



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.

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

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. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 19, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Grundy County School Department
ASSETS				
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	<u>\$ 33,319,509</u>	<u>\$ 910,826</u>	<u>\$ 34,230,335</u>	<u>\$ 26,025,510</u>

DEFERRED OUTFLOWS OF RESOURCES

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	<u>\$ 755,578</u>	<u>\$ 0</u>	<u>\$ 755,578</u>	<u>\$ 3,198,941</u>

LIABILITIES

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)

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

				Component Unit Grundy County School Department
	Primary Government			
	Governmental Activities	Business-type Activities	Total	
LIABILITIES (CONT.)				
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
DEFERRED INFLOWS OF RESOURCES				
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
NET POSITION				
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	Net (Expense) Revenue and Changes in Net Position							Component Unit
	Program Revenues						Grundy County School Department	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government				
				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.)

				Net (Expense) Revenue and Changes in Net Position			
Functions/Programs	Expenses	Program Revenues					Component Unit
		Charges for Services	Operating Grants and Contributions	Primary Government		Total	Grundy County School Department
				Governmental Activities	Business-type Activities		
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes				\$ 4,689,426	\$ 0	\$ 4,689,426	\$ 1,413,886
Local Option Sales Taxes				375,880	0	375,880	1,854,387
Litigation Tax - General				18,236	0	18,236	0
Litigation Tax - Special Purpose				32,123	0	32,123	0
Litigation Tax - Jail, Workhouse, or Courthouse				12,447	0	12,447	0
Hotel/Motel Tax				404,537	0	404,537	0
Business Tax				49,578	0	49,578	48,501
Grants and Contributions Not Restricted to Specific Programs				1,487,255	0	1,487,255	15,516,676
Unrestricted Investment Earnings				751,403	0	751,403	21,164
Sale of Equipment				1,800	0	1,800	0
Miscellaneous				55,482	0	55,482	75,420
Total General Revenues				\$ 7,878,167	\$ 0	\$ 7,878,167	\$ 18,930,034
Insurance Recovery				\$ 17,341	\$ 0	\$ 17,341	\$ 2,423
Change in Net Position				\$ 3,699,837	\$ 5,812	\$ 3,705,649	\$ 1,955,993
Net Position, July 1, 2023				18,236,015	905,014	19,141,029	23,835,621
Net Position, June 30, 2024				\$ 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 C-1

GRUNDY COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds

June 30, 2024

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS						
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)
Total Assets	<u>\$ 10,576,289</u>	<u>\$ 1,365,087</u>	<u>\$ 3,327,785</u>	<u>\$ 4,432,439</u>	<u>\$ 545,684</u>	<u>\$ 20,247,284</u>
LIABILITIES						
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
Total Liabilities	<u>\$ 23,517</u>	<u>\$ 0</u>	<u>\$ 1,386</u>	<u>\$ 0</u>	<u>\$ 20,774</u>	<u>\$ 45,677</u>
DEFERRED INFLOWS OF RESOURCES						
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
Total Deferred Inflows of Resources	<u>\$ 4,771,034</u>	<u>\$ 696,736</u>	<u>\$ 185,670</u>	<u>\$ 21,960</u>	<u>\$ 0</u>	<u>\$ 5,675,400</u>

(Continued)

Exhibit C-1

GRUNDY COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Governmental Funds	Total Governmental Funds
FUND BALANCES						
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	<u>\$ 5,781,738</u>	<u>\$ 668,351</u>	<u>\$ 3,140,729</u>	<u>\$ 4,410,479</u>	<u>\$ 524,910</u>	<u>\$ 14,526,207</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,576,289</u>	<u>\$ 1,365,087</u>	<u>\$ 3,327,785</u>	<u>\$ 4,432,439</u>	<u>\$ 545,684</u>	<u>\$ 20,247,284</u>

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)		<u>\$ 21,935,852</u>

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
Revenues						
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
Expenditures						
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)

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 Governmental Funds
Expenditures (Cont.)						
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
Other Financing Sources (Uses)						
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

			Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual		Original	Final	
Revenues					
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
Expenditures					
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	
Expenditures (Cont.)				
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
Other Financing Sources (Uses)				
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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
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
Total Revenues	<u>\$ 897,875</u>	<u>\$ 820,070</u>	<u>\$ 820,070</u>	<u>\$ 77,805</u>
Expenditures				
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
Total Expenditures	<u>\$ 981,452</u>	<u>\$ 777,075</u>	<u>\$ 999,275</u>	<u>\$ 17,823</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (83,577)</u>	<u>\$ 42,995</u>	<u>\$ (179,205)</u>	<u>\$ 95,628</u>
Other Financing Sources (Uses)				
Notes Issued	\$ 67,000	0	\$ 67,000	0
Total Other Financing Sources	<u>\$ 67,000</u>	<u>0</u>	<u>\$ 67,000</u>	<u>0</u>
Net Change in Fund Balance	\$ (16,577)	\$ 42,995	\$ (112,205)	\$ 95,628
Fund Balance, July 1, 2023	<u>684,928</u>	<u>718,996</u>	<u>718,996</u>	<u>(34,068)</u>
Fund Balance, June 30, 2024	<u><u>\$ 668,351</u></u>	<u><u>\$ 761,991</u></u>	<u><u>\$ 606,791</u></u>	<u><u>\$ 61,560</u></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
Highway/Public Works Fund
For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
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	<u>\$ 2,492,049</u>	<u>\$ 2,951,747</u>	<u>\$ 2,951,747</u>	<u>\$ (459,698)</u>
Expenditures				
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	<u>\$ 2,883,832</u>	<u>\$ 3,620,446</u>	<u>\$ 3,873,823</u>	<u>\$ 989,991</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (391,783)</u>	<u>\$ (668,699)</u>	<u>\$ (922,076)</u>	<u>\$ 530,293</u>
Net Change in Fund Balance	\$ (391,783)	\$ (668,699)	\$ (922,076)	\$ 530,293
Fund Balance, July 1, 2023	<u>3,532,512</u>	<u>3,167,547</u>	<u>3,167,547</u>	<u>364,965</u>
Fund Balance, June 30, 2024	<u><u>\$ 3,140,729</u></u>	<u><u>\$ 2,498,848</u></u>	<u><u>\$ 2,245,471</u></u>	<u><u>\$ 895,258</u></u>

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

	Business-type Activities <hr/> Major Enterprise Fund <hr/> Waste Water Fund
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	166,212
Total Noncurrent Assets	<u>\$ 665,332</u>
Total Assets	<u><u>\$ 910,826</u></u>
NET POSITION	
Net Investment in Capital Assets	\$ 665,332
Unrestricted	<u>245,494</u>
Total Net Position	<u><u>\$ 910,826</u></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

	Business-type Activities
	Major Enterprise Fund
	Waste Water Fund
Operating Revenues	
Water Treatment Charges	\$ 150,397
Total Operating Revenues	<u>\$ 150,397</u>
Operating Expenses	
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><u>\$ 910,826</u></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

	Business-type Activities <hr/> Major Enterprise Fund <hr/> Waste Water Fund
Cash Flows from Operating Activities	
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>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
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

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

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

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

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

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	49,737
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
Capital Assets Not Depreciated:				
Land	\$ 414,790	\$ 240,810	\$ 0	\$ 655,600
Construction in Progress	948,664	317,173	(1,265,837)	0
Total Capital Assets Not Depreciated	<u>\$ 1,363,454</u>	<u>\$ 557,983</u>	<u>\$ (1,265,837)</u>	<u>\$ 655,600</u>
Capital Assets Depreciated:				
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
Total Capital Assets Depreciated	<u>\$ 24,780,924</u>	<u>\$ 1,946,022</u>	<u>\$ 0</u>	<u>\$ 26,726,946</u>
Less Accumulated Depreciation For:				
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
Total Accumulated Depreciation	<u>\$ 13,924,098</u>	<u>\$ 843,338</u>	<u>\$ 0</u>	<u>\$ 14,767,436</u>
Total Capital Assets Depreciated, Net	<u>\$ 10,856,826</u>	<u>\$ 1,102,684</u>	<u>\$ 0</u>	<u>\$ 11,959,510</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,220,280</u>	<u>\$ 1,660,667</u>	<u>\$ (1,265,837)</u>	<u>\$ 12,615,110</u>

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><u>843,338</u></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><u>6,233,959</u></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	777,647	0	777,647
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	581,885	29,550	611,435
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>\$ 68,845</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
Capital Assets Not Depreciated:			
Land	\$ 257,571	\$ 0	\$ 257,571
Construction in Progress	0	0	0
Total Capital Assets Not Depreciated	<u>\$ 257,571</u>	<u>\$ 0</u>	<u>\$ 257,571</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 23,224,982	\$ 0	\$ 23,224,982
Other Capital Assets	3,801,593	571,874	4,373,467
Total Capital Assets Depreciated	<u>\$ 27,026,575</u>	<u>\$ 571,874</u>	<u>\$ 27,598,449</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 15,094,480	\$ 512,113	\$ 15,606,593
Other Capital Assets	2,800,186	202,220	3,002,406
Total Accumulated Depreciation	<u>\$ 17,894,666</u>	<u>\$ 714,333</u>	<u>\$ 18,608,999</u>
Total Capital Assets Depreciated, Net	<u>\$ 9,131,909</u>	<u>\$ (142,459)</u>	<u>\$ 8,989,450</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 9,389,480</u></u>	<u><u>\$ (142,459)</u></u>	<u><u>\$ 9,247,021</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 discretely presented Grundy County School Department as follows:

Governmental Activities:

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

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		Purpose
	General Purpose School Fund	School Federal Projects Fund	
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
Total	\$ 5,976,151	\$ 3,800,458	\$ 9,776,609

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

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><u>\$ 5,857,090</u></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><u>\$ 377,562</u></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:

Governmental Activities:	Other Postemployment Benefits
	<u></u>
Balance July 1, 2023	\$ 1,585,828
Additions	235,614
Reductions	<u>(206,629)</u>
Balance June 30, 2024	<u><u>\$ 1,614,813</u></u>
Balance Due Within One Year	<u><u>\$ 101,834</u></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><u>\$ 1,512,979</u></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
Total	<u><u>602</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 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 Developed Market	4.88 %	31 %
International Equity Emerging Market	5.37	14
International Equity Private Equity and Strategic Lending	6.09	4
U.S. Fixed Income	6.57	20
Real Estate	1.20	20
Short-term Securities	4.38	10
	0.00	1
Total		100 %

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from 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 Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (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:

	1% Decrease	Current Discount Rate	1% Increase
Grundy County	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)	466,626	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	456,130	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
Total	<u>\$ 162,204</u>	<u>\$ 36,203</u>

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
U.S. Equity Developed Market	4.88	31
International Equity Emerging Market	5.37	14
International Equity Private Equity and Strategic Lending	6.09	4
U.S. Fixed Income	6.57	20
Real Estate	1.20	20
Short-term Securities	4.38	10
	0.00	1
Total		100

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) 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	\$ 2,117,688	\$ 98,966

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			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 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%
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Net Pension Liability (Asset)	\$ 4,644,909	\$ (2,132,580)	\$ 7,769,540
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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/> <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>\$ 5,382</u>
Balance June 30, 2023	<u>\$ 24,332</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>\$ 5,370</u>	<u>\$ 25,563</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>	1% Decrease	Current Discount Rate	1% Increase
Grundy County	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>	1% Decrease	Current Trend Rate	1% Increase
Grundy County	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	156
Total	<u>164</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		
	Grundy County	State of	Total OPEB
	School Department	TN	
	59.96%	40.04%	Liability
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	\$ 1,614,813	\$ 1,078,284	\$ 2,693,097

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 recognized 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	65,256	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>	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
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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.

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

Exhibit F-1

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
Total Pension Liability										
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
Plan Fiduciary Net Position										
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.

Exhibit F-2

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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%

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
Total OPEB Liability							
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
Total OPEB Liability							
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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation. 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.

Exhibit G-1

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
ASSETS					
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
Total Assets	\$ 112,099	\$ 332,808	\$ 96,285	\$ 4,492	\$ 545,684
LIABILITIES					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 4,492	\$ 4,492
Due to Litigants, Heirs, and Others	0	0	16,282	0	16,282
Total Liabilities	\$ 0	\$ 0	\$ 16,282	\$ 4,492	\$ 20,774
FUND BALANCES					
Restricted:					
Restricted for General Government	\$ 112,099	\$ 332,808	\$ 0	\$ 0	\$ 444,907
Restricted for Public Safety	0	0	80,003	0	80,003
Total Fund Balances	\$ 112,099	\$ 332,808	\$ 80,003	\$ 0	\$ 524,910
Total Liabilities and Fund Balances	\$ 112,099	\$ 332,808	\$ 96,285	\$ 4,492	\$ 545,684

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

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 32,123	\$ 24,000	\$ 24,000	\$ 8,123
Total Revenues	\$ 32,123	\$ 24,000	\$ 24,000	\$ 8,123
Expenditures				
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

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

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

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

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 121,568	\$ 361,100	\$ 361,100	\$ (239,532)
Other Local Revenues	695,916	290,000	290,000	405,916
Total Revenues	<u>\$ 817,484</u>	<u>\$ 651,100</u>	<u>\$ 651,100</u>	<u>\$ 166,384</u>
Expenditures				
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	<u>\$ 703,875</u>	<u>\$ 705,000</u>	<u>\$ 711,450</u>	<u>\$ 7,575</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 113,609</u>	<u>\$ (53,900)</u>	<u>\$ (60,350)</u>	<u>\$ 173,959</u>
Net Change in Fund Balance	\$ 113,609	\$ (53,900)	\$ (60,350)	\$ 173,959
Fund Balance, July 1, 2023	<u>4,296,870</u>	<u>4,104,707</u>	<u>4,104,707</u>	<u>192,163</u>
Fund Balance, June 30, 2024	<u><u>\$ 4,410,479</u></u>	<u><u>\$ 4,050,807</u></u>	<u><u>\$ 4,044,357</u></u>	<u><u>\$ 366,122</u></u>

CUSTODIAL FUNDS

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

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

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

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

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

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
Additions			
Sales Tax Collections for Other Governments	\$ 1,183,320	\$ 0	\$ 1,183,320
Fines/Fees and Other Collections	0	4,265,129	4,265,129
Total Additions	\$ 1,183,320	\$ 4,265,129	\$ 5,448,449
Deductions			
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
Total Deductions	\$ 1,183,320	\$ 4,114,709	\$ 5,298,029
Change in Net Position	\$ 0	\$ 150,420	\$ 150,420
Net Position July 1, 2023	0	1,311,657	1,311,657
Net Position June 30, 2024	\$ 0	\$ 1,462,077	\$ 1,462,077

GRUNDY COUNTY SCHOOL DEPARTMENT

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.

GRUNDY COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Grundy County School Department

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental Activities:				
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	3,061,394	55,866	1,793,168	(1,212,360)
Total Governmental Activities	<u>\$ 25,441,651</u>	<u>\$ 88,879</u>	<u>\$ 8,376,308</u>	<u>\$ (16,976,464)</u>
General Revenues:				
Taxes:				
Property Taxes Levied 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
Total General Revenues				<u>\$ 18,930,034</u>
Insurance Recovery				<u>\$ 2,423</u>
Change in Net Position				\$ 1,955,993
Net Position, July 1, 2023				<u>23,835,621</u>
Net Position, June 30, 2024				<u>\$ 25,791,614</u>

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

Discretely Presented Grundy County School Department

June 30, 2024

	Major Funds			Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
ASSETS					
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
Total Assets	<u>\$ 11,901,135</u>	<u>\$ 559,064</u>	<u>\$ 1,374,257</u>	<u>\$ 505,629</u>	<u>\$ 14,340,085</u>
LIABILITIES					
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
Total Liabilities	<u>\$ 638,155</u>	<u>\$ 56,799</u>	<u>\$ 19,983</u>	<u>\$ 0</u>	<u>\$ 714,937</u>

(Continued)

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

Discretely Presented Grundy County School Department (Cont.)

	Major Funds			Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
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	<u>\$ 616,735</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 616,735</u>
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
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	<u>\$ 10,646,245</u>	<u>\$ 502,265</u>	<u>\$ 1,354,274</u>	<u>\$ 505,629</u>	<u>\$ 13,008,413</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,901,135</u>	<u>\$ 559,064</u>	<u>\$ 1,374,257</u>	<u>\$ 505,629</u>	<u>\$ 14,340,085</u>

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.		<u>223,705</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 25,791,614</u></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

	Major Funds			Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
Revenues					
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
Total Revenues	\$ 19,996,176	\$ 5,362,016	\$ 1,414,190	\$ 703,382	\$ 27,475,764
Expenditures					
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
Total Expenditures	\$ 17,499,117	\$ 5,347,452	\$ 1,717,186	\$ 660,276	\$ 25,224,031
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,497,059	\$ 14,564	\$ (302,996)	\$ 43,106	\$ 2,251,733
Other Financing Sources (Uses)					
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)
Total Other Financing Sources (Uses)	\$ (283,163)	\$ 285,586	\$ 0	\$ 0	\$ 2,423
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	\$ 10,646,245	\$ 502,265	\$ 1,354,274	\$ 505,629	\$ 13,008,413

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)		<u>\$ 1,955,993</u>	

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	
Revenues						
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
Expenditures						
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	
Expenditures (Cont.)						
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
Other Financing Sources (Uses)						
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**

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)	
	Actual	Original	Final	
Revenues				
Federal Government	\$ 5,362,016	\$ 1,700,511	\$ 6,542,764	\$ (1,180,748)
Total Revenues	\$ 5,362,016	\$ 1,700,511	\$ 6,542,764	\$ (1,180,748)
Expenditures				
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	\$ 5,347,452	\$ 1,686,097	\$ 6,528,351	\$ 1,180,899
Excess (Deficiency) of Revenues Over Expenditures	\$ 14,564	\$ 14,414	\$ 14,413	\$ 151
Other Financing Sources (Uses)				
Transfers In	\$ 300,000	\$ 0	\$ 300,000	\$ 0
Transfers Out	(14,414)	(14,414)	(14,414)	0
Total Other Financing Sources	\$ 285,586	\$ (14,414)	\$ 285,586	\$ 0
Net Change in Fund Balance	\$ 300,150	\$ 0	\$ 299,999	\$ 151
Fund Balance, July 1, 2023	202,115	0	0	202,115
Fund Balance, June 30, 2024	\$ 502,265	\$ 0	\$ 299,999	\$ 202,266

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**

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original Final	
Revenues			
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	<u>\$ 1,414,190</u>	<u>\$ 1,974,243 \$ 1,974,243</u>	<u>\$ (560,053)</u>
Expenditures			
Operation of Non-Instructional Services			
Food Service	\$ 1,717,186	\$ 1,974,243 \$ 2,060,243	\$ 343,057
Total Expenditures	<u>\$ 1,717,186</u>	<u>\$ 1,974,243 \$ 2,060,243</u>	<u>\$ 343,057</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (302,996)</u>	<u>\$ 0 \$ (86,000)</u>	<u>\$ (216,996)</u>
Net Change in Fund Balance	\$ (302,996)	\$ 0 \$ (86,000)	\$ (216,996)
Fund Balance, July 1, 2023	<u>1,657,270</u>	<u>1,740,821 1,740,821</u>	<u>(83,551)</u>
Fund Balance, June 30, 2024	<u><u>\$ 1,354,274</u></u>	<u><u>\$ 1,740,821 \$ 1,654,821</u></u>	<u><u>\$ (300,547)</u></u>

GRUNDY COUNTY, TENNESSEE**Statement of Fiduciary Net Position**

Discretely Presented Grundy County School Department

Fiduciary Fund

June 30, 2024

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

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

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

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or	
								Matured During Period	Outstanding 6-30-24
BONDS PAYABLE									
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
NOTES PAYABLE									
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

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

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	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
Total	\$ 5,976,151	\$ 3,800,458	\$ 9,776,609

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

GRUNDY COUNTY, TENNESSEE**Schedule of Transfers**

Discretely Presented Grundy County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
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><u>\$ 314,414</u></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

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 100,157</u>			
Highway Superintendent		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 95,388</u>			
Director of Schools		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>\$ 147,302</u>			
Trustee		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 86,716</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 86,716</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 86,716</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 86,716</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 86,716</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary/Total compensation	<u>\$ 86,716</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	"
Base salary	\$ 95,388			
Law enforcement training supplement	800			
Total compensation	<u>\$ 96,188</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.

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
Local Taxes						
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
Licenses and Permits						
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.)

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
Fines, Forfeitures, and Penalties						
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)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)						
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	\$ 0	\$ 0	\$ 0	\$ 0	1,000	0
Total Fines, Forfeitures, and Penalties	\$ 60,494	\$ 0	\$ 0	\$ 0	19,248	0
Charges for Current Services						
General Service Charges						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	0	221,556
Fees						
Archives and Records Management Fee	4,823	0	0	0	0	0
Greenbelt Late Application Fee	160	0	30	0	0	0
Telephone Commissions	16,531	0	0	0	0	0
Additional Fees - Titling and Registration	13,770	0	0	0	0	0
Data Processing Fee - Register	4,856	0	0	0	0	0
Data Processing Fee - Sheriff	1,165	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	2,100	0	0	0	0	0
Data Processing Fee - County Clerk	1,846	0	0	0	0	0
Vehicle Registration Reinstatement Fees	1,205	0	0	0	0	0
Total Charges for Current Services	\$ 46,456	\$ 0	30	\$ 0	0	221,556
Other Local Revenues						
Recurring Items						
Investment Income	\$ 57,871	\$ 0	0	\$ 0	0	0
Lease/Rentals/PPP	0	0	79,064	28,834	0	0
Commissary Sales	9,902	0	0	0	0	0
Sale of Diesel	0	0	0	0	0	28,310
Miscellaneous Refunds	46,638	0	2	0	59	6,399

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
Other Local Revenues (Cont.)						
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	<u>\$ 116,316</u>	<u>\$ 0</u>	<u>\$ 90,189</u>	<u>\$ 28,834</u>	<u>\$ 59</u>	<u>\$ 34,709</u>
Fees Received From County Officials						
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	<u>\$ 791,824</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 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)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
State of Tennessee (Cont.)						
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)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Highway / Public Works
Federal Government (Cont.)						
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	<u>\$ 3,143,834</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 83,598</u>	<u>\$ 0</u>	<u>0</u>
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 9,500	\$ 0	\$ 0	\$ 0	\$ 0	0
Total Other Governments and Citizens Groups	<u>\$ 9,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 11,789,941</u>	<u>\$ 32,123</u>	<u>\$ 897,875</u>	<u>\$ 112,432</u>	<u>\$ 19,307</u>	<u>\$ 2,492,049</u>

(Continued)

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

	Debt Service Fund	
	General Debt Service	Total
Local Taxes		
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	<u>\$ 121,568</u>	<u>\$ 5,725,949</u>
Licenses and Permits		
Licenses		
Marriage Licenses	\$ 0	\$ 527
Cable TV Franchise	0	31,312
Permits		
Beer Permits	0	950
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 32,789</u>

(Continued)

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

	Debt Service Fund		
	General Debt Service		Total
Fines, Forfeitures, and Penalties			
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
Fines, Forfeitures, and Penalties (Cont.)		
Other Fines, Forfeitures, and Penalties		
Proceeds from Confiscated Property	\$ 0	\$ 1,000
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 79,742
Charges for Current Services		
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
Other Local Revenues		
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.)

	Debt Service Fund	
	General Debt Service	Total
Other Local Revenues (Cont.)		
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
Fees Received From County Officials		
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
State of Tennessee		
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.)

	Debt Service Fund	
	General Debt Service	Total
State of Tennessee (Cont.)		
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	<u>\$ 0</u>	<u>\$ 5,059,910</u>
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
Federal Government (Cont.)		
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	<u>\$ 0</u>	<u>\$ 3,227,432</u>
Other Governments and Citizens Groups		
Other Governments		
Contributions	\$ 0	\$ 9,500
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 9,500</u>
Total	<u>\$ 817,484</u>	<u>\$ 16,161,211</u>

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

Discretely Presented Grundy County School Department

For the Year Ended June 30, 2024

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 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>	
Licenses and Permits						
Licenses						
Marriage Licenses	<u>\$ 461</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 461</u>	
Total Licenses and Permits	<u>\$ 461</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 461</u>	
Charges for Current Services						
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.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Other Local Revenues						
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	\$ 95,616	\$ 0	\$ 968	\$ 703,382	\$ 799,966	
State of Tennessee						
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.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
State of Tennessee (Cont.)					
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
Federal Government					
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	
Total County Commission			\$ 112,789

Board of Equalization

Board and Committee Members Fees	\$	1,500	
Total Board of Equalization			1,500

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	
Total County Mayor/Executive			252,718

County Attorney

Legal Services	\$	14,235	
Total County Attorney			14,235

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		153,057	
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		812	
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		7,021	
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		10,338	
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		1,163	
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		4,431	
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		3,515	
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		915	
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		59,571	
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		50,123	
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		15,225	
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		17,109	
Total Correctional Incentive Program Improvements			37,575

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services

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

Work Release Program

Other Contracted Services	\$	23,260	
Other Charges		<u>6,833</u>	
Total Work Release Program			30,093

Fire Prevention and Control

Contracts with Other Public Agencies	\$	8,000	
Contributions		<u>11,000</u>	
Total Fire Prevention and Control			19,000

Rescue Squad

Contributions	\$	<u>5,000</u>	
Total Rescue Squad			5,000

Other Emergency Management

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

County Coroner/Medical Examiner

County Official/Administrative Officer	\$	10,000	
Pauper Burials		<u>900</u>	
Total County Coroner/Medical Examiner			10,900

Public Safety Grants Program

Contracts with Other Public Agencies	\$	<u>68,782</u>	
Total Public Safety Grants Program			68,782

Other Public Safety

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		241,860	
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		1,587	
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		941	
Total Soil Conservation			44,697

Other Operations

Tourism

Contributions	\$	150,000	
Other Supplies and Materials		2,658	
Other Charges		36,000	
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		1,273	
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.)

General Fund (Cont.)

Other Operations (Cont.)

Other Charges (Cont.)

Trustee's Commission	\$	91,130	
Vehicle and Equipment Insurance		17,697	
Workers' Compensation Insurance		26,796	
Total Other Charges			\$ 258,245

Contributions to Other Agencies

Contributions	\$	45,000	
Total Contributions to Other Agencies			45,000

Employee Benefits

Social Security	\$	65	
Pensions		227,676	
Medical Insurance		227,806	
Employer Medicare		14	
Total Employee Benefits			455,561

COVID-19 Grant I

Data Processing Services	\$	42,600	
Maintenance Agreements		7,000	
Other Contracted Services		1,275	
Office Supplies		5,136	
Total COVID-19 Grant I			56,011

Miscellaneous

Other Charges	\$	48,901	
Total Miscellaneous			48,901

Capital Projects

Public Health and Welfare Projects

Building Construction	\$	37,708	
Total Public Health and Welfare Projects			37,708

Total General Fund \$ 8,639,589

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Maintenance and Repair Services - Buildings	\$	40,232	
Total County Buildings			\$ 40,232

Other Operations

Other Charges

Trustee's Commission	\$	321	
Total Other Charges			321

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	
Total Waste Pickup			\$ 41,098

Convenience Centers

Truck Drivers	\$	88,740	
Part-time Personnel		153,003	
Social Security		18,493	
Unemployment Compensation		550	
Communication		7,341	
Maintenance and Repair Services - Vehicles		38,074	
Disposal Fees		454,753	
Other Contracted Services		8,790	
Diesel Fuel		49,948	
Electricity		14,221	
Water and Sewer		3,864	
Other Supplies and Materials		6,314	
Other Charges		1,100	
Other Equipment		66,600	
Total Convenience Centers			911,791

Landfill Operation and Maintenance

Contracts with Private Agencies	\$	11,070	
Other Charges		2,800	
Total Landfill Operation and Maintenance			13,870

Other Operations

Other Charges

Trustee's Commission	\$	14,693	
Total Other Charges			14,693

Total Solid Waste/Sanitation Fund \$ 981,452

Industrial/Economic Development Fund

Other Operations

Industrial Development

Other Charges	\$	174	
Total Industrial Development			\$ 174

Total Industrial/Economic Development Fund 174

(Continued)

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		16,500	
Total Drug Enforcement			\$ 33,500

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		692	
Total Administration			\$ 218,157

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 150,000

Total General Government \$ 464,972

Interest on Debt

General Government

Interest on Bonds \$ 218,508

Interest on Notes 11,591

Total General Government 230,099

Other Debt Service

General Government

Trustee's Commission \$ 8,804

Total General Government 8,804

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		157,957	
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		3,345	
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		3,684	
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	
Total Transportation			\$ 975,653

Operation of Non-Instructional Services

Food Service

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

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	
Total Community Services			181,522

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		8,483	
Total Early Childhood Education			\$ 401,825

Capital Outlay

Regular Capital Outlay

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

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		9,702	
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		37,185	
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		13,754	
Total Career and Technical Education Program	\$		38,874

Support Services

Health Services

Software	\$	6,925	
Other Supplies and Materials		6,365	
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		1,633	
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		1,720	
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
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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		37,172	
Total Food Service			\$ 1,717,186

Total Central Cafeteria Fund		\$	1,717,186
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Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	660,276	
Total Community Services			\$ 660,276

Total Internal School Fund			660,276
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Total Governmental Funds - Grundy County School Department			\$ 25,224,031
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GRUNDY COUNTY, TENNESSEE**Schedule of Detailed Revenues and Expenses**

All Proprietary Fund Types

For the Year Ended June 30, 2024

	Business-type Activities <hr/> Major Enterprise Fund <hr/> Waste Water Fund
Revenues	
Operating Revenues	
Charges for Current Services	
Water Treatment Charges	\$ 149,522
Total Charges for Current Services	<u>\$ 149,522</u>
Other Local Revenues	
Recurring Items	
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>
Expenses	
Operating Expenses	
Other Waste Disposal	
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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
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)
Total U.S. Department of Agriculture			<u>\$ 1,346,063</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(4)	\$ 140,833
Total U.S. Department of Housing and Urban Development			<u>\$ 140,833</u>
U.S. Department of Justice:			
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
Total U.S. Department of Justice			<u>\$ 104,709</u>
U.S. Department of Transportation:			
Passed-through State Department of Safety and Homeland Security:			
Highway Safety Cluster: (5)			
State and Community Highway Safety	20.600	(4)	\$ 4,450
Total U.S. Department of Transportation			<u>\$ 4,450</u>
U.S. Department of the Treasury:			
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)
Total U.S. Department of Transportation			<u>\$ 2,764,003</u>

(Continued)

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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 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			<u>\$ 5,586,857</u>
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			<u>\$ 129,376</u>
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			<u>\$ 131,223</u>

(Continued)

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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
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><u>\$ 10,218,140</u></u>

		Contract Number	
State Grants			
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><u>\$ 3,297,504</u></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:

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

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

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of 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.

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

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 oversight, 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



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 Luntz

Sheriff

02/18/2025

Date

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.