescue Plan Act Grant #1	\$ 0	\$ 17,637	
American Rescue Plan Act Grant #2	0	118,512	
Other Federal through State	0	413,704	
Direct Federal Revenue			
COVID-19 Grant I	0	54,466	
American Rescue Plan Act Grant #6	0	2,608,037	
Total Federal Government	\$ 0	\$ 3,227,432	
<b>Other Governments and Citizens Groups</b>			
Other Governments			
Contributions	\$ 0	\$ 9,500	
Total Other Governments and Citizens Groups	\$ 0	\$ 9,500	
Total	\$ 817,484	\$ 16,161,211	

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

Discretely Presented Grundy County School Department

**For the Year Ended June 30, 2024**

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 1,318,346	\$ 0	\$ 0	\$ 0	\$ 1,318,346	
Trustee's Collections - Prior Year	58,095	0	0	0	58,095	
Circuit Clerk/Clerk and Master Collections - Prior Years	31,600	0	0	0	31,600	
Interest and Penalty	10,577	0	0	0	10,577	
Payments in-Lieu-of Taxes - T.V.A.	524	0	0	0	524	
Payments in-Lieu-of Taxes - Other	5,828	0	0	0	5,828	
County Local Option Taxes						
Local Option Sales Tax	1,786,360	0	0	0	1,786,360	
Business Tax	48,501	0	0	0	48,501	
Total Local Taxes	<u>\$ 3,259,831</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,259,831</u>	
<b>Licenses and Permits</b>						
Licenses						
Marriage Licenses	\$ 461	\$ 0	\$ 0	\$ 0	\$ 461	
Total Licenses and Permits	<u>\$ 461</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 461</u>	
<b>Charges for Current Services</b>						
Fees						
Greenbelt Late Application Fee	\$ 59	\$ 0	\$ 0	\$ 0	\$ 59	
Education Charges						
Lunch Payments - Adults	0	0	12,511	0	12,511	
A la Carte Sales	0	0	43,355	0	43,355	
Receipts from Individual Schools	8,801	0	0	0	8,801	
Total Charges for Current Services	<u>\$ 8,860</u>	<u>\$ 0</u>	<u>\$ 55,866</u>	<u>\$ 0</u>	<u>\$ 64,726</u>	

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 20,996	\$ 0	\$ 168	\$ 0	\$ 21,164	
Miscellaneous Refunds	73,120	0	800	0	73,920	
Nonrecurring Items						
Damages Recovered from Individuals	1,500	0	0	0	1,500	
Other Local Revenues						
Other Local Revenues	0	0	0	703,382	703,382	
Total Other Local Revenues	<u>\$ 95,616</u>	<u>\$ 0</u>	<u>\$ 968</u>	<u>\$ 703,382</u>	<u>\$ 799,966</u>	
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 61,330	\$ 0	\$ 0	\$ 0	\$ 61,330	
On-behalf Contributions for OPEB	50,541	0	0	0	50,541	
State Education Funds						
Tennessee Investment in Student Achievement	14,156,505	0	0	0	14,156,505	
TISA - On-behalf Payments	109,812	0	0	0	109,812	
Early Childhood Education	206,721	0	0	0	206,721	
School Food Service	0	0	11,293	0	11,293	
Other State Education Funds	280,750	0	0	0	280,750	
Career Ladder Program	21,556	0	0	0	21,556	
Other Vocational	845,914	0	0	0	845,914	
Other State Revenues						
State Revenue Sharing - T.V.A.	529,396	0	0	0	529,396	
Other State Grants	63,233	0	0	0	63,233	
Safe Schools	14,700	0	0	0	14,700	

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
<b>State of Tennessee (Cont.)</b>						
Other State Revenues (Cont.)						
Other State Revenues	\$ 9,512	\$ 0	\$ 0	\$ 0	\$ 9,512	
Total State of Tennessee	\$ 16,349,970	\$ 0	\$ 11,293	\$ 0	\$ 16,361,263	
<b>Federal Government</b>						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 725,749	\$ 0	\$ 725,749	
USDA - Commodities	0	0	98,139	0	98,139	
Breakfast	0	0	394,535	0	394,535	
USDA - Other	0	0	127,640	0	127,640	
Vocational Education - Basic Grants to States	0	44,797	0	0	44,797	
Title I Grants to Local Education Agencies	0	714,091	0	0	714,091	
Special Education - Grants to States	0	615,433	0	0	615,433	
Special Education Preschool Grants	0	25,763	0	0	25,763	
Rural Education	0	54,254	0	0	54,254	
Education for Homeless Children and Youth	0	20,909	0	0	20,909	
21st Century Community Learning Centers	0	56,919	0	0	56,919	
Eisenhower Professional Development State Grants	0	124,716	0	0	124,716	
COVID-19 Grant B	0	231,637	0	0	231,637	
COVID-19 Grant D	0	1,000	0	0	1,000	
American Rescue Plan Act Grant #1	213,433	3,278,187	0	0	3,491,620	
American Rescue Plan Act Grant #2	0	67,251	0	0	67,251	
American Rescue Plan Act Grant #3	0	6,089	0	0	6,089	
American Rescue Plan Act Grant #4	0	24,550	0	0	24,550	
Other Federal through State	68,005	96,420	0	0	164,425	
Total Federal Government	\$ 281,438	\$ 5,362,016	\$ 1,346,063	\$ 0	\$ 6,989,517	
Total	\$ 19,996,176	\$ 5,362,016	\$ 1,414,190	\$ 703,382	\$ 27,475,764	

**GRUNDY 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	\$ 66,675
Social Security	4,134
Employer Medicare	967
Audit Services	5,817
Dues and Memberships	1,350
Printing, Stationery, and Forms	1,877
Other Contracted Services	26,412
Other Charges	5,557
<b>Total County Commission</b>	<b>\$ 112,789</b>

**Board of Equalization**

Board and Committee Members Fees	\$ 1,500
<b>Total Board of Equalization</b>	<b>1,500</b>

**County Mayor/Executive**

County Official/Administrative Officer	\$ 100,157
Assistant(s)	47,000
Clerical Personnel	44,124
Social Security	11,859
Unemployment Compensation	153
Employer Medicare	2,774
Communication	14,704
Data Processing Services	20,709
Dues and Memberships	1,485
Maintenance and Repair Services - Vehicles	1,571
Postal Charges	1,612
Travel	2,996
Office Supplies	3,414
Other Charges	160
<b>Total County Mayor/Executive</b>	<b>252,718</b>

**County Attorney**

Legal Services	\$ 14,235
<b>Total County Attorney</b>	<b>14,235</b>

**Election Commission**

County Official/Administrative Officer	\$ 78,044
Clerical Personnel	27,875
Board and Committee Members Fees	7,600
Election Workers	17,027
In-service Training	2,385
Social Security	7,324
Unemployment Compensation	100
Employer Medicare	1,826
Communication	5,028
Data Processing Services	15,653
Legal Notices, Recording, and Court Costs	3,950

(Continued)

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

## General Government (Cont.)

**Election Commission (Cont.)**

Maintenance and Repair Services - Equipment	\$	3,502
Postal Charges		1,473
Printing, Stationery, and Forms		8,271
Rentals		3,600
Travel		8,994
Office Supplies		1,890
Office Equipment		<u>153,057</u>
Total Election Commission	\$	347,599

**Register of Deeds**

County Official/Administrative Officer	\$	86,716
Deputy(ies)		30,047
Part-time Personnel		11,666
Bonus Payments		5,000
Social Security		8,273
Unemployment Compensation		109
Employer Medicare		1,935
Communication		793
Data Processing Services		5,452
Dues and Memberships		1,113
Postal Charges		379
Travel		439
Other Contracted Services		975
Office Supplies		<u>812</u>
Total Register of Deeds		153,709

**County Buildings**

Laborers	\$	63,927
Custodial Personnel		18,041
Social Security		5,082
Unemployment Compensation		168
Employer Medicare		1,189
Communication		5,175
Maintenance and Repair Services - Buildings		97,151
Other Contracted Services		40,175
Custodial Supplies		10,209
Duplicating Supplies		23,348
Electricity		41,215
Natural Gas		14,927
Water and Sewer		8,193
Other Supplies and Materials		16,607
Building Construction		78,105
Motor Vehicles		45,383
Other Equipment		<u>7,021</u>
Total County Buildings		475,916

(Continued)

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

## General Government (Cont.)

**Preservation of Records**

Communication	\$	975
Office Supplies		<u>10,338</u>
Total Preservation of Records	\$	11,313

## Finance

**Property Assessor's Office**

County Official/Administrative Officer	\$	86,716
Assessment Personnel		31,200
Secretary(ies)		31,200
Part-time Personnel		28,140
Social Security		10,990
Unemployment Compensation		176
Employer Medicare		2,570
Audit Services		3,200
Communication		2,160
Data Processing Services		5,790
Dues and Memberships		1,850
Postal Charges		6,128
Printing, Stationery, and Forms		3,261
Travel		7,664
Office Supplies		<u>1,163</u>
Total Property Assessor's Office		222,208

**County Trustee's Office**

County Official/Administrative Officer	\$	86,716
Deputy(ies)		63,062
Part-time Personnel		1,827
Social Security		9,399
Unemployment Compensation		162
Employer Medicare		2,198
Communication		1,902
Data Processing Services		24,692
Dues and Memberships		1,038
Postal Charges		691
Travel		2,330
Other Contracted Services		9,887
Office Supplies		<u>4,431</u>
Total County Trustee's Office		208,335

**County Clerk's Office**

County Official/Administrative Officer	\$	86,716
Deputy(ies)		90,438
Part-time Personnel		9,184
Social Security		11,553
Unemployment Compensation		165
Employer Medicare		2,589
Communication		4,070

(Continued)

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

## Finance (Cont.)

**County Clerk's Office (Cont.)**

Data Processing Services	\$	10,848
Dues and Memberships		1,040
Postal Charges		6,561
Travel		1,709
Office Supplies		5,831
Total County Clerk's Office		\$ 230,704

## Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$	86,716
Deputy(ies)		95,192
Jury and Witness Expense		12,351
Social Security		11,278
Unemployment Compensation		269
Employer Medicare		2,714
Communication		3,925
Data Processing Services		18,808
Dues and Memberships		963
Postal Charges		874
Printing, Stationery, and Forms		3,234
Office Supplies		7,979
Other Charges		390
Total Circuit Court		244,693

**General Sessions Judge**

Judge(s)	\$	112,242
Youth Service Officer(s)		40,000
Part-time Personnel		16,710
Social Security		10,410
Unemployment Compensation		42
Employer Medicare		2,436
Communication		1,539
Office Supplies		497
In Service/Staff Development		963
Total General Sessions Judge		184,839

**Chancery Court**

County Official/Administrative Officer	\$	86,716
Deputy(ies)		30,047
Part-time Personnel		6,000
Social Security		7,611
Unemployment Compensation		53
Employer Medicare		1,704
Communication		1,121
Data Processing Services		14,709
Dues and Memberships		1,218
Postal Charges		736

(Continued)

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

## Administration of Justice (Cont.)

**Chancery Court (Cont.)**

Travel	\$	366
Office Supplies		<u>3,515</u>
Total Chancery Court		\$ 153,796

**Juvenile Court**

Communication	\$	3,407
Postal Charges		1,088
Rentals		4,500
Travel		115
Office Supplies		3,665
Other Charges		<u>915</u>
Total Juvenile Court		13,690

## Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	95,388
Deputy(ies)		555,514
In-service Training		11,200
Social Security		41,050
Unemployment Compensation		703
Employer Medicare		9,600
Communication		2,588
Dues and Memberships		2,761
Maintenance and Repair Services - Vehicles		22,540
Postal Charges		1,319
Printing, Stationery, and Forms		935
Towing Services		7,685
Travel		1,892
Other Contracted Services		3,673
Gasoline		99,698
Law Enforcement Supplies		4,375
Office Supplies		14,609
Tires and Tubes		2,529
Uniforms		3,365
Other Supplies and Materials		37,509
Liability Insurance		79,643
Vehicle and Equipment Insurance		39,163
Workers' Compensation Insurance		58,401
In Service/Staff Development		8,120
Other Charges		14,616
Motor Vehicles		130,448
Other Equipment		<u>59,571</u>
Total Sheriff's Department		1,308,895

**Special Patrols**

Deputy(ies)	\$	200,405
Social Security		12,425

(Continued)

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

## Public Safety (Cont.)

**Special Patrols (Cont.)**

Unemployment Compensation	\$	210
Employer Medicare		2,906
Maintenance and Repair Services - Vehicles		250
Travel		6,246
Law Enforcement Supplies		317
Uniforms		128
Other Supplies and Materials		2,707
In Service/Staff Development		2,653
Motor Vehicles		<u>50,123</u>
Total Special Patrols		\$ 278,370

**Jail**

Captain(s)	\$	44,989
Accountants/Bookkeepers		38,244
Guards		611,355
Cafeteria Personnel		26,336
Social Security		44,697
Unemployment Compensation		1,998
Employer Medicare		10,453
Communication		17,297
Data Processing Services		2,052
Maintenance Agreements		11,022
Medical and Dental Services		191,531
Other Contracted Services		7,803
Custodial Supplies		4,777
Electricity		55,334
Food Supplies		188,056
Law Enforcement Supplies		75
Natural Gas		24,630
Office Supplies		2,654
Prisoners Clothing		2,458
Uniforms		5,360
Water and Sewer		58,740
Other Supplies and Materials		25,254
In Service/Staff Development		2,914
Other Charges		7,408
Law Enforcement Equipment		74,000
Vocational Instruction Equipment		36
Other Equipment		<u>15,225</u>
Total Jail		1,474,698

**Correctional Incentive Program Improvements**

Other Salaries and Wages	\$	19,011
Social Security		1,179
Employer Medicare		276
Other Contracted Services		<u>17,109</u>
Total Correctional Incentive Program Improvements		37,575

(Continued)

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

<b>General Fund (Cont.)</b>		
Public Safety (Cont.)		
<b>Juvenile Services</b>		
Clerical Personnel	\$ 109,554	
Social Security	6,792	
Unemployment Compensation	84	
Employer Medicare	1,589	
Travel	492	
Other Supplies and Materials	1,830	
Other Charges	<u>2,870</u>	
Total Juvenile Services		\$ 123,211
<b>Work Release Program</b>		
Other Contracted Services	\$ 23,260	
Other Charges	<u>6,833</u>	
Total Work Release Program		30,093
<b>Fire Prevention and Control</b>		
Contracts with Other Public Agencies	\$ 8,000	
Contributions	<u>11,000</u>	
Total Fire Prevention and Control		19,000
<b>Rescue Squad</b>		
Contributions	<u>5,000</u>	
Total Rescue Squad		5,000
<b>Other Emergency Management</b>		
Assistant(s)	\$ 19,000	
Social Security	1,453	
Communication	11,588	
Maintenance and Repair Services - Vehicles	3,663	
Gasoline	515	
Other Supplies and Materials	8,320	
Other Charges	<u>33</u>	
Total Other Emergency Management		44,572
<b>County Coroner/Medical Examiner</b>		
County Official/Administrative Officer	\$ 10,000	
Pauper Burials	<u>900</u>	
Total County Coroner/Medical Examiner		10,900
<b>Public Safety Grants Program</b>		
Contracts with Other Public Agencies	<u>68,782</u>	
Total Public Safety Grants Program		68,782
<b>Other Public Safety</b>		
Deputy(ies)	\$ 2,767	
Social Security	172	
Employer Medicare	40	
Contributions	2,000	
Other Supplies and Materials	<u>2,613</u>	
Total Other Public Safety		7,592

(Continued)

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

## Public Health and Welfare

**Local Health Center**

Custodial Personnel	\$ 9,485
Social Security	588
Unemployment Compensation	42
Employer Medicare	138
Communication	6,845
Contracts with Government Agencies	12,862
Dues and Memberships	375
Other Contracted Services	2,232
Electricity	6,522
Natural Gas	3,434
Office Supplies	793
Water and Sewer	1,525
Other Supplies and Materials	2,169
Total Local Health Center	\$ 47,010

**Ambulance/Emergency Medical Services**

Contributions	\$ 400,000
Total Ambulance/Emergency Medical Services	400,000

**Alcohol and Drug Programs**

Contracts with Other Public Agencies	\$ 159,541
Total Alcohol and Drug Programs	159,541

**Other Local Health Services**

Medical Personnel	\$ 78,480
Social Security	4,866
Unemployment Compensation	177
Employer Medicare	1,138
Travel	4,853
Liability Insurance	1,518
Other Charges	36,518
Total Other Local Health Services	127,550

**Regional Mental Health Center**

Contributions	\$ 2,000
Total Regional Mental Health Center	2,000

**Other Public Health and Welfare**

Contributions	\$ 250,000
Total Other Public Health and Welfare	250,000

## Social, Cultural, and Recreational Services

**Libraries**

Librarians	\$ 43,226
Social Security	2,680
Unemployment Compensation	248
Employer Medicare	627
Other Contracted Services	4,793
Total Libraries	51,574

(Continued)

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

## Social, Cultural, and Recreational Services (Cont.)

**Other Social, Cultural, and Recreational**

Other Charges	\$ 19,678
Land	<u>241,860</u>
Total Other Social, Cultural, and Recreational	\$ 261,538

## Agriculture and Natural Resources

**Agricultural Extension Service**

Salary Supplements	\$ 99,655
Communication	4,748
Maintenance and Repair Services - Vehicles	1,129
Duplicating Supplies	4,583
Other Supplies and Materials	<u>1,587</u>
Total Agricultural Extension Service	111,702

**Soil Conservation**

Clerical Personnel	\$ 23,547
Part-time Personnel	14,040
Social Security	2,330
Unemployment Compensation	42
Employer Medicare	545
Communication	1,383
Travel	872
Other Supplies and Materials	997
Other Charges	<u>941</u>
Total Soil Conservation	44,697

## Other Operations

**Tourism**

Contributions	\$ 150,000
Other Supplies and Materials	2,658
Other Charges	<u>36,000</u>
Total Tourism	188,658

**Other Economic and Community Development**

Other Construction	\$ 46,350
Total Other Economic and Community Development	46,350

**Veterans' Services**

Supervisor/Director	\$ 8,190
Social Security	508
Employer Medicare	119
Travel	721
Office Supplies	<u>1,273</u>
Total Veterans' Services	10,811

**Other Charges**

Building and Contents Insurance	\$ 80,599
Liability Insurance	42,023

(Continued)

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

<b>General Fund (Cont.)</b>		
Other Operations (Cont.)		
<b>Other Charges (Cont.)</b>		
Trustee's Commission	\$ 91,130	
Vehicle and Equipment Insurance	17,697	
Workers' Compensation Insurance	<u>26,796</u>	
Total Other Charges		\$ 258,245
<b>Contributions to Other Agencies</b>		
Contributions	\$ 45,000	
Total Contributions to Other Agencies		45,000
<b>Employee Benefits</b>		
Social Security	\$ 65	
Pensions	227,676	
Medical Insurance	227,806	
Employer Medicare	<u>14</u>	
Total Employee Benefits		455,561
<b>COVID-19 Grant I</b>		
Data Processing Services	\$ 42,600	
Maintenance Agreements	7,000	
Other Contracted Services	1,275	
Office Supplies	<u>5,136</u>	
Total COVID-19 Grant I		56,011
<b>Miscellaneous</b>		
Other Charges	\$ 48,901	
Total Miscellaneous		48,901
Capital Projects		
<b>Public Health and Welfare Projects</b>		
Building Construction	\$ 37,708	
Total Public Health and Welfare Projects		<u>37,708</u>
Total General Fund		\$ 8,639,589
<b>Courthouse and Jail Maintenance Fund</b>		
General Government		
<b>County Buildings</b>		
Maintenance and Repair Services - Buildings	\$ 40,232	
Total County Buildings		\$ 40,232
Other Operations		
<b>Other Charges</b>		
Trustee's Commission	\$ 321	
Total Other Charges		<u>321</u>
Total Courthouse and Jail Maintenance Fund		40,553

(Continued)

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

## Public Health and Welfare

**Waste Pickup**

Laborers	\$ 29,120
Social Security	2,228
Unemployment Compensation	42
Instructional Supplies and Materials	7,444
Other Supplies and Materials	2,264
<b>Total Waste Pickup</b>	<b>\$ 41,098</b>

**GRUNDY COUNTY, TENNESSEE****Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)****Drug Control Fund**

## Public Safety

**Drug Enforcement**

Travel	\$	369
Other Supplies and Materials		15,696
Trustee's Commission		182
In Service/Staff Development		610
Other Charges		143
Motor Vehicles		<u>16,500</u>
Total Drug Enforcement	\$	<u>33,500</u>

Total Drug Control Fund

\$ 33,500

**Highway/Public Works Fund**

## Highways

**Administration**

County Official/Administrative Officer	\$	95,388
Accountants/Bookkeepers		40,000
Social Security		8,394
Pensions		9,816
Employee and Dependent Insurance		20,224
Employer Medicare		1,963
Advertising		239
Communication		3,544
Data Processing Services		22,893
Dues and Memberships		4,378
Evaluation and Testing		1,390
Maintenance and Repair Services - Office Equipment		3,687
Postal Charges		242
Printing, Stationery, and Forms		153
Travel		716
Data Processing Supplies		299
Electricity		3,167
Office Supplies		311
Water and Sewer		411
Other Charges		250
Data Processing Equipment		<u>692</u>
Total Administration	\$	<u>218,157</u>

**Highway and Bridge Maintenance**

Supervisor/Director	\$	43,040
Mechanic(s)		1,360
Equipment Operators		850
Equipment Operators - Heavy		114,840
Truck Drivers		126,472
Laborers		220,590
Social Security		31,443
Pensions		36,488
Employee and Dependent Insurance		154,047
Employer Medicare		7,354

(Continued)

**GRUNDY COUNTY, TENNESSEE****Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)****Highway/Public Works Fund (Cont.)****Highways (Cont.)****Highway and Bridge Maintenance (Cont.)**

Asphalt - Liquid	\$ 345,757
Crushed Stone	181,349
Ice	55
Pipe	12,840
Road Signs	1,275
Small Tools	196
Other Supplies and Materials	76
Other Charges	189
Total Highway and Bridge Maintenance	\$ 1,278,221

**Operation and Maintenance of Equipment**

Mechanic(s)	\$ 23,698
Social Security	1,469
Pensions	1,762
Employee and Dependent Insurance	6,295
Employer Medicare	344
Maintenance and Repair Services - Equipment	16,511
Diesel Fuel	87,355
Equipment and Machinery Parts	18,531
Garage Supplies	2,451
Gasoline	13,119
Lubricants	1,150
Propane Gas	420
Small Tools	1,493
Tires and Tubes	25,001
Uniforms	662
Other Supplies and Materials	1,415
Other Charges	1,521
Total Operation and Maintenance of Equipment	\$ 203,197

**Other Charges**

Liability Insurance	\$ 61,108
Trustee's Commission	23,950
Workers' Compensation Insurance	60,898
Total Other Charges	\$ 145,956

**Capital Outlay**

Building Improvements	\$ 8,895
Highway Construction	521,734
Highway Equipment	507,672
Total Capital Outlay	\$ 1,038,301

Total Highway/Public Works Fund

\$ 2,883,832

(Continued)

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

**General Debt Service Fund**

Principal on Debt

**General Government**

Principal on Bonds	\$ 314,972
Principal on Notes	<u>150,000</u>
Total General Government	\$ 464,972

Interest on Debt

**General Government**

Interest on Bonds	\$ 218,508
Interest on Notes	<u>11,591</u>
Total General Government	230,099

Other Debt Service

**General Government**

Trustee's Commission	\$ <u>8,804</u>
Total General Government	<u>8,804</u>

Total General Debt Service Fund

\$ 703,875

Total Governmental Funds - Primary Government

\$ 13,282,975

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

Discretely Presented Grundy County School Department

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

## Instruction

**Regular Instruction Program**

Teachers	\$ 4,405,423
Career Ladder Program	9,000
Homebound Teachers	13,930
Educational Assistants	191,833
Other Salaries and Wages	138,860
Non-certified Substitute Teachers	127,913
Social Security	291,657
Pensions	334,845
Life Insurance	250
Medical Insurance	554,303
Employer Medicare	68,345
Travel	1,467
Instructional Supplies and Materials	96,936
Textbooks - Bound	296,602
Software	75,442
Other Supplies and Materials	175,601
In Service/Staff Development	721
TISA - On-behalf Payments	21,149
Other Charges	533
Regular Instruction Equipment	472,881
Total Regular Instruction Program	\$ 7,277,691

**Special Education Program**

Teachers	\$ 1,285,790
Career Ladder Program	6,000
Educational Assistants	289,165
Speech Pathologist	154,617
Other Salaries and Wages	55,525
Certified Substitute Teachers	324
Non-certified Substitute Teachers	52,813
Social Security	110,769
Pensions	108,225
Life Insurance	336
Medical Insurance	197,479
Employer Medicare	25,927
Instructional Supplies and Materials	623
Other Supplies and Materials	1,851
TISA - On-behalf Payments	88,663
Other Charges	143
Special Education Equipment	872
Total Special Education Program	2,379,122

**Career and Technical Education Program**

Teachers	\$ 500,774
Social Security	24,370
Pensions	30,122

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Instruction (Cont.)

**Career and Technical Education Program (Cont.)**

Medical Insurance	\$	85,808
Employer Medicare		5,700
Tuition		170
Other Contracted Services		4,628
Instructional Supplies and Materials		87,296
T&I Construction Materials		5,107
Vocational Instruction Equipment		<u>157,957</u>
Total Career and Technical Education Program	\$	901,932

## Support Services

**Attendance**

Supervisor/Director	\$	79,441
Clerical Personnel		26,064
Other Salaries and Wages		7,500
Social Security		6,316
Pensions		7,571
Life Insurance		31
Medical Insurance		14,098
Employer Medicare		1,477
Postal Charges		350
Other Contracted Services		44,207
Other Supplies and Materials		1,489
In Service/Staff Development		<u>3,345</u>
Total Attendance		191,889

**Health Services**

Supervisor/Director	\$	72,313
Medical Personnel		59,578
Other Salaries and Wages		157,219
Social Security		17,717
Pensions		21,267
Life Insurance		94
Medical Insurance		24,068
Employer Medicare		4,144
Travel		175
Other Supplies and Materials		6,035
In Service/Staff Development		<u>3,684</u>
Total Health Services		366,294

**Other Student Support**

Guidance Personnel	\$	182,905
Secretary(ies)		20,929
Social Security		10,805
Pensions		15,397
Life Insurance		31
Medical Insurance		37,552

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

Support Services (Cont.)

**Other Student Support (Cont.)**

Employer Medicare	\$	2,527
Other Supplies and Materials		4,632
In Service/Staff Development		762
Total Other Student Support		\$ 275,540

**Regular Instruction Program**

Supervisor/Director	\$	100,641
Social Security		5,920
Pensions		6,606
Medical Insurance		9,601
Employer Medicare		1,384
Other Supplies and Materials		1,170
In Service/Staff Development		1,730
Total Regular Instruction Program		127,052

**Special Education Program**

Supervisor/Director	\$	74,626
Career Ladder Program		1,000
Psychological Personnel		34,287
Secretary(ies)		28,867
Clerical Personnel		21,125
Other Salaries and Wages		56,261
Social Security		13,274
Pensions		11,270
Medical Insurance		7,740
Employer Medicare		3,104
Retirement - Hybrid Stabilization		2
Communication		2,979
Contracts with Private Agencies		145,262
Postal Charges		294
Travel		2,413
Other Contracted Services		1,634
Other Supplies and Materials		5,932
In Service/Staff Development		9,994
Other Charges		250
Total Special Education Program		420,314

**Career and Technical Education Program**

Other Salaries and Wages	\$	3,000
Social Security		186
Pensions		204
Employer Medicare		44
Total Career and Technical Education Program		3,434

**Technology**

Other Salaries and Wages	\$	97,932
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(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Technology (Cont.)**

Social Security	\$	6,029
Pensions		1,949
Life Insurance		31
Employer Medicare		1,410
Communication		798
Internet Connectivity		40,393
Other Contracted Services		8,730
Other Equipment		4,626
Total Technology		\$ 161,898

**Other Programs**

On-behalf Payments to OPEB	\$	50,541
Total Other Programs		50,541

**Board of Education**

Board and Committee Members Fees	\$	7,046
Social Security		437
Employer Medicare		102
Audit Services		13,500
Dues and Memberships		14,058
Legal Services		25,973
Other Supplies and Materials		16
Liability Insurance		94,970
Trustee's Commission		202,765
Workers' Compensation Insurance		66,983
In Service/Staff Development		595
Other Charges		67,710
Total Board of Education		\$ 494,155

**Director of Schools**

County Official/Administrative Officer	\$	136,902
Career Ladder Program		800
Clerical Personnel		24,161
Other Salaries and Wages		30,636
Social Security		12,197
Pensions		14,121
Life Insurance		61
Medical Insurance		28,350
Employer Medicare		2,853
Other Fringe Benefits		9,600
Communication		30,775
Dues and Memberships		2,117
Office Supplies		2,284
Other Supplies and Materials		185
In Service/Staff Development		4,420
Other Charges		4,074
Total Director of Schools		\$ 303,536

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Office of the Principal**

Principals	\$	392,667
Career Ladder Program		2,000
Assistant Principals		149,874
Secretary(ies)		54,007
Clerical Personnel		89,044
Social Security		40,620
Pensions		47,669
Life Insurance		122
Medical Insurance		62,695
Employer Medicare		9,500
Total Office of the Principal	\$	848,198

**Fiscal Services**

Supervisor/Director	\$	83,638
Accountants/Bookkeepers		92,861
Secretary(ies)		23,786
Other Salaries and Wages		13,350
Social Security		12,694
Pensions		13,936
Life Insurance		102
Medical Insurance		7,740
Employer Medicare		2,969
Postal Charges		500
Other Contracted Services		39,595
Office Supplies		5,902
In Service/Staff Development		3,278
Total Fiscal Services		300,351

**Human Services/Personnel**

Supervisor/Director	\$	75,638
Clerical Personnel		29,660
Social Security		5,933
Pensions		7,361
Life Insurance		31
Medical Insurance		13,397
Employer Medicare		1,387
Dues and Memberships		100
Postal Charges		200
Software		264
Other Supplies and Materials		337
In Service/Staff Development		888
Other Charges		7,805
Total Human Services/Personnel		143,001

**Operation of Plant**

Custodial Personnel	\$	305,891
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(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Operation of Plant (Cont.)**

Social Security	\$	18,683
Pensions		12,461
Life Insurance		305
Employer Medicare		4,361
Maintenance and Repair Services - Equipment		4,339
Other Contracted Services		18,202
Custodial Supplies		84,384
Electricity		342,440
Natural Gas		86,079
Water and Sewer		60,721
Boiler Insurance		280
Building and Contents Insurance		55,000
Other Charges		26,477
Total Operation of Plant	\$	1,019,623

**Maintenance of Plant**

Maintenance Personnel	\$	93,187
Other Salaries and Wages		5,000
Social Security		6,082
Pensions		7,219
Life Insurance		61
Medical Insurance		1,290
Employer Medicare		1,422
Communication		765
Maintenance and Repair Services - Equipment		176,305
Other Contracted Services		22,891
Other Supplies and Materials		100,071
Other Charges		24,351
Administration Equipment		14,700
Other Equipment		91,464
Total Maintenance of Plant		544,808

**Transportation**

Supervisor/Director	\$	57,901
Mechanic(s)		81,099
Bus Drivers		440,880
Other Salaries and Wages		19,798
In-service Training		1,698
Social Security		35,966
Pensions		35,136
Life Insurance		474
Medical Insurance		24,033
Employer Medicare		8,676
Communication		834
Maintenance and Repair Services - Vehicles		5,700
Medical and Dental Services		2,300

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Transportation (Cont.)**

Other Contracted Services	\$	5,522
Diesel Fuel		46,480
Gasoline		21,500
Propane Gas		23,102
Tires and Tubes		10,247
Vehicle Parts		83,396
Other Supplies and Materials		11,700
Vehicle and Equipment Insurance		54,123
In Service/Staff Development		1,050
Other Charges		4,038
<b>Total Transportation</b>	<b>\$</b>	<b>975,653</b>

## Operation of Non-Instructional Services

**Food Service**

Cafeteria Personnel	\$	9,230
Social Security		572
Pensions		221
Employer Medicare		134
<b>Total Food Service</b>	<b>\$</b>	<b>10,157</b>

**Community Services**

Teachers	\$	138,774
Social Security		8,441
Pensions		6,407
Employer Medicare		1,974
Communication		150
Instructional Supplies and Materials		13,475
Other Supplies and Materials		1,287
Refunds		825
In Service/Staff Development		811
Other Charges		9,378
<b>Total Community Services</b>	<b>\$</b>	<b>181,522</b>

**Early Childhood Education**

Teachers	\$	189,316
Educational Assistants		54,929
Other Salaries and Wages		38,400
Non-certified Substitute Teachers		1,480
Social Security		16,896
Pensions		18,210
Life Insurance		26
Medical Insurance		20,824
Employer Medicare		3,952
Maintenance and Repair Services - Equipment		8,204
Travel		2,307
Other Contracted Services		4,000

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Operation of Non-Instructional Services (Cont.)

**Early Childhood Education (Cont.)**

Instructional Supplies and Materials	\$ 16,728
Other Supplies and Materials	2,577
In Service/Staff Development	11,753
Other Charges	3,740
Other Equipment	<u>8,483</u>
Total Early Childhood Education	\$ 401,825

## Capital Outlay

**Regular Capital Outlay**

Engineering Services	\$ 14,601
Building Improvements	<u>105,980</u>
Total Regular Capital Outlay	<u>120,581</u>

Total General Purpose School Fund

\$ 17,499,117

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$ 187,894
Educational Assistants	209,716
Other Salaries and Wages	6,176
Non-certified Substitute Teachers	6,250
Social Security	25,291
Pensions	18,855
Life Insurance	153
Medical Insurance	24,879
Employer Medicare	5,777
Instructional Supplies and Materials	107,513
Textbooks - Bound	84,938
Software	20,202
Other Supplies and Materials	78,165
Other Charges	13,706
Regular Instruction Equipment	<u>9,702</u>
Total Regular Instruction Program	\$ 799,217

**Special Education Program**

Teachers	\$ 251,336
Educational Assistants	210,367
Social Security	26,264
Pensions	19,126
Medical Insurance	34,056
Employer Medicare	6,142
Instructional Supplies and Materials	16,681
Software	2,953
Other Supplies and Materials	10,167
Special Education Equipment	<u>37,185</u>
Total Special Education Program	\$ 614,277

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Instruction (Cont.)

**Career and Technical Education Program**

Instructional Supplies and Materials	\$ 25,120
Vocational Instruction Equipment	<u>13,754</u>
Total Career and Technical Education Program	\$ 38,874

## Support Services

**Health Services**

Software	\$ 6,925
Other Supplies and Materials	<u>6,365</u>
Total Health Services	13,290

**Other Student Support**

Guidance Personnel	\$ 58,561
Social Workers	99,778
Other Salaries and Wages	38,899
Social Security	12,148
Pensions	11,497
Medical Insurance	20,460
Employer Medicare	2,841
Evaluation and Testing	4,847
Travel	2,933
Other Contracted Services	8,310
Other Supplies and Materials	26,106
In Service/Staff Development	19,728
Other Charges	<u>1,633</u>
Total Other Student Support	307,741

**Regular Instruction Program**

Supervisor/Director	\$ 71,347
Instructional Coaches	51,970
Other Salaries and Wages	546,209
In-service Training	8,711
Social Security	40,430
Pensions	39,351
Medical Insurance	44,931
Employer Medicare	9,734
Postal Charges	137
Travel	2,476
Other Contracted Services	71,250
Other Supplies and Materials	15,783
In Service/Staff Development	33,570
Other Charges	110
Other Equipment	<u>1,720</u>
Total Regular Instruction Program	937,729

**Special Education Program**

Other Salaries and Wages	\$ 570
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(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Support Services (Cont.)

**Special Education Program (Cont.)**

Social Security	\$ 35
Pensions	20
Employer Medicare	8
Contracts with Private Agencies	62,759
Other Contracted Services	1,292
Other Supplies and Materials	3,980
In Service/Staff Development	4,030
Other Charges	944
Other Equipment	12,155
Total Special Education Program	\$ 85,793

**Career and Technical Education Program**

In Service/Staff Development	\$ 956
Total Career and Technical Education Program	956

**Transportation**

Bus Drivers	\$ 3,055
Other Salaries and Wages	10,886
Social Security	864
Pensions	569
Employer Medicare	202
Total Transportation	15,576

## Operation of Non-Instructional Services

**Community Services**

Teachers	\$ 49,036
Social Security	3,040
Pensions	3,344
Employer Medicare	711
In Service/Staff Development	788
Total Community Services	56,919

## Capital Outlay

**Regular Capital Outlay**

Building Improvements	\$ 2,329,149
Other Capital Outlay	147,931
Total Regular Capital Outlay	2,477,080

Total School Federal Projects Fund

\$ 5,347,452

**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$ 79,441
Clerical Personnel	72,018
Cafeteria Personnel	627,601

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

**Central Cafeteria Fund (Cont.)**

## Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

Social Security	\$ 47,954
Pensions	51,384
Life Insurance	633
Medical Insurance	16,728
Employer Medicare	11,215
Communication	771
Maintenance and Repair Services - Equipment	20,916
Postal Charges	56
Transportation - Other than Students	373
Travel	491
Other Contracted Services	7,480
Food Supplies	635,704
Office Supplies	1,323
Uniforms	450
USDA - Commodities	98,139
In Service/Staff Development	359
Other Charges	6,978
Food Service Equipment	<u>37,172</u>
Total Food Service	\$ <u>1,717,186</u>

Total Central Cafeteria Fund \$ 1,717,186

**Internal School Fund**

## Operation of Non-Instructional Services

**Community Services**

Other Charges	\$ 660,276
Total Community Services	<u>\$ 660,276</u>

Total Internal School Fund 660,276

Total Governmental Funds - Grundy County School Department

\$ 25,224,031

**GRUNDY COUNTY, TENNESSEE****Schedule of Detailed Revenues and Expenses**  
All Proprietary Fund Types  
**For the Year Ended June 30, 2024**

	<b>Business-type Activities</b>
	<b>Major Enterprise Fund</b>
	<b>Waste</b>
	<b>Water Fund</b>
<b>Revenues</b>	
Operating Revenues	
<b>Charges for Current Services</b>	
Water Treatment Charges	\$ 149,522
Total Charges for Current Services	<u>\$ 149,522</u>
Other Local Revenues	
<b>Recurring Items</b>	
Miscellaneous Refunds	\$ 875
Total Other Local Revenues	<u>\$ 875</u>
Total Operating Revenues	<u>\$ 150,397</u>
Total Revenues	<u><u>\$ 150,397</u></u>
<b>Expenses</b>	
Operating Expenses	
<b>Other Waste Disposal</b>	
Communication	\$ 880
Other Contracted Services	36,773
Electricity	11,828
Water and Sewer	312
Testing	7,048
Other Supplies and Materials	16,346
Trustee's Commission	1,553
Depreciation	68,845
Other Charges	1,000
Total Landfill Operation and Maintenance	<u>\$ 144,585</u>
Total Expenses	<u><u>\$ 144,585</u></u>

## **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***

Grundy County Mayor and  
Board of County Commissioners  
Grundy 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grundy County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Grundy County's basic financial statements as listed in the table of contents, and have issued our report thereon dated February 19, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Grundy County School Department (a discretely presented component unit) as described in our report on Grundy County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Grundy 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 Grundy County's internal control. Accordingly, we do not express an opinion on the effectiveness of Grundy County's internal control.

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a significant deficiency: 2024-002.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Grundy 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*.

## Grundy County's Responses to the Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Grundy County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Grundy County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Grundy County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 19, 2025

JEM/gc



JASON E. MUMPOWER  
*Comptroller*

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

Grundy County Mayor and  
Board of County Commissioners  
Grundy 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 Grundy County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Grundy County's major federal programs for the year ended June 30, 2024. Grundy 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, Grundy 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 testing 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grundy County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Grundy County's basic financial statements. We issued our report thereon dated February 19, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,  
  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 19, 2025

JEM/gc

**GRUNDY COUNTY, TENNESSEE, AND THE GRUNDY COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)**  
**For the Year-Ended June 30, 2024**

<b>Federal/Pass-Through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Expenditures</b>
<b>U.S. Department of Agriculture:</b>			
Passed-through State Department of Education:			
Local Food for Schools Cooperative Agreement Program	10.185	N/A	\$ 52,677
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	394,535
National School Lunch Program	10.555	N/A	795,074 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	98,139 (6)
Rebate of Storage and Distribution Fees	10.555	(4)	2,382 (6)
<b>Total U.S. Department of Agriculture</b>			<b>\$ 1,346,063</b>
<b>U.S. Department of Housing and Urban Development:</b>			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(4)	\$ 140,833
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$ 140,833</b>
<b>U.S. Department of Justice:</b>			
Passed-through State Department of Finance and Administration:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(4)	\$ 70,705
Second Chance Act Reentry Initiative	16.812	(4)	34,004
<b>Total U.S. Department of Justice</b>			<b>\$ 104,709</b>
<b>U.S. Department of Transportation:</b>			
Passed-through State Department of Safety and Homeland Security:			
Highway Safety Cluster: (5)			
State and Community Highway Safety	20.600	(4)	\$ 4,450
<b>Total U.S. Department of Transportation</b>			<b>\$ 4,450</b>
<b>U.S. Department of the Treasury:</b>			
Direct Program:			
COVID 19 - Coronavirus State And Local Recovery Funds	21.027	N/A	\$ 2,608,037 (6)
Passed-through State Department of Education:			
COVID 19 - Coronavirus State And Local Recovery Funds	21.027	N/A	19,817 (6)
Passed-through State Department of Environment and Conservation:			
COVID 19 - Coronavirus State And Local Recovery Funds	21.027	(4)	101,235 (6)
Passed-through State Department of Health:			
COVID 19 - Coronavirus State And Local Recovery Funds	21.027	(4)	34,914 (6)
<b>Total U.S. Department of Transportation</b>			<b>\$ 2,764,003</b>

(Continued)

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

<b>Federal/Pass-Through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 782,464
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	N/A	615,434 (6)
COVID 19 - Special Education - Grants to States	84.027	N/A	67,251 (6)
Special Education - Preschool Grants	84.173	N/A	25,763 (6)
COVID 19 - Special Education - Preschool Grants	84.173	N/A	6,089 (6)
Career and Technical Education - Basic Grants to States	84.048	N/A	44,868
Education for Homeless Children and Youth	84.196	N/A	20,909
Twenty-first Century Community Learning Centers	84.287	N/A	56,919
Rural Education	84.358	N/A	137,348
Supporting Effective Instruction State Grants	84.367	N/A	32,817
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	232,637 (6)
COVID 19 - Education Stabilization Fund Program - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	3,278,187 (6)
COVID 19 - Education Stabilization Fund Program - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	24,550 (6)
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(4)	48,188
Passed-through State Department of Mental Health and Substance Abuse Services:			
COVID 19 - Education Stabilization Fund Program - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425U	(4)	213,433 (6)
Total U.S. Department of Education			\$ 5,586,857
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(4)	\$ 129,376
Total U.S. Election Assistance Commission			\$ 129,376
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	(4)	\$ 40,127
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(4)	36,630
Passed-through East Tennessee State University:			
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	(4)	54,466
Total U.S. Department of Health and Human Services			\$ 131,223

(Continued)

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

<b>Federal/Pass-Through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	(4)	\$ 10,626
Total U.S. Department of Homeland Security			<u>\$ 10,626</u>
 Total Expenditures of Federal Grants			<u>\$ 10,218,140</u>
 <b>State Grants</b>		<b>Contract Number</b>	
Juvenile Court Supplemental Services - State Department of Children's Services	N/A	(4)	\$ 9,000
Direct Appropriation - State Department of Disability and Aging	N/A	(4)	1,000,000
Early Childhood Education - State Department of Education	N/A	N/A	206,721
Innovative School Model - State Department of Education	N/A	N/A	845,914
Learning Camps - State Department of Education	N/A	N/A	81,573
Lottery for Education-Afterschool Programs - State Department of Education	N/A	N/A	172,172
Public School Security Grant - State Department of Education	N/A	N/A	63,233
Safe Schools Grant - State Department of Education	N/A	N/A	14,700
Summer Learning Transportation - State Department of Education	N/A	N/A	25,205
Youth Risk Behavior Survey - State Department of Education	N/A	N/A	1,800
Emergency Monitoring Indigency Funds - State Department of Finance and Administration	N/A	(4)	30,600
Violent Crime Intervention Funds - State Department of Finance and Administration	N/A	(4)	96,900
Rural Local Health Services - State Department of Health	N/A	(4)	136,656
Safe Baby Court - State Department of Mental Health and Substance Abuse Services	N/A	(4)	114,746
Statewide SRO Grant - State Department of Safety and Homeland Security	N/A	(4)	375,000
Litter Grant - State Department of Transportation	N/A	(4)	91,520
Tn Art Commission Grant - Tennessee Art Commission	N/A	(4)	20,000
Archives Development Grant - Tennessee Secretary of State	N/A	(4)	4,955
Litter Grant - Tennessee Secretary of State	N/A	(4)	<u>6,809</u>
 Total State Grants			<u>\$ 3,297,504</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) Grundy County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$1,290,130; Highway Safety Cluster total \$4,450; Special Education Cluster total \$714,537.
- (6) Total for ALN 10.555 is \$895,595; Total for ALN 21.027 is \$2,764,003; Total for ALN 84.027 is \$682,685; Total for ALN 84.173 is \$31,852; Total for ALN 84.425 is \$3,748,807.

(7) **CONSOLIDATED ADMINISTRATION**

The following amounts were consolidated for administration purposes:

<b>Program Title</b>	<b>ALN</b>	<b>Amount Provided to Consolidated Administration</b>
Title I Grants to Local Education Agencies	84.010	\$ 91,818
Supporting Effective Instruction State Grants	84.367	<u>4,195</u>
		<u>\$ 96,013</u>

**GRUNDY 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 Grundy County, Tennessee, for the year ended June 30, 2024.

**Prior-year Financial Statement Findings**

Fiscal Year	Page Number	Finding Number	Title of Finding	AIQN	Current Status
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**OFFICES OF DIRECTOR OF SCHOOLS AND TRUSTEE**

2023	187	2023-001	The School Federal Projects Fund had a cash overdraft at June 30, 2023, and the trustee paid checks from the School Federal Projects Fund that exceeded available funds.	N/A	Corrected
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**OFFICE OF SHERIFF**

2023	188	2023-002	A cash shortage of \$150 existed in the office of sheriff at June 30, 2023.	N/A	Corrected
2023	189	2023-003	Duties were not segregated adequately.	N/A	Corrected

**Prior-year Federal Awards Findings**

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

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

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

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

2. Internal Control Over Financial Reporting:

\* Material weakness identified? **YES**

\* Significant deficiency identified? **YES**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:

\* Material weakness identified? **NO**

\* Significant deficiency identified? **NONE REPORTED**

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

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

7. Identification of Major Federal Programs:

\* Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program

\* Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds

\* Assistance Listing Number: 90.401 Help America Vote Act Requirements Payments

8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**

9. Auditee qualified as low-risk auditee? **NO**

## PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### OFFICE OF COUNTY MAYOR

FINDING 2024-001

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

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

On June 30, 2024, certain general ledger account balances in the General Fund were not materially correct, and audit adjustments for receivables totaling \$493,399 were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Grundy County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

### RECOMMENDATION

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

### MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with this finding.

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### OFFICE OF SHERIFF

FINDING 2024-002

#### THE OFFICE HAD ACCOUNTING DEFICIENCIES

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

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies exist due to a lack of management oversight and a lack of understanding of internal controls, generally accepted accounting principles, and sound business practices.

- A. The cash journal was not properly maintained and contained numerous errors. The cash journal did not reflect the transactions for cash in bank. The official cash journal is the primary cash control record of the office that summarizes financial operations; therefore, the proper maintenance of the cash journal on a current basis is necessary for the official to determine

the financial position of the office. The failure to properly maintain accounting records also increases the risks of fraud and abuse.

- B. Bank statements had not been reconciled monthly. Sound business practices require the reconciliation of bank statements with general ledger accounts monthly to ensure all cash collections and disbursements are recorded in the accounting records accurately. The failure to reconcile bank statements with the general ledger monthly allows errors to remain undiscovered and uncorrected.

## **RECOMMENDATION**

The official cash journal should be properly maintained on a current basis and should reflect all financial operations of the sheriff's department. Bank statements should be reconciled with the general ledger monthly, and any errors discovered should be corrected promptly.

## **MANAGEMENT'S RESPONSE – SHERIFF**

I concur with this finding.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

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

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY MAYOR**

2024-001	The General Fund required material audit adjustments for proper financial statement presentation.	181
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**OFFICE OF SHERIFF**

2024-002	The office had accounting deficiencies.	182
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# GRUNDY COUNTY MAYOR

**Michael Brady, County Mayor**

68 Cumberland ST Suite 133

Altamont, TN 37301

(931)692-3718

(931)692-3721 - fax

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## Corrective Action Plan

**FINDING 2024-001:**

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

**Response and Corrective Action Plan Prepared by:**

Michael Brady Grundy County Mayor

**Person Responsible for Implementing the Corrective Action:**

Michael Brady Grundy County Mayor

**Anticipated Completion Date of Corrective Action:**

*Immediately*

**Repeat Finding:**

No

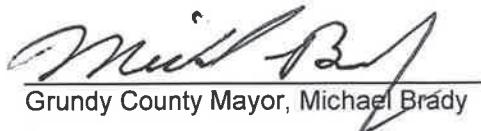
**Reason Corrective Action was Not Taken in the Prior Year:**

N/A

**Planned Corrective Action:**

This was a complete oversite, however we have made it a priority to review the revenues and insure they are properly documented in the correct time frame.

Signature:



Grundy County Mayor, Michael Brady

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Page: 1 of 3



## Grundy County Sheriff's Office Heath Gunter, Sheriff

*Date: 02/18/2025*

### ***Corrective Action Plan***

#### ***FINDING 2024-002: THE OFFICE HAD ACCOUNTING DEFICIENCIES***

***Response and Corrective Action Plan Prepared by:***

***Heath Gunter, Sheriff***

***Person Responsible for Implementing the Corrective Action:***

***Heath Gunter, Sheriff***

***Anticipated Completion Date of Corrective Action:***

***July 2025***

***Repeat Finding:***

**No**

***Reason Corrective Action was Not Taken in the Prior Year:***

**N/A**

***Planned Corrective Action:***

***The Sheriff will conduct monthly audits of the official cash journal alongside the bookkeeper to ensure it is being properly maintained and accurately reflects all financial operations of the Sheriff's office. Additionally, the Sheriff will ensure that all bank statements are reconciled by the bookkeeper each month, matching the general ledger, and that any errors or discrepancies are promptly corrected. Furthermore, the Sheriff will ensure that the standards provided by the auditor to the bookkeeper are strictly followed, and that a clear understanding of internal controls is maintained by the bookkeeper. The office of the Sheriff will seek advice and guidance from the auditor of the Tennessee Comptroller's Office as needed.***

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Page: 3 of 3

**Signature:**

Heath Hunter

**Sheriff**

**Date**

02/18/2025

## **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 Grundy County.

### **GRUNDY COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Grundy 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 Grundy 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.