



## ANNUAL FINANCIAL REPORT

# Henderson County, Tennessee

*For the Year Ended June 30, 2024*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

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

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

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

*LEE ANN WEST, CPA, CGFM*  
*Audit Manager*

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

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# HENDERSON COUNTY, TENNESSEE

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## *Summary of Audit Findings*

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

### *Scope*

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

### *Results*

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

Our audit resulted in one finding and recommendation, which we have reviewed with Henderson County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

### *Finding*

The following is a summary of the audit finding:

#### **OFFICE OF FINANCE DEPARTMENT**

- ◆ Competitive bids were not solicited for the purchase of generators.



# INTRODUCTORY SECTION

# HENDERSON COUNTY OFFICIALS

June 30, 2024

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## Officials

Roddie McCready, County Mayor  
Steve Vineyard, Road Supervisor  
Danny Beecham, Director of Schools  
John Cavness, Trustee  
Gary Pope, Assessor of Property  
Tasha Carver, County Clerk  
Beverly Dunaway, Circuit, General Sessions, and Juvenile Courts Clerk  
Leigh Milam, Clerk and Master  
Doug Bartholomew, Register of Deeds  
Brain Duke, Sheriff  
Megan Vineyard, Finance Director

## Board of County Commissioners

Robbie McCready, County Mayor, Chairman	
Terry Allen	Mack Maness, Jr.
Andy Anderson	Tommy Page
Todd Beecham	Nick Peterson
William Carter	Joe Ross
Jeff James	Blake Stanfill
Jack Johnson	Tonya Stegall
Randal Keen	Aaron Wood

## Board of Education

Tommy Gordon, Chairman  
Jeff Camper  
Steve Crownover  
Bobby Harrington  
Daniel Lewis  
Dennis Ray McDaniel  
John Walker

## Financial Management Committee

Robbie McCready, County Mayor, Chairman  
Corey Bingham  
Beverly Dunaway  
Jeff James  
Mack Maness  
Steve Vineyard, Road Supervisor  
Danny Beecham, Director of Schools

## Audit Committee

Tommy Page, Chairman  
Aaron Wood  
Dennis Ray McDaniel

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of the Internal School Fund of the Henderson County School Department (a discretely presented component unit), which represent 2.6 percent, 2.8 percent, and five percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Henderson County School Department's Internal School Fund, is based solely on the report of the other auditors.

#### *Basis for Opinions*

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

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Henderson 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 Henderson 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 Henderson 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***

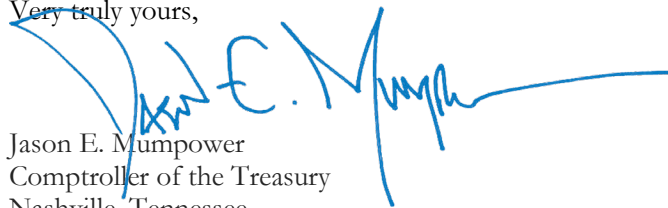
In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2024, on our consideration of Henderson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 Henderson 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 Henderson County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

September 10, 2024

JEM/gc



# BASIC FINANCIAL STATEMENTS SECTION

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

	<b>Primary Government</b>	<b>Component Unit</b>
	<u>Governmental Activities</u>	<u>Henderson County School Department</u>
<b>ASSETS</b>		
Cash	\$ 20,515	\$ 1,133,652
Equity in Pooled Cash and Investments	11,278,494	10,939,923
Inventories	0	2,378
Accounts Receivable	6,744	15,940
Due from Other Governments	926,255	2,199,667
Due from Component Units	733,574	0
Property Taxes Receivable	8,620,348	1,865,732
Allowance for Uncollectible Property Taxes	(122,868)	(30,570)
Net Pension Asset - Agent Plan	273,530	0
Net Pension Asset - Teacher Retirement Plan	0	123,613
Net Pension Asset - Teacher Legacy Pension Plan	0	4,948,974
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	478,131
Capital Assets:		
Assets Not Depreciated:		
Land	2,127,209	1,151,661
Construction in Progress	0	5,395,311
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	9,329,457	13,382,805
Infrastructure	5,183,190	39,430
Other Capital Assets	3,331,316	2,217,984
Total Assets	<u>\$ 41,707,764</u>	<u>\$ 43,864,631</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charge on Refunding	\$ 94,397	\$ 0
Pension Changes in Experience	511,298	1,521,014
Pension Changes in Investment Earnings	158,090	972,169
Pension Changes in Assumptions	694,774	2,164,462
Pension Changes in Proportion	0	18,538
Pension Contributions after Measurement Date	634,215	1,548,281
OPEB Changes in Experience	16,210	556,098
OPEB Changes in Assumptions	67,578	982,393
OPEB Changes in Proportion	0	302,928
OPEB Contributions after Measurement Date	789	168,281
Total Deferred Outflows of Resources	<u>\$ 2,177,351</u>	<u>\$ 8,234,164</u>

(Continued)

Exhibit A

**HENDERSON COUNTY, TENNESSEE**  
**Statement of Net Position (Cont.)**

	<b>Primary Government</b>	<b>Component Unit</b>
	<u>Governmental Activities</u>	<u>Henderson County School Department</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 0	\$ 170
Payroll Deductions Payable	750	675,124
Accrued Interest Payable	59,497	0
Due to Primary Government	0	733,574
Noncurrent Liabilities:		
Due Within One Year - Debt	1,823,480	0
Due Within One Year - Other	304,861	1,524,605
Due in More Than One Year - Debt	8,883,324	0
Due in More Than One Year - Other	870,566	4,393,532
Total Liabilities	<u>\$ 11,942,478</u>	<u>\$ 7,327,005</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Current Property Taxes	\$ 8,261,629	\$ 1,773,004
Pension Changes in Experience	275,142	437,389
Pension Changes in Assumptions	4,702	0
Pension Changes in Proportion	0	182,834
OPEB Changes in Experience	80,788	505,998
OPEB Changes in Assumptions	101,762	477,229
OPEB Changes in Proportion	0	188,139
Total Deferred Inflows of Resources	<u>\$ 8,724,023</u>	<u>\$ 3,564,593</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$ 12,971,619	\$ 22,187,191
Restricted for:		
General Government	1,288,668	0
Finance	90,557	0
Administration of Justice	220,572	0
Public Safety	756,318	0
Public Health and Welfare	543,352	0
Highway/Public Works	1,014,774	0
Debt Service	189,093	0
Education	0	1,177,106
Operation of Non-instructional Services	0	1,020,979
Pensions	273,530	5,072,587
Hybrid Retirement Stabilization Funds	0	478,131
Unrestricted	<u>5,870,131</u>	<u>11,271,203</u>
Total Net Position	<u>\$ 23,218,614</u>	<u>\$ 41,207,197</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Total Governmental Activities	Henderson County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 2,388,189	\$ 280,427	\$ 27,506	\$ 55,000	\$ (2,025,256)	\$ 0
Finance	1,478,235	837,302	32,000	0	(608,933)	0
Administration of Justice	1,531,300	1,379,527	507,393	0	355,620	0
Public Safety	9,507,430	1,606,132	1,215,996	375,013	(6,310,289)	0
Public Health and Welfare	1,405,873	82,777	366,964	0	(956,132)	0
Social, Cultural, and Recreational Services	120,480	0	0	0	(120,480)	0
Agriculture and Natural Resources	178,301	0	20,226	0	(158,075)	0
Highways	5,939,453	0	2,647,796	3,521,075	229,418	0
Education	0	0	470,530	0	470,530	0
Interest on Long-term Debt	364,021	0	32,892	0	(331,129)	0
<b>Total Primary Government</b>	<b>\$ 22,913,282</b>	<b>\$ 4,186,165</b>	<b>\$ 5,321,303</b>	<b>\$ 3,951,088</b>	<b>\$ (9,454,726)</b>	<b>\$ 0</b>
Component Unit:						
Henderson County School Department	\$ 53,392,850	\$ 398,771	\$ 14,598,694	\$ 298,991	\$ 0	\$ (38,096,394)
<b>Total Component Unit</b>	<b>\$ 53,392,850</b>	<b>\$ 398,771</b>	<b>\$ 14,598,694</b>	<b>\$ 298,991</b>	<b>\$ 0</b>	<b>\$ (38,096,394)</b>

(Continued)

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Total Governmental Activities	Henderson County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes				\$ 7,038,412	\$ 2,287,330	
Property Taxes Levied for Debt Service				921,796	0	
Local Option Sales Taxes				395,552	5,618,864	
Hotel/Motel Tax				362,566	0	
Wheel Tax				1,024,063	0	
Litigation Taxes				217,928	0	
Business Tax				382,732	0	
Fire Tax				514,565	0	
Other Local Taxes				117,760	668	
Grants and Contributions Not Restricted to Specific Programs				267,037	32,536,697	
Unrestricted Investment Income				1,117,097	161,714	
Miscellaneous				204,735	64,704	
Total General Revenues				<u>\$ 12,564,243</u>	<u>\$ 40,669,977</u>	
Change in Net Position				\$ 3,109,517	\$ 2,573,583	
Net Position, July 1, 2023				<u>20,109,097</u>	<u>38,633,614</u>	
Net Position, June 30, 2024				<u>\$ 23,218,614</u>	<u>\$ 41,207,197</u>	

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

**HENDERSON COUNTY, TENNESSEE**  
**Balance Sheet**  
 Governmental Funds  
**June 30, 2024**

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds	
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 20,515	\$ 20,515
Equity in Pooled Cash and Investments	5,950,491	1,323,467	1,568,878	2,435,658	11,278,494
Accounts Receivable	6,478	0	194	72	6,744
Due from Other Governments	441,703	453,653	0	30,899	926,255
Due from Other Funds	20,587	0	0	0	20,587
Property Taxes Receivable	7,237,965	271,121	626,666	484,596	8,620,348
Allowance for Uncollectible Property Taxes	(100,308)	(3,939)	(11,492)	(7,129)	(122,868)
Total Assets	<u>\$ 13,556,916</u>	<u>\$ 2,044,302</u>	<u>\$ 2,184,246</u>	<u>\$ 2,964,611</u>	<u>\$ 20,750,075</u>
<b>LIABILITIES</b>					
Payroll Deductions Payable	\$ 750	\$ 0	\$ 0	\$ 0	\$ 750
Due to Other Funds	0	0	0	20,587	20,587
Total Liabilities	<u>\$ 750</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 20,587</u>	<u>\$ 21,337</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 6,947,509	\$ 260,072	\$ 589,634	\$ 464,414	\$ 8,261,629
Deferred Delinquent Property Taxes	179,076	6,676	23,964	12,249	221,965
Other Deferred/Unavailable Revenue	89,837	219,000	0	15,000	323,837
Total Deferred Inflows of Resources	<u>\$ 7,216,422</u>	<u>\$ 485,748</u>	<u>\$ 613,598</u>	<u>\$ 491,663</u>	<u>\$ 8,807,431</u>

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds	
<b>FUND BALANCES</b>					
Restricted:					
Restricted for General Government	\$ 130,949	\$ 0	\$ 0	\$ 0	130,949
Restricted for General Government - American Rescue Plan Act	0	0	0	1,157,719	1,157,719
Restricted for Finance	90,557	0	0	0	90,557
Restricted for Administration of Justice	220,572	0	0	0	220,572
Restricted for Public Safety	653,606	0	0	102,712	756,318
Restricted for Public Health and Welfare	516,103	0	0	0	516,103
Restricted for Highways/Public Works	0	816,029	0	0	816,029
Restricted for Debt Service	0	0	35,733	94,496	130,229
Committed:					
Committed for General Government	238,011	0	0	95,167	333,178
Committed for Public Health and Welfare	0	0	0	424,013	424,013
Committed for Other Operations	344,807	0	0	0	344,807
Committed for Highways/Public Works	0	742,525	0	0	742,525
Committed for Debt Service	0	0	1,534,915	578,254	2,113,169
Unassigned	4,145,139	0	0	0	4,145,139
Total Fund Balances	<u>\$ 6,339,744</u>	<u>\$ 1,558,554</u>	<u>\$ 1,570,648</u>	<u>\$ 2,452,361</u>	<u>\$ 11,921,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,556,916</u>	<u>\$ 2,044,302</u>	<u>\$ 2,184,246</u>	<u>\$ 2,964,611</u>	<u>\$ 20,750,075</u>

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

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

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)	\$	11,921,307	
 (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	2,127,209	
Add: buildings and improvements net of accumulated depreciation		9,329,457	
Add: infrastructure net of accumulated depreciation		5,183,190	
Add: other capital assets net of accumulated depreciation		<u>3,331,316</u>	19,971,172
 (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loan payable	\$	(733,574)	
Add: debt to be contributed by the school department		733,574	
Less: bonds payable		(9,365,000)	
Add: deferred amount on refunding		94,397	
Less: compensated absences payable		(295,409)	
Less: landfill closure/postclosure care costs		(23,738)	
Less: net pension liability - Henderson County Employees Agent Plan		(667,717)	
Less: net OPEB liability		(188,563)	
Less: accrued interest payable		(59,497)	
Less: unamortized premium on debt		<u>(608,230)</u>	(11,113,757)
 (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	\$	1,998,377	
Less: deferred inflows of resources related to pensions		(279,844)	
Add: deferred outflows of resources related to OPEB		84,577	
Less: deferred inflows of resources related to OPEB		<u>(182,550)</u>	1,620,560
 (4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - Henderson County Judges, Officials, and Executives Agent Plan			273,530
 (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			
			<u>545,802</u>
Net position of governmental activities (Exhibit A)	\$		<u><u>23,218,614</u></u>

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

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds	
<b>Revenues</b>					
Local Taxes	\$ 8,189,203	\$ 266,439	\$ 1,981,344	\$ 679,220	\$ 11,116,206
Licenses and Permits	1,235	0	0	0	1,235
Fines, Forfeitures, and Penalties	701,478	0	0	28,316	729,794
Charges for Current Services	139,103	0	0	43,712	182,815
Other Local Revenues	1,284,680	52,854	133,684	190,904	1,662,122
Fees Received From County Officials	1,597,002	0	0	0	1,597,002
State of Tennessee	2,593,907	6,170,867	0	0	8,764,774
Federal Government	868,399	0	0	0	868,399
Other Governments and Citizens Groups	658,583	0	104,180	366,350	1,129,113
<b>Total Revenues</b>	<b>\$ 16,033,590</b>	<b>\$ 6,490,160</b>	<b>\$ 2,219,208</b>	<b>\$ 1,308,502</b>	<b>\$ 26,051,460</b>
<b>Expenditures</b>					
Current:					
General Government	\$ 1,660,987	\$ 0	\$ 0	\$ 32,079	\$ 1,693,066
Finance	1,443,762	0	0	0	1,443,762
Administration of Justice	1,243,088	0	0	46,734	1,289,822
Public Safety	8,783,218	0	0	279,975	9,063,193
Public Health and Welfare	569,369	0	0	755,292	1,324,661
Social, Cultural, and Recreational Services	112,591	0	0	3,750	116,341
Agriculture and Natural Resources	169,661	0	0	0	169,661
Other Operations	1,140,928	0	0	50,000	1,190,928
Highways	0	6,715,456	0	392,657	7,108,113
Debt Service:					
Principal on Debt	0	0	1,887,208	300,000	2,187,708
Interest on Debt	0	0	263,174	66,350	329,524
Other Debt Service	0	0	34,080	2,054	35,634
<b>Total Expenditures</b>	<b>\$ 15,123,604</b>	<b>\$ 6,715,456</b>	<b>\$ 2,184,462</b>	<b>\$ 1,928,891</b>	<b>\$ 25,952,413</b>

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Statement of Revenues, Expenditures,  
and Changes in Fund Balances**

Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 909,986	\$ (225,296)	\$ 34,746	\$ (620,389)	\$ 99,047
<b>Other Financing Sources (Uses)</b>					
Insurance Recovery	\$ 81,926	\$ 14,295	\$ 0	\$ 0	\$ 96,221
Transfers In	335,447	0	160,102	0	495,549
Transfers Out	(160,102)	0	0	(335,447)	(495,549)
Total Other Financing Sources (Uses)	\$ 257,271	\$ 14,295	\$ 160,102	\$ (335,447)	\$ 96,221
Net Change in Fund Balances	\$ 1,167,257	\$ (211,001)	\$ 194,848	\$ (955,836)	\$ 195,268
Fund Balance, July 1, 2023	5,172,487	1,769,555	1,375,800	3,408,197	11,726,039
Fund Balance, June 30, 2024	\$ 6,339,744	\$ 1,558,554	\$ 1,570,648	\$ 2,452,361	\$ 11,921,307

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

**HENDERSON 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)	\$	195,268
(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	\$	2,478,590
Less: current-year depreciation expense		<u>(1,693,418)</u>
		785,172
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$	545,802
Less: deferred delinquent property taxes and other deferred June 30, 2023		<u>(607,355)</u>
		(61,553)
(3) The issuance of long-term debt (e.g., bonds and other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: change in premium on debt issuances	\$	125,100
Less: change in deferred amount on refunding debt		(48,652)
Add: principal payments on bonds		2,095,000
Add: principal payments on other loan		92,208
Less: contributions from the school department for the other loan		<u>(92,208)</u>
		2,171,448
(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	\$	14,155
Change in landfill closure/postclosure care costs		6,754
Change in compensated absences payable		(43,838)
Change in net OPEB liability		(51,516)
Change in deferred outflows related to OPEB		25,870
Change in deferred inflows related to OPEB		24,606
Change in net pension liability - Henderson County Employees Agent Plan		(310,414)
Change in net pension asset - Henderson County Judges, Officials, and Executives Agent Plan		149,272
Change in deferred outflows related to pensions		175,469
Change in deferred inflows related to pensions		<u>28,824</u>
		<u>19,182</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>3,109,517</u></u>

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

**HENDERSON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 General Fund  
**For the Year Ended June 30, 2024**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 8,189,203	\$ 7,483,116	\$ 7,573,116	\$ 616,087
Licenses and Permits	1,235	1,000	1,000	235
Fines, Forfeitures, and Penalties	701,478	507,150	507,150	194,328
Charges for Current Services	139,103	105,600	105,600	33,503
Other Local Revenues	1,284,680	757,550	757,550	527,130
Fees Received From County Officials	1,597,002	1,397,000	1,397,000	200,002
State of Tennessee	2,593,907	1,633,800	3,672,472	(1,078,565)
Federal Government	868,399	32,000	32,000	836,399
Other Governments and Citizens Groups	658,583	402,000	402,000	256,583
<b>Total Revenues</b>	<b>\$ 16,033,590</b>	<b>\$ 12,319,216</b>	<b>\$ 14,447,888</b>	<b>\$ 1,585,702</b>
<b>Expenditures</b>				
General Government				
County Commission	\$ 122,333	\$ 126,750	\$ 126,750	\$ 4,417
Board of Equalization	5,665	2,500	5,800	135
County Mayor/Executive	190,146	208,325	206,925	16,779
County Attorney	8,545	16,895	16,895	8,350
Election Commission	236,436	223,203	244,703	8,267
Register of Deeds	209,509	221,190	221,190	11,681
County Buildings	888,353	890,000	985,000	96,647
Finance				
Accounting and Budgeting	404,270	423,069	423,069	18,799
Property Assessor's Office	295,711	317,690	317,690	21,979
County Trustee's Office	356,058	353,715	359,715	3,657
County Clerk's Office	387,723	403,878	403,878	16,155
Administration of Justice				
Circuit Court	553,979	547,412	567,912	13,933
General Sessions Court	281,682	301,329	302,939	21,257
Drug Court	5,798	10,000	10,000	4,202
Chancery Court	255,995	259,187	264,187	8,192
Juvenile Court	68,747	72,736	72,736	3,989
Victim Assistance Programs	76,887	0	78,500	1,613
Public Safety				
Sheriff's Department	3,545,843	2,716,027	3,643,685	97,842
Administration of the Sexual Offender Registry	3,021	5,700	5,700	2,679
Workhouse	3,047,902	2,502,795	3,154,757	106,855
Fire Prevention and Control	801,263	454,925	852,674	51,411
Civil Defense	137,642	170,097	170,097	32,455
Rescue Squad	20,000	20,000	20,000	0
County Coroner/Medical Examiner	86,428	123,050	123,050	36,622
Public Safety Grants Program	267,188	0	286,500	19,312
Other Public Safety	873,931	691,666	891,916	17,985
Public Health and Welfare				
Local Health Center	269,402	58,250	358,250	88,848
Alcohol and Drug Programs	76,116	0	120,000	43,884
Other Local Health Services	164,320	8,000	205,500	41,180
Appropriation to State	0	11,420	11,420	11,420
Aid to Dependent Children	0	700	700	700

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Expenditures (Cont.)</b>				
Public Health and Welfare (Cont.)				
Waste Pickup	\$ 59,531	\$ 48,800	\$ 68,900	\$ 9,369
Social, Cultural, and Recreational Services				
Adult Activities	4,733	8,234	8,234	3,501
Senior Citizens Assistance	17,000	17,500	17,500	500
Libraries	56,500	56,500	56,500	0
Other Social, Cultural, and Recreational	34,358	37,308	37,308	2,950
Agriculture and Natural Resources				
Agricultural Extension Service	113,779	126,770	144,870	31,091
Soil Conservation	24,545	26,336	26,336	1,791
Flood Control	31,337	40,000	40,000	8,663
Other Operations				
Tourism	44,000	50,000	50,000	6,000
Industrial Development	20,633	19,750	20,750	117
Veterans' Services	83,364	83,911	86,461	3,097
Other Charges	556,374	515,000	560,100	3,726
Employee Benefits	0	10,000	10,000	10,000
Miscellaneous	436,557	273,080	498,230	61,673
Total Expenditures	\$ 15,123,604	\$ 12,453,698	\$ 16,077,327	\$ 953,723
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 909,986	\$ (134,482)	\$ (1,629,439)	\$ 2,539,425
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 81,926	\$ 0	\$ 0	\$ 81,926
Transfers In	335,447	150,000	150,000	185,447
Transfers Out	(160,102)	0	(160,102)	0
Total Other Financing Sources	\$ 257,271	\$ 150,000	\$ (10,102)	\$ 267,373
Net Change in Fund Balance	\$ 1,167,257	\$ 15,518	\$ (1,639,541)	\$ 2,806,798
Fund Balance, July 1, 2023	5,172,487	4,350,000	4,350,000	822,487
Fund Balance, June 30, 2024	\$ 6,339,744	\$ 4,365,518	\$ 2,710,459	\$ 3,629,285

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 266,439	\$ 261,150	\$ 261,150	\$ 5,289
Other Local Revenues	52,854	42,500	42,500	10,354
State of Tennessee	6,170,867	2,921,000	6,466,995	(296,128)
<b>Total Revenues</b>	<b>\$ 6,490,160</b>	<b>\$ 3,224,650</b>	<b>\$ 6,770,645</b>	<b>\$ (280,485)</b>
<b>Expenditures</b>				
Highways				
Administration	\$ 202,270	\$ 211,276	\$ 209,276	\$ 7,006
Highway and Bridge Maintenance	2,177,275	1,985,320	2,292,820	115,545
Operation and Maintenance of Equipment	581,111	553,600	633,600	52,489
Other Charges	160,719	168,250	168,250	7,531
Employee Benefits	3,405	11,000	11,000	7,595
Capital Outlay	3,590,676	821,000	4,366,995	776,319
<b>Total Expenditures</b>	<b>\$ 6,715,456</b>	<b>\$ 3,750,446</b>	<b>\$ 7,681,941</b>	<b>\$ 966,485</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (225,296)	\$ (525,796)	\$ (911,296)	\$ 686,000
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 14,295	\$ 0	\$ 0	\$ 14,295
<b>Total Other Financing Sources</b>	<b>\$ 14,295</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 14,295</b>
Net Change in Fund Balance	\$ (211,001)	\$ (525,796)	\$ (911,296)	\$ 700,295
Fund Balance, July 1, 2023	1,769,555	1,200,000	1,200,000	569,555
<b>Fund Balance, June 30, 2024</b>	<b>\$ 1,558,554</b>	<b>\$ 674,204</b>	<b>\$ 288,704</b>	<b>\$ 1,269,850</b>

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

**HENDERSON COUNTY, TENNESSEE****Statement of Net Position**

Fiduciary Funds

**June 30, 2024**

	<b><u>Custodial Funds</u></b>
<b>ASSETS</b>	
Cash	\$ 2,103,082
Equity in Pooled Cash and Investments	77,844
Accounts Receivable	19,404
Due from Other Governments	1,072,442
Taxes Receivable	89,927
Allowance for Uncollectible Taxes	<u>(1,927)</u>
Total Assets	<u>\$ 3,360,772</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 1,155,044</u>
Total Liabilities	<u>\$ 1,155,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Current Property Taxes	<u>\$ 83,278</u>
Total Deferred Inflows of Resources	<u>\$ 83,278</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 2,122,450</u>
Total Net Position	<u><u>\$ 2,122,450</u></u>

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

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

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 4,979,390
ADA - Educational Funds Collected for Cities	1,287,619
Fines/Fees and Other Collections	11,803,363
Total Additions	<u>\$ 18,070,372</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 4,979,390
Payments to City School Systems	1,287,619
Payments to State	3,505,782
Payments to Cities, Individuals, and Others	7,312,182
Total Deductions	<u>\$ 17,084,973</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 985,399
Net Position, July 1, 2023	<u>1,137,051</u>
Net Position, June 30, 2024	<u>\$ 2,122,450</u>

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

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**HENDERSON COUNTY, TENNESSEE**  
**INDEX OF NOTES TO THE FINANCIAL STATEMENTS**

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Henderson 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 Henderson County:

**A. *Reporting Entity***

Henderson County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Henderson County (the primary government) and its component units. The financial statements of the Henderson County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Henderson County School Department operates the public school system in the county, and the voters of Henderson 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 Henderson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Henderson County, and the Henderson 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 Henderson County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Henderson County Emergency  
Communications District  
170 Justice Center Drive, Suite D  
Lexington, TN 38351

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

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

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

Separate financial statements are provided for governmental funds and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

***C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary funds financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of Henderson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of

resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary; however, Henderson County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Henderson 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 debt service funds for payments to be made early in the following year.

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

Fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes custodial funds.

Henderson County reports the following major governmental funds:

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

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

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

Additionally, Henderson County reports the following fund type:

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Henderson County and the city school system’s share of educational revenues.

The discretely presented Henderson 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 Transportation Fund** – This special revenue fund is used to account for the transportation of students. Local taxes are the foundational revenues of this fund.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 23) are presented in this report. We do not believe using the prior year balances will affect the independent auditor’s opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

**1. Deposits and Investments**

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and 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 Henderson County School Department. Each fund’s portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund. Henderson 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. 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. Henderson County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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 .76 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.

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

### **4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$25,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25
Other Capital Assets	5 -15
Infrastructure:	
Roads	10 - 20
Bridges	15 - 30

## 5. **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for a deferred charge on refunding, pension and OPEB changes in experience, pension changes in investment earnings, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

## 6. **Compensated Absences**

It is the county's policy to permit employees to accumulate earned but unused vacation leave, which will be paid upon separation from county service. 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. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

The school department has a formal leave policy; however, it does not provide for employees to receive compensation for unused accumulated vacation or sick leave.

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

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

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

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

## **8. Net Position and Fund Balance**

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

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

As of June 30, 2024, Henderson County had \$3,494,574 in outstanding debt for capital purposes for the discretely presented Henderson County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (City of Lexington School System)

based on an average daily attendance proration. This debt is a liability of Henderson County, but the capital assets acquired are reported in the financial statements of the school department and the City of Lexington School System. Therefore, Henderson County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

## 9. **Minimum Fund Balance Policy**

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum policy exists and consists of the sum of committed, assigned, and unassigned fund balance:

General and General Purpose School funds – ten percent of current year appropriations.

### *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 Henderson County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Henderson 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 Henderson 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 Henderson County. For this purpose, Henderson County recognizes benefit payments when due and payable in accordance with benefit terms. Henderson County's OPEB plan is not administered through a trust.

#### **Discretely Presented Henderson 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 Henderson 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 Henderson County School Department**

Exhibit I-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### B. *Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities*

#### **Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

#### **Discretely Presented Henderson County School Department**

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

## III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### *Budgetary Information*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the 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 the GAAP basis is presented on the face of each budgetary schedule.

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. *Deposits and Investments*

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

##### **Deposits**

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must

provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

### **Investments**

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

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

### **TCRS Stabilization Trust**

**Legal Provisions.** The Henderson 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 Henderson 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 Henderson 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	\$ 148,221
Developed Market International Equity	N/A	N/A	66,938
Emerging Market International Equity	N/A	N/A	19,125
U.S. Fixed Income	N/A	N/A	95,626
Real Estate	N/A	N/A	47,813
Short-term Securities	N/A	N/A	4,782
NAV - Private Equity and Strategic Lending	N/A	N/A	95,626
 Total			 \$ 478,131

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, financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

**B. Capital Assets**

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

**Primary Government**

**Governmental Activities:**

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets				
Not Depreciated:				
Land	\$ 2,127,209	\$ 0	\$ 0	\$ 2,127,209
Total Capital Assets Not Depreciated	<u>\$ 2,127,209</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,127,209</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 19,890,679	\$ 0	\$ 0	\$ 19,890,679
Infrastructure	6,711,169	1,649,045	0	8,360,214
Other Capital Assets	11,837,967	829,545	63,399	12,604,113
Total Capital Assets Depreciated	<u>\$ 38,439,815</u>	<u>\$ 2,478,590</u>	<u>\$ 63,399</u>	<u>\$ 40,855,006</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 9,834,420	\$ 726,802	\$ 0	\$ 10,561,222
Infrastructure	2,876,635	300,389	0	3,177,024
Other Capital Assets	8,669,969	666,227	63,399	9,272,797
Total Accumulated Depreciation	<u>\$ 21,381,024</u>	<u>\$ 1,693,418</u>	<u>\$ 63,399</u>	<u>\$ 23,011,043</u>
Total Capital Assets Depreciated, Net	<u>\$ 17,058,791</u>	<u>\$ 785,172</u>	<u>\$ 0</u>	<u>\$ 17,843,963</u>
Governmental Activities Capital Assets, Net	<u>\$ 19,186,000</u>	<u>\$ 785,172</u>	<u>\$ 0</u>	<u>\$ 19,971,172</u>

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

**Governmental Activities:**

General Government	\$	172,407
Administration of Justice		142,737
Public Safety		736,380
Public Health and Welfare		59,051
Highway/Public Works		<u>581,943</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>1,693,418</u></u>

**Net Investment in Capital Assets**

---

Capital Assets	\$	19,971,172
Less:		
Outstanding principal of capital debt and other capital borrowings		(6,604,000)
Unamortized balance of original issue premiums on outstanding capital-related debt		<u>(395,553)</u>
Net Investment in Capital Assets	\$	<u><u>12,971,619</u></u>

## Discretely Presented Henderson County School Department

### Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets				
Not Depreciated:				
Land	\$ 1,151,661	\$ 0	\$ 0	\$ 1,151,661
Construction in Progress	1,720,917	4,856,012	1,181,618	5,395,311
Total Capital Assets				
Not Depreciated	<u>\$ 2,872,578</u>	<u>\$ 4,856,012</u>	<u>\$ 1,181,618</u>	<u>\$ 6,546,972</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 49,343,204	\$ 2,633,021	\$ 0	\$ 51,976,225
Infrastructure	99,606	0	0	99,606
Other Capital Assets	3,496,166	1,251,283	0	4,747,449
Total Capital Assets Depreciated	<u>\$ 52,938,976</u>	<u>\$ 3,884,304</u>	<u>\$ 0</u>	<u>\$ 56,823,280</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 37,183,521	\$ 1,409,899	\$ 0	\$ 38,593,420
Infrastructure	55,196	4,980	0	60,176
Other Capital Assets	2,270,684	258,781	0	2,529,465
Total Accumulated Depreciation	<u>\$ 39,509,401</u>	<u>\$ 1,673,660</u>	<u>\$ 0</u>	<u>\$ 41,183,061</u>
Total Capital Assets Depreciated, Net	<u>\$ 13,429,575</u>	<u>\$ 2,210,644</u>	<u>\$ 0</u>	<u>\$ 15,640,219</u>
Governmental Activities Capital Assets, Net	<u>\$ 16,302,153</u>	<u>\$ 7,066,656</u>	<u>\$ 1,181,618</u>	<u>\$ 22,187,191</u>

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

### Governmental Activities:

Instruction	\$ 1,151,447
Support Services	348,316
Operation of Noninstructional Services	<u>173,897</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 1,673,660</u></u>

**C. Construction Commitments**

On June 30, 2024, the discretely presented school department had uncompleted construction contracts of approximately \$947,779 for school construction and renovations. Funding has been received for these future expenditures.

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

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

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental	\$ 20,587

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

**Due to/from Primary Government and Component Unit:**

Receivable Fund	Payable Fund	Amount
Primary Government: Governmental Activities	Component Unit: School Department: Governmental Activities	\$ 733,574

The receivable from the school department is the balance of the other loan payable issued by the county for the school department. The school department has agreed to contribute the funds necessary to retire the debt.

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In		Purpose
	General Fund	General Debt Service Fund	
General Fund	\$ 0	\$ 160,102	Debt retirement
Nonmajor governmental fund	335,447	0	ARPA funds
Total	\$ 335,447	\$ 160,102	

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 and Other Loan**

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

**Direct Borrowing and Direct Placements** - Henderson County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. The other loan outstanding was issued for original terms of 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The other loan included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

General obligation bonds and the other loan 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	2.5 to 3.05%	4-1-33	\$ 2,310,000	\$ 1,670,000
General Obligation Bonds - Refunding	1 to 5	5-1-29	15,860,000	7,695,000
Direct Borrowing and Direct Placement:				
Other Loan - Fixed Rate	1.38	12-31-31	1,800,582	733,574

In prior years, Henderson County entered into an agreement with the State of Tennessee to receive funding from the state revolving loan fund program. Under this agreement, the program loaned \$1,800,582 to the Henderson County School Department for wastewater facility improvements at four elementary schools. The loan is repayable at a 1.38 percent interest rate. In addition, the county pays an administrative fee in connection with this loan.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,730,000	\$ 252,602	\$ 1,982,602
2026	1,750,000	195,103	1,945,103
2027	1,750,000	135,752	1,885,752
2028	1,700,000	90,203	1,790,203
2029	1,645,000	57,553	1,702,553
2030-2033	790,000	60,410	850,410
Total	\$ 9,365,000	\$ 791,623	\$ 10,156,623

Year Ending June 30	Other Loan - Direct Placement			
	Principal	Interest	Other Fees	Total
2025	\$ 93,480	\$ 9,540	\$ 588	\$ 103,608
2026	94,788	8,232	516	103,536
2027	96,096	6,924	432	103,452
2028	97,440	5,580	360	103,380
2029	98,784	4,236	276	103,296
2030-2032	252,986	4,455	340	257,781
Total	\$ 733,574	\$ 38,967	\$ 2,512	\$ 775,053

There is \$2,243,398 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$336, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums totaled \$385, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. The debt for the other loan is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-24
<u>Other Loan - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Clean Water State Revolving Fund	\$ 733,574
 <u>Bond</u>	
<u>Contributions from the General Purpose School Fund</u>	
Rural School Refunding Bonds, Series 2020	1,630,000

### Changes in Long-term Debt

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

<b>Governmental Activities:</b>	Bonds	Other Loan - Direct Placement
Balance, July 1, 2023	\$ 11,460,000	\$ 825,782
Reductions	(2,095,000)	(92,208)
Balance, June 30, 2024	<u>\$ 9,365,000</u>	<u>\$ 733,574</u>
Balance Due Within One Year	<u>\$ 1,730,000</u>	<u>\$ 93,480</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 10,098,574
Less: Balance Due Within One Year - Debt	(1,823,480)
Add: Unamortized Premium on Debt	<u>608,230</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 8,883,324</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:**

	Compensated Absences	Landfill Closure/ Postclosure Care Costs
Balance, July 1, 2023	\$ 251,571	\$ 30,492
Additions	327,862	0
Reductions	(284,024)	(6,754)
Balance, June 30, 2024	<u>\$ 295,409</u>	<u>\$ 23,738</u>
Balance Due Within One Year	<u>\$ 295,409</u>	<u>\$ 7,623</u>
	Net Pension Liability	Net OPEB Liability
Balance, July 1, 2023	\$ 357,303	\$ 137,047
Additions	2,046,955	75,024
Reductions	(1,736,541)	(23,508)
Balance, June 30, 2024	<u>\$ 667,717</u>	<u>\$ 188,563</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 1,829</u>

**Analysis of Other Noncurrent Liabilities Presented on Exhibit A:**

Total Other Noncurrent Liabilities, June 30, 2024	\$ 1,175,427
Less: Balance Due Within One Year - Other	<u>(304,861)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 870,566</u>

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

## Discretely Presented Henderson County School Department

### Changes in Long-term Obligations

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

#### Governmental Activities:

	Net Pension Liability	Net OPEB Liability
Balance, July 1, 2023	\$ 266,044	\$ 3,563,420
Additions	1,352,173	2,151,088
Reductions	(1,177,138)	(237,450)
	\$ 441,079	\$ 5,477,058
Balance Due Within One Year	\$ 0	\$ 1,524,605

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 5,918,137
Less: Balance Due Within One Year - Other	(1,524,605)
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ 4,393,532

The pension liability and other postemployment benefits will be paid from the employing funds: the General Purpose School, School Federal Projects, and Central Cafeteria funds.

### *G. On-Behalf Payments – Discretely Presented Henderson County School Department*

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Henderson County School Department. These payments are made by the state to the Local Education Group Insurance. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were \$90,859. 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*

#### Liability, Property, Casualty, and Workers' Compensation Insurance

Henderson County and the discretely presented school department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. Henderson County and the school department pay annual premiums to

the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

### **Employee Health Insurance**

Henderson 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.

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

### ***B. Accounting Change***

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

### ***C. Contingent Liabilities***

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

The attorneys for the county and the school department advised that there were no pending lawsuits, unasserted claims, or assessments that would materially affect the county or school department's financial statements.

### ***D. Landfill Closure/Postclosure Care Costs***

Henderson County and the city of Lexington have an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The city and county have provided financial assurances for estimated closure and 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 city and county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Henderson County and the city of Lexington closed their sanitary landfill in 1997. The \$23,738 reported as postclosure care liability on June 30, 2024, represents the county's 50 percent share of the amounts based on what it would cost to perform all postclosure care in 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

#### *E. Joint Ventures*

The Beech River Regional Airport was established through a joint operations agreement between Decatur County, Henderson County, the city of Parsons, and the city of Lexington. The agreement created the Beech River Regional Airport Board to plan, develop, and maintain a regional airport that will economically benefit all residents of the two-county area. The board comprises nine members, two from each governmental unit and one appointed by the governmental entities on a one-year rotation basis. Each participant retains 25 percent ownership in the airport; however, participants do not retain an equity interest in the airport. Henderson County made no contributions to the airport for the year ended June 30, 2024.

The Everett Horn Public Library is a joint venture between Henderson County and the city of Lexington. It is operated by an appointed seven-member board. The library is jointly funded by the county and the city of Lexington with additional revenues received from private contributions. During the year ended June 30, 2024, the county contributed \$56,500 to the library.

The Henderson County Joint Economic Community Development Board is a joint venture between Henderson County and the cities of Lexington, Parkers Crossroads, Sardis, and Scotts Hill. The board comprises the mayors from each governmental unit, a member of the board of education, a member of the road commission, a member of Lexington Electric, and no more than 12 additional members consisting of representatives of county and city governments, private citizens, industry, and businesses. Funding for the board will be determined by the county, cities, and Lexington Electric. Henderson County made no contributions to the board for the year ended June 30, 2024.

Complete financial statements for the Beech River Regional Airport, the Everett Horn Public Library, and the Henderson County Joint Economic Community Development Board can be obtained from their administrative offices at the following addresses:

#### Administrative Offices:

Beech River Regional Airport  
790 Hidden Hill Circle  
Lexington, TN 38351

Everett Horn Public Library  
702 West Church Street  
Lexington, TN 38351

Henderson County Joint Economic  
Community Development Board  
33 First Street  
Lexington, TN 38351

**F. Retirement Commitments**

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

**Primary Government**

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

*Plan Description.* Employees of Henderson County and non-certified employees of the discretely presented Henderson County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 60.22 percent and the non-certified employees of the discretely presented school department comprised 39.78 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Henderson County Judges, Officials, and Executives Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Henderson County Judges, Officials, and Executives 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 of the Henderson County Judges, Officials, and Executives Plan 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:

Henderson County Plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	130
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	392
Active Employees	332
 Total	 <u>854</u>

Henderson County Judges, Officials, and Executives Plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	9
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	1
Active Employees	11
 Total	 <u>21</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. Henderson 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 the Henderson County Plan was \$941,337 based on a rate of 7.44 percent of covered payroll. For the year ended June 30, 2024, the employer contribution for the Henderson County Judges, Officials, and Executives Plan was \$97,752 based on a rate of 8.67 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Henderson 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)***

Henderson 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 reflect more closely actual and expected future experience.

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

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Henderson 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)***

Henderson County Plan:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Pension Liability (Asset) (a)-(b)
Balance, July 1, 2022	\$ 24,060,552	\$ 23,437,205	\$ 623,347
Changes for the Year:			
Service Cost	\$ 1,035,138	\$ 0	\$ 1,035,138
Interest	1,667,689	0	1,667,689
Differences Between Expected and Actual Experience	668,109	0	668,109
Contributions-Employer	0	781,799	(781,799)
Contributions-Employees	0	539,172	(539,172)
Net Investment Income	0	1,592,708	(1,592,708)
Benefit Payments, Including Refunds of Employee Contributions	(778,374)	(778,374)	0
Administrative Expense	0	(28,192)	28,192
Net Changes	\$ 2,592,562	\$ 2,107,113	\$ 485,449
Balance, June 30, 2023	\$ 26,653,114	\$ 25,544,318	\$ 1,108,796

Henderson County Plan:

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	60.22%	\$ 16,050,505	\$ 15,382,788	\$ 667,717
School Department	39.78%	10,602,609	10,161,530	441,079
Total		\$ 26,653,114	\$ 25,544,318	\$ 1,108,796

Henderson Judges, Officials, and Executives County Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2022	\$ 3,764,329	\$ 3,888,587	\$ (124,258)
Changes for the Year:			
Service Cost	\$ 78,810	\$ 0	\$ 78,810
Interest	252,525	0	252,525
Differences Between Expected and Actual Experience	(75,828)	0	(75,828)
Contributions-Employer	0	92,972	(92,972)
Contributions-Employees	0	53,617	(53,617)
Net Investment Income	0	259,414	(259,414)
Benefit Payments, Including Refunds of Employee Contributions	(204,068)	(204,068)	0
Administrative Expense	0	(1,224)	1,224
Net Changes	\$ 51,439	\$ 200,711	\$ (149,272)
Balance, June 30, 2023	\$ 3,815,768	\$ 4,089,298	\$ (273,530)

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

	Current Discount Rate		
	1% Decrease 5.75%	6.75%	1% Increase 7.75%
Net Pension Liability (Asset)			
Henderson County Plan	\$ 5,349,687	\$ 1,108,796	\$ (2,323,863)
Henderson County Judges, Officials, and Executives Plan	147,951	(273,530)	(633,946)

***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, the Henderson County Plan recognized pension expense (negative pension expense) of \$948,816 and the Henderson County Judges, Officials, and Executives Plan recognized pension expense (negative pension expense) of \$33,906.

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

Henderson County Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 849,050	\$ 340,809
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	206,305	0
Changes in Assumptions	1,153,726	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	<u>941,337</u>	<u>N/A</u>
Total	<u>\$ 3,150,418</u>	<u>\$ 340,809</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.

Henderson County Plan:

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,866,772	\$ 205,235
School Department	<u>1,283,646</u>	<u>135,574</u>
Total	<u>\$ 3,150,418</u>	<u>\$ 340,809</u>

Henderson County Judges, Officials, and Executives Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 69,907
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	33,853	4,702
Changes in Assumptions	0	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	<u>97,752</u>	<u>N/A</u>
Total	<u>\$ 131,605</u>	<u>\$ 74,609</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2023,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

Year Ending June 30	Henderson County Plan	Henderson County Judges, Officials, and Executives Plan
2025	\$ 293,895	\$ (41,082)
2026	230,058	(54,926)
2027	1,047,205	70,197
2028	185,758	(14,945)
2029	111,356	0
Thereafter	0	0

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

### Discretely Presented Henderson County School Department - Non-certified Employees

#### *General Information About the Pension Plans*

*Plan Description.* As noted above under the primary government, employees of Henderson County and non-certified employees of the discretely presented Henderson County School Department are provided a defined benefit pension plan (Henderson County Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 60.22 percent and the non-certified employees of the discretely presented school department comprised 39.78 percent of the plan based on contribution data.

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

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

*Plan Description.* Teachers of the Henderson 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 \$210,904, which is 2.95 percent of covered payroll. In addition, employer contributions of \$67,161, which is 1.05 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* On June 30, 2024, the school department reported a liability (asset) of (\$123,613) 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 .291517 percent. The proportion as of June 30, 2022, was .265836 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$154,526.

*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	\$ 4,164	\$ 72,150
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	31,428	0
Changes in Assumptions	92,999	0
Changes in Proportion of Net Pension Liability (Asset)	5,988	33,314
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	210,904	N/A
Total	<u>\$ 345,483</u>	<u>\$ 105,464</u>

The school department's employer contributions of \$210,904, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ (2,492)
2026	(7,066)
2027	41,416
2028	312
2029	503
Thereafter	(3,558)

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

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market				
International Equity	5.37		14	
Emerging Market				
International Equity	6.09		4	
Private Equity and				
Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
			100	%
Total			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		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	5.75%	6.75%	7.75%

Net Pension Liability (Asset)           \$ 568,614   \$ (123,613)   \$ (621,960)

*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 Henderson County School Department - Certified Employees - Teacher Legacy Pension Plan**

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

*Plan Description.* Teachers of the Henderson 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 Henderson County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$932,503 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 (\$4,948,974) 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 .419770 percent. The proportion measured on June 30, 2022, was .409852 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$1,213,280.

*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	\$ 1,179,098	\$ 229,665
Changes in Assumptions	1,612,511	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	858,673	0
Changes in Proportion of Net Pension Liability (Asset)	12,550	149,520
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	932,503	N/A
Total	<u>\$ 4,595,335</u>	<u>\$ 379,185</u>

The school department's employer contributions of \$932,503, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ 1,127,680
2026	(729,643)
2027	2,878,883
2028	6,727
2029	0
Thereafter	0

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

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	4.88 %	31 %
International Equity Emerging Market	5.37	14
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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 10,779,211	\$ (4,948,974)	\$ (18,030,390)

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

## 2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$357,453 and teachers contributed \$183,315 to this deferred compensation pension plan.

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

Henderson County and the discretely presented Henderson County School Department provide OPEB benefits to certain 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 Henderson County and the Henderson County Highway Department (Hwy) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare eligibility. The primary government's LGPs are combined for presentation purposes. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the Henderson County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

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

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

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

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

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

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

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

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

*Plan description.* Employees of Henderson County are provided with pre-65 retiree health insurance benefits through Local Government Plans (LGPs) 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 LGPs.

*Benefits provided.* Henderson County offers the LGPs to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Except for a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGPs 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 LGPs. 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 LGPs, 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. Henderson 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:

	Henderson County	Hwy Dept	Total
Inactive Employees Currently Receiving Benefit Payments	0	0	0
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0	0	0
Active Employees Eligible for Benefits	138	21	159
 Total	 138	 21	 159

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGPs 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 \$789 (Henderson County - \$788, Highway Dept - \$1) to the LGPs for OPEB benefits as they came due.

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

	Henderson County	Hwy Dept.	Total OPEB Liability
Balance July 1, 2022	\$ 104,013	\$ 33,034	\$ 137,047
Changes for the Year:			
Service Cost	\$ 13,540	\$ 4,077	\$ 17,617
Interest	3,956	1,313	5,269
Difference between Expected and Actuarial Experience	(10,231)	(1,515)	(11,746)
Changes in Assumption and Other Inputs	36,754	15,384	52,138
Benefit Payments	(11,730)	(32)	(11,762)
Net Changes	\$ 32,289	\$ 19,227	\$ 51,516
 Balance June 30, 2023	 \$ 136,302	 \$ 52,261	 \$ 188,563

*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 \$1,829 (Henderson County – \$390, Highway Dept - \$1,439). On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience (DO - County \$7,421, Hwy \$8,789 and DI - County \$62,943, Hwy \$17,845)	\$ 16,210	\$ 80,788
Changes of Assumptions/Inputs (DO - County \$47,933, Hwy \$19,645 and DI - County \$73,258, Hwy \$28,504)	67,578	101,762
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2023 (DO - County \$788, Hwy \$1)	789	0
Total	<u>\$ 84,577</u>	<u>\$ 182,550</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	County	Hwy	Total Amount
2025	\$ (17,106)	\$ (3,951)	\$ (21,057)
2026	(17,106)	(3,951)	(21,057)
2027	(16,250)	(3,951)	(20,201)
2028	(10,986)	(2,223)	(13,209)
2029	(11,601)	(2,581)	(14,182)
Thereafter	(7,798)	(1,258)	(9,056)

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

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

	<u>Discount Rate</u>		Current	
	1%		Discount	1%
	Decrease		Rate	Increase
	2.65%		3.65%	4.65%
County	\$ 149,605	\$	136,302	\$ 124,172
Hwy	56,993		52,261	47,834
Total OPEB Liability	<u>\$ 206,598</u>	<u>\$</u>	<u>188,563</u>	<u>\$ 172,006</u>

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

	<u>Healthcare Cost Trend Rate</u>		Current	
	1%		Trend	1%
	Decrease		Rate	Increase
	9.31 to 3.5%		10.31 to 4.5%	11.31 to 5.5%
County	\$ 118,673	\$	136,302	\$ 157,506
Hwy	45,991		52,261	59,569
Total OPEB Liability	<u>\$ 164,664</u>	<u>\$</u>	<u>188,563</u>	<u>\$ 217,075</u>

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

*Plan description.* Employees of the Henderson 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 Henderson 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 Henderson County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of

service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	18
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	315
Total	334

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 \$168,281 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Henderson County School Department 66.409%	State of TN 33.591%	Total OPEB Liability
Balance July 1, 2022	\$ 3,563,420	\$ 2,262,407	\$ 5,825,827
Changes for the Year:			
Service Cost	\$ 174,603	\$ 88,317	\$ 262,920
Interest	140,823	71,231	212,054
Change in Benefit Terms	1,114,712	563,843	1,678,555
Difference between Expected and Actuarial Experience	(105,462)	(53,345)	(158,807)
Changes in Proportion	305,471	(305,471)	0
Changes in Assumption and Other Inputs	415,480	210,158	625,638
Benefit Payments	(131,988)	(66,762)	(198,750)
Net Changes	\$ 1,913,638	\$ 507,972	\$ 2,421,610
Balance June 30, 2023	\$ 5,477,058	\$ 2,770,379	\$ 8,247,437

The Henderson 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 Henderson County School Department's proportionate share of the collective total OPEB Liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$751,087 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Henderson County School Department's proportionate share of the collective OPEB liability was 66.409% and the State of Tennessee's share was 33.591%.

*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 \$2,275,692, including the state's share of the expense. On June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 556,098	\$ 505,998
Changes of Assumptions/Inputs	982,393	477,229
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	302,928	188,139
Benefits Paid After the Measurement Date of June 30, 2023	168,281	0
Total	<u>\$ 2,009,700</u>	<u>\$ 1,171,366</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	\$ 94,464
2026	94,464
2027	94,464
2028	94,464
2029	101,064
Thereafter	191,133

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 5,909,692	\$ 5,477,058	\$ 5,067,069
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 4,885,627	\$ 5,477,058	\$ 6,167,148
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*H. Office of Central Accounting, Budgeting, and Purchasing*

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

*I. Purchasing Law*

The County Financial Management System of 1981 provides for the finance director, or a deputy appointed by him, to serve as the county purchasing agent. The finance director serves as the purchasing agent for Henderson County. The Henderson County Financial Management Committee, with the assistance of the director of finance, established a purchasing system for the county that requires the issuance of purchase orders. The Financial Management Committee has also established that competitive bids are required to be solicited through newspaper advertisement on all purchases estimated to exceed \$25,000.

# REQUIRED SUPPLEMENTARY INFORMATION SECTION

Exhibit E-1

**HENDERSON 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 - Henderson County Employees

**For the Fiscal Year Ended June 30**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Pension Liability</b>										
Service Cost	\$ 478,864	\$ 543,125	\$ 582,639	\$ 611,784	\$ 694,135	\$ 708,668	\$ 735,577	\$ 830,275	\$ 995,033	\$ 1,035,138
Interest	652,941	718,253	791,784	841,237	928,445	1,004,472	1,081,929	1,361,239	1,518,252	1,667,689
Change in Benefit Terms	0	0	0	0	0	0	3,080,364	0	0	0
Differences Between Actual and Expected Experience	32,965	67,018	(313,790)	69,974	(134,943)	(125,572)	(517,579)	(226,260)	438,439	668,109
Changes in Assumptions	0	0	0	413,068	0	0	0	2,307,451	0	0
Benefit Payments, Including Refunds of Employee Contributions	(340,827)	(375,581)	(399,405)	(461,426)	(396,095)	(510,956)	(581,257)	(663,602)	(777,517)	(778,374)
Net Change in Total Pension Liability	\$ 823,943	\$ 952,815	\$ 661,228	\$ 1,474,637	\$ 1,091,542	\$ 1,076,612	\$ 3,799,034	\$ 3,609,103	\$ 2,174,207	\$ 2,592,562
Total Pension Liability, Beginning	8,397,431	9,221,374	10,174,189	10,835,417	12,310,054	13,401,596	14,478,208	18,277,242	21,886,345	24,060,552
Total Pension Liability, Ending (a)	\$ 9,221,374	\$ 10,174,189	\$ 10,835,417	\$ 12,310,054	\$ 13,401,596	\$ 14,478,208	\$ 18,277,242	\$ 21,886,345	\$ 24,060,552	\$ 26,653,114
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 614,892	\$ 641,398	\$ 670,607	\$ 369,609	\$ 279,615	\$ 288,080	\$ 280,431	\$ 448,688	\$ 395,361	\$ 781,799
Contributions - Employee	349,768	378,628	397,144	434,842	448,301	461,776	449,599	465,495	492,970	539,172
Net Investment Income	1,564,166	355,817	332,851	1,517,812	1,263,131	1,246,175	900,165	4,958,178	(930,723)	1,592,708
Benefit Payments, Including Refunds of Employee Contributions	(340,827)	(375,581)	(399,405)	(461,426)	(396,095)	(510,956)	(581,257)	(663,602)	(777,517)	(778,374)
Administrative Expense	(10,654)	(15,239)	(23,258)	(27,960)	(30,545)	(28,608)	(27,619)	(28,270)	(32,284)	(28,192)
Other	0	0	4,472	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 2,177,345	\$ 985,023	\$ 982,411	\$ 1,832,877	\$ 1,564,407	\$ 1,456,467	\$ 1,021,319	\$ 5,180,489	\$ (852,193)	\$ 2,107,113
Plan Fiduciary Net Position, Beginning	9,089,060	11,266,405	12,251,428	13,233,839	15,066,716	16,631,123	18,087,590	19,108,909	24,289,398	23,437,205
Plan Fiduciary Net Position, Ending (b)	\$ 11,266,405	\$ 12,251,428	\$ 13,233,839	\$ 15,066,716	\$ 16,631,123	\$ 18,087,590	\$ 19,108,909	\$ 24,289,398	\$ 23,437,205	\$ 25,544,318
Net Pension Liability (Asset), Ending (a - b)	\$ (2,045,031)	\$ (2,077,239)	\$ (2,398,422)	\$ (2,756,662)	\$ (3,229,527)	\$ (3,609,382)	\$ (831,667)	\$ (2,403,053)	\$ 623,347	\$ 1,108,796
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	122.18%	120.42%	122.14%	122.39%	124.10%	124.93%	104.55%	110.98%	97.41%	95.84%
Covered Payroll	\$ 6,995,362	\$ 7,570,158	\$ 7,917,431	\$ 8,635,752	\$ 8,904,930	\$ 9,174,452	\$ 8,930,857	\$ 9,288,944	\$ 9,859,379	\$ 10,783,448
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(29.23)%	(27.44)%	(30.29)%	(31.92)%	(36.27)%	(39.34)%	(9.31)%	(25.87)%	6.32%	10.28%

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

Exhibit E-2

**HENDERSON 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 - Henderson County Judges, Officials, and Executives

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Pension Liability</b>										
Service Cost	\$ 62,155	\$ 64,449	\$ 65,504	\$ 65,909	\$ 39,226	\$ 49,979	\$ 58,581	\$ 43,908	\$ 76,156	\$ 78,810
Interest	169,073	181,085	190,272	198,614	197,394	207,325	221,356	248,111	242,612	252,525
Differences Between Actual and Expected Experience	(350)	(48,277)	(68,421)	(166,167)	(19,861)	37,870	230,553	(9,774)	(10,674)	(75,828)
Changes in Assumptions	0	0	0	78,515	0	0	0	(11,755)	0	0
Benefit Payments, Including Refunds of Employee Contributions	(72,479)	(73,537)	(78,113)	(74,945)	(76,445)	(104,642)	(115,849)	(137,701)	(123,720)	(204,068)
Net Change in Total Pension Liability	\$ 158,399	\$ 123,720	\$ 109,242	\$ 101,926	\$ 140,314	\$ 190,532	\$ 394,641	\$ 132,789	\$ 184,374	\$ 51,439
Total Pension Liability, Beginning	2,228,392	2,386,791	2,510,511	2,619,753	2,721,679	2,861,993	3,052,525	3,447,166	3,579,955	3,764,329
Total Pension Liability, Ending (a)	\$ 2,386,791	\$ 2,510,511	\$ 2,619,753	\$ 2,721,679	\$ 2,861,993	\$ 3,052,525	\$ 3,447,166	\$ 3,579,955	\$ 3,764,329	\$ 3,815,768
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 45,045	\$ 70,139	\$ 70,304	\$ 71,517	\$ 74,051	\$ 79,010	\$ 87,224	\$ 90,214	\$ 100,784	\$ 92,972
Contributions - Employee	40,654	41,899	41,998	42,722	44,236	47,199	50,889	52,087	58,122	53,617
Net Investment Income	289,854	63,559	57,365	255,646	211,773	208,023	149,930	821,659	(154,004)	259,414
Benefit Payments, Including Refunds of Employee Contributions	(72,479)	(73,537)	(78,113)	(74,945)	(76,445)	(104,642)	(115,849)	(137,701)	(123,720)	(204,068)
Administrative Expense	(493)	(558)	(823)	(934)	(1,045)	(979)	(975)	(984)	(1,172)	(1,224)
Net Change in Plan Fiduciary Net Position	\$ 302,581	\$ 101,502	\$ 90,731	\$ 294,006	\$ 252,570	\$ 228,611	\$ 171,219	\$ 825,275	\$ (119,990)	\$ 200,711
Plan Fiduciary Net Position, Beginning	1,742,082	2,044,663	2,146,165	2,236,896	2,530,902	2,783,472	3,012,083	3,183,302	4,008,577	3,888,587
Plan Fiduciary Net Position, Ending (b)	\$ 2,044,663	\$ 2,146,165	\$ 2,236,896	\$ 2,530,902	\$ 2,783,472	\$ 3,012,083	\$ 3,183,302	\$ 4,008,577	\$ 3,888,587	\$ 4,089,298
Net Pension Liability (Asset), Ending (a - b)	\$ 342,128	\$ 364,346	\$ 382,857	\$ 190,777	\$ 78,521	\$ 40,442	\$ 263,864	\$ (428,622)	\$ (124,258)	\$ (273,530)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.67%	85.49%	85.39%	92.99%	97.26%	98.68%	92.35%	111.97%	103.30%	107.17%
Covered Payroll	\$ 813,084	\$ 837,985	\$ 839,951	\$ 854,441	\$ 884,719	\$ 943,974	\$ 1,017,779	\$ 1,041,731	\$ 1,162,450	\$ 1,072,348
Net Pension Liability (Asset) as a Percentage of Covered Payroll	42.08%	43.48%	45.58%	22.33%	8.88%	4.28%	25.93%	(41.15)%	(10.69)%	(25.51)%

Exhibit E-3

**HENDERSON COUNTY, TENNESSEE**

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

**Employee Pension Plan of TCRS**

Primary Government - Henderson County Employees

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 641,398	\$ 670,607	\$ 369,609	\$ 279,615	\$ 281,657	\$ 48,227	\$ 0	\$ 395,361	\$ 781,799	\$ 941,337
Less: Contributions in Relation to the Actuarially Determined Contribution	(641,398)	(670,607)	(369,609)	(279,615)	(288,080)	(280,431)	(448,688)	(395,361)	(781,799)	(941,337)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (6,423)	\$ (232,204)	\$ (448,688)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,570,158	\$ 7,917,431	\$ 8,635,752	\$ 8,904,930	\$ 9,174,452	\$ 8,930,857	\$ 9,288,944	\$ 9,859,379	\$ 10,783,448	\$ 12,649,819
Contributions as a Percentage of Covered Payroll	8.47%	8.47%	4.28%	3.14%	3.14%	3.14%	4.83%	4.01%	7.25%	7.44%

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

Exhibit E-4

**HENDERSON COUNTY, TENNESSEE**

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

**Employee Pension Plan of TCRS**

Primary Government - Henderson County Judges, Officials, and Executives

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 70,139	\$ 70,304	\$ 71,517	\$ 74,051	\$ 79,010	\$ 87,224	\$ 90,214	\$ 100,784	\$ 92,972	\$ 97,752
Less: Contributions in Relation to the Actuarially Determined Contribution	(70,139)	(70,304)	(71,517)	(74,051)	(79,010)	(87,224)	(90,214)	(100,784)	(92,972)	(97,752)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 837,985	\$ 839,951	\$ 854,441	\$ 884,719	\$ 943,974	\$ 1,017,779	\$ 1,041,731	\$ 1,162,450	\$ 1,072,348	\$ 1,127,468
Contributions as a Percentage of Covered Payroll	8.37%	8.37%	8.37%	8.37%	8.37%	8.57%	8.66%	8.67%	8.67%	8.67%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 14,864	\$ 26,981	\$ 67,022	\$ 33,680	\$ 47,364	\$ 58,057	\$ 70,882	\$ 91,248	\$ 166,414	\$ 210,904
Less: Contributions in Relation to the Contractually Required Contribution	(23,782)	(43,114)	(67,022)	(82,612)	(47,364)	(58,057)	(70,882)	(91,248)	(166,414)	(210,904)
Contribution Deficiency (Excess)	\$ (8,918)	\$ (16,133)	0	\$ (48,932)	0	0	0	0	0	0
Covered Payroll	\$ 594,559	\$ 1,077,863	\$ 1,675,531	\$ 2,065,291	\$ 2,441,438	\$ 2,859,950	\$ 3,508,995	\$ 4,547,934	\$ 5,802,005	\$ 7,149,300
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	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%
- 2021: Pension - 2.01%, SRT - 1.99%
- 2022: Pension - 2.87%, SRT - 1.13%
- 2023: Pension - 2.95%, SRT - 1.05%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,269,163	\$ 1,298,956	\$ 1,318,789	\$ 1,301,957	\$ 1,471,707	\$ 1,456,839	\$ 1,386,201	\$ 1,389,262	\$ 1,183,728	\$ 932,503
Less: Contributions in Relation to the Contractually Required Contribution	(1,269,163)	(1,298,956)	(1,318,789)	(1,301,957)	(1,471,707)	(1,456,839)	(1,386,201)	(1,389,262)	(1,183,728)	(932,503)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 14,039,408	\$ 14,368,981	\$ 14,588,357	\$ 14,338,716	\$ 14,069,853	\$ 13,704,985	\$ 13,497,566	\$ 13,487,987	\$ 13,621,709	\$ 13,693,158
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%

Exhibit E-7

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Proportionate Share of the Net Pension Asset**  
**in the Teacher Retirement Plan of TCRS**  
 Discretely Presented Henderson 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)	0.280246%	0.244964%	0.255287%	0.236337%	0.230716%	0.226634%	0.243137%	0.265836%	0.291517%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (11,512)	\$ (25,502)	\$ (67,354)	\$ (107,185)	\$ (130,236)	\$ (128,874)	\$ (263,368)	\$ (80,528)	\$ (123,613)
Covered Payroll	\$ 594,559	\$ 1,077,863	\$ 1,675,531	\$ 2,065,291	\$ 2,441,438	\$ 2,859,950	\$ 3,508,995	\$ 4,547,934	\$ 5,802,005
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(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.

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Proportionate Share of the Net Pension Asset**  
**in the Teacher Legacy Pension Plan of TCRS**  
 Discretely Presented Henderson 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)	0.367698%	0.375034%	0.398055%	0.412689%	0.409482%	0.419602%	0.411776%	0.411239%	0.409852%	0.419770%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (59,749)	\$ 153,627	\$ 2,487,623	\$ (135,025)	\$ (1,440,933)	\$ (4,314,264)	\$ (3,140,098)	\$ (17,737,743)	\$ (5,026,448)	\$ (4,948,974)
Covered Payroll	\$ 14,432,109	\$ 14,039,408	\$ 14,368,981	\$ 14,588,357	\$ 14,338,716	\$ 14,069,853	\$ 13,704,985	\$ 13,497,566	\$ 13,487,987	\$ 13,621,709
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.41)%	1.09%	17.31%	(.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(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%

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans**

Primary Government

For the Fiscal Year Ended June 30

**Henderson County Plan**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 16,462	\$ 15,558	\$ 22,668	\$ 22,227	\$ 29,861	\$ 23,292	\$ 13,540
Interest	4,567	5,928	6,407	5,697	4,922	3,644	3,956
Differences Between Actual and Expected Experience	0	(23,662)	(47,280)	14,073	(25,649)	(14,338)	(10,231)
Changes in Assumptions or Other Inputs	(9,059)	7,629	7,671	18,562	(48,647)	(51,260)	36,754
Benefit Payments	0	(1,930)	(2,255)	(5,191)	(10,374)	(5,469)	(11,730)
Net Change in Total OPEB Liability	\$ 11,970	\$ 3,523	\$ (12,789)	\$ 55,368	\$ (49,887)	\$ (44,131)	\$ 32,289
Total OPEB Liability, Beginning	139,959	151,929	155,452	142,663	198,031	148,144	104,013
Total OPEB Liability, Ending	\$ 151,929	\$ 155,452	\$ 142,663	\$ 198,031	\$ 148,144	\$ 104,013	\$ 136,302

Covered Employee Payroll	\$ 4,238,439	\$ 4,649,729	\$ 4,581,378	\$ 4,716,742	\$ 4,749,916	\$ 5,712,538	\$ 6,250,336
Net OPEB Liability as a Percentage of Covered Employee Payroll	3.58%	3.34%	3.11%	4.20%	3.12%	1.82%	2.18%

**Highway Department Plan**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 3,721	\$ 3,933	\$ 6,632	\$ 4,910	\$ 7,191	\$ 5,800	\$ 4,077
Interest	1,140	1,474	2,690	1,935	1,556	1,140	1,313
Differences Between Actual and Expected Experience	0	20,513	(28,300)	(737)	(6,344)	(671)	(1,515)
Changes in Assumptions or Other Inputs	(2,713)	4,387	1,768	7,006	(18,605)	(20,214)	15,384
Benefit Payments	0	0	(234)	(234)	(12)	(26)	(32)
Net Change in Total OPEB Liability	\$ 2,148	\$ 30,307	\$ (17,444)	\$ 12,880	\$ (16,214)	\$ (13,971)	\$ 19,227
Total OPEB Liability, Beginning	35,328	37,476	67,783	50,339	63,219	47,005	33,034
Total OPEB Liability, Ending	\$ 37,476	\$ 67,783	\$ 50,339	\$ 63,219	\$ 47,005	\$ 33,034	\$ 52,261

Covered Employee Payroll	\$ 872,611	\$ 754,693	\$ 769,011	\$ 789,345	\$ 1,021,920	\$ 955,379	\$ 957,617
Net OPEB Liability as a Percentage of Covered Employee Payroll	4.29%	8.98%	6.55%	8.01%	4.60%	3.46%	5.46%

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.

**HENDERSON COUNTY, TENNESSEE**

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

Discretely Presented Henderson County School Department

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 246,796	\$ 227,679	\$ 196,929	\$ 198,580	\$ 258,283	\$ 338,831	\$ 262,920
Interest	124,270	150,806	120,198	144,675	105,458	132,178	212,054
Change in Benefit Terms	0	0	0	0	0	0	1,678,555
Differences Between Actual and Expected Experience	0	(1,172,972)	966,669	(123,067)	195,251	292,414	(158,807)
Changes in Assumptions or Other Inputs	(190,362)	97,011	(319,174)	511,111	859,748	(633,703)	625,638
Benefit Payments	(169,703)	(192,874)	(183,739)	(145,612)	(135,754)	(167,970)	(198,750)
Net Change in Total OPEB Liability	\$ 11,001	\$ (890,350)	\$ 780,883	\$ 585,687	\$ 1,282,986	\$ (38,250)	\$ 2,421,610
Total OPEB Liability, Beginning	4,093,870	4,104,871	3,214,521	3,995,404	4,581,091	5,864,077	5,825,827
Total OPEB Liability, Ending	\$ 4,104,871	\$ 3,214,521	\$ 3,995,404	\$ 4,581,091	\$ 5,864,077	\$ 5,825,827	\$ 8,247,437
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,485,114	\$ 1,123,356	\$ 1,461,387	\$ 1,584,110	\$ 2,139,679	\$ 2,262,407	\$ 2,770,379
Employer Proportionate Share of the Total OPEB Liability	2,619,757	2,091,165	2,534,017	2,996,981	3,724,398	3,563,420	5,477,058
Covered Employee Payroll	\$ 18,178,250	\$ 18,073,590	\$ 17,445,920	\$ 17,453,134	\$ 17,786,157	\$ 18,029,826	\$ 19,135,024
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.41%	11.57%	14.52%	17.17%	20.94%	19.76%	28.62%

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.

**HENDERSON 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

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

**Solid Waste/Sanitation Fund** – The Solid Waste/Sanitation Fund is used to account for Henderson County’s garbage collection operations.

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

**Other General Government Fund** – The Other General Government Fund is used to account for proceeds received from the American Rescue Plan Act.

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

## DEBT SERVICE FUNDS

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

**Rural Debt Service Fund** – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, rural school debt.

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

	<b>Special Revenue Funds</b>				
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 20,515	\$ 20,515
Equity in Pooled Cash and Investments	407,310	102,712	1,252,886	0	1,762,908
Accounts Receivable	0	0	0	72	72
Due from Other Governments	30,899	0	0	0	30,899
Property Taxes Receivable	484,596	0	0	0	484,596
Allowance for Uncollectible Property Taxes	(7,129)	0	0	0	(7,129)
Total Assets	<u>\$ 915,676</u>	<u>\$ 102,712</u>	<u>\$ 1,252,886</u>	<u>\$ 20,587</u>	<u>\$ 2,291,861</u>
<b>LIABILITIES</b>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 20,587	\$ 20,587
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 20,587</u>	<u>\$ 20,587</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 464,414	\$ 0	\$ 0	\$ 0	\$ 464,414
Deferred Delinquent Property Taxes	12,249	0	0	0	12,249
Other Deferred/Unavailable Revenue	15,000	0	0	0	15,000
Total Deferred Inflows of Resources	<u>\$ 491,663</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 491,663</u>

(Continued)

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

FUND BALANCES	Special Revenue Funds				Total
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	
Restricted:					
Restricted for General Government - American Rescue Plan Act	\$ 0	\$ 0	\$ 1,157,719	\$ 0	\$ 1,157,719
Restricted for Public Safety	0	102,712	0	0	102,712
Restricted for Debt Service	0	0	0	0	0
Committed:					
Committed for General Government	0	0	95,167	0	95,167
Committed for Public Health and Welfare	424,013	0	0	0	424,013
Committed for Debt Service	0	0	0	0	0
Total Fund Balances	<u>\$ 424,013</u>	<u>\$ 102,712</u>	<u>\$ 1,252,886</u>	<u>\$ 0</u>	<u>\$ 1,779,611</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 915,676</u>	<u>\$ 102,712</u>	<u>\$ 1,252,886</u>	<u>\$ 20,587</u>	<u>\$ 2,291,861</u>

(Continued)

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

	<b>Debt Service Fund</b>	Total Nonmajor Governmental Funds
<b>ASSETS</b>	Rural Debt Service	Nonmajor Governmental Funds
Cash	\$ 0	\$ 20,515
Equity in Pooled Cash and Investments	672,750	2,435,658
Accounts Receivable	0	72
Due from Other Governments	0	30,899
Property Taxes Receivable	0	484,596
Allowance for Uncollectible Property Taxes	0	(7,129)
	<u>\$ 672,750</u>	<u>\$ 2,964,611</u>
Total Assets		
<b>LIABILITIES</b>		
Due to Other Funds	\$ 0	\$ 20,587
Total Liabilities	<u>\$ 0</u>	<u>\$ 20,587</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Current Property Taxes	\$ 0	\$ 464,414
Deferred Delinquent Property Taxes	0	12,249
Other Deferred/Unavailable Revenue	0	15,000
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 491,663</u>

(Continued)

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

<b>FUND BALANCES</b>	<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Rural Debt Service</b>	
Restricted:		
Restricted for General Government - American Rescue Plan Act	\$ 0	\$ 1,157,719
Restricted for Public Safety	0	102,712
Restricted for Debt Service	94,496	94,496
Committed:		
Committed for General Government	0	95,167
Committed for Public Health and Welfare	0	424,013
Committed for Debt Service	578,254	578,254
Total Fund Balances	<u>\$ 672,750</u>	<u>\$ 2,452,361</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 672,750</u>	<u>\$ 2,964,611</u>

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

	<b>Special Revenue Funds</b>				Total
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu- tional Officers - Fees	
<b>Revenues</b>					
Local Taxes	\$ 679,220	\$ 0	\$ 0	\$ 0	\$ 679,220
Fines, Forfeitures, and Penalties	0	28,316	0	0	28,316
Charges for Current Services	21,962	0	0	21,750	43,712
Other Local Revenues	67,775	0	95,167	0	162,942
Other Governments and Citizens Groups	0	0	0	0	0
Total Revenues	<u>\$ 768,957</u>	<u>\$ 28,316</u>	<u>\$ 95,167</u>	<u>\$ 21,750</u>	<u>\$ 914,190</u>
<b>Expenditures</b>					
Current:					
General Government	\$ 0	\$ 0	\$ 32,079	\$ 0	\$ 32,079
Administration of Justice	0	0	24,984	21,750	46,734
Public Safety	0	12,109	267,866	0	279,975
Public Health and Welfare	755,292	0	0	0	755,292
Social, Cultural, and Recreational Services	0	0	3,750	0	3,750
Other Operations	0	0	50,000	0	50,000
Highways	0	0	392,657	0	392,657
Debt Service:					
Principal on Debt	0	0	0	0	0
Interest on Debt	0	0	0	0	0
Other Debt Service	0	0	0	0	0
Total Expenditures	<u>\$ 755,292</u>	<u>\$ 12,109</u>	<u>\$ 771,336</u>	<u>\$ 21,750</u>	<u>\$ 1,560,487</u>

(Continued)

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

	<b>Special Revenue Funds</b>				Total
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	
Excess (Deficiency) of Revenues Over Expenditures	\$ 13,665	\$ 16,207	\$ (676,169)	\$ 0	\$ (646,297)
<b>Other Financing Sources (Uses)</b>					
Transfers Out	\$ 0	\$ 0	\$ (335,447)	\$ 0	\$ (335,447)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ (335,447)	\$ 0	\$ (335,447)
Net Change in Fund Balances	\$ 13,665	\$ 16,207	\$ (1,011,616)	\$ 0	\$ (981,744)
Fund Balance, July 1, 2023	410,348	86,505	2,264,502	0	2,761,355
Fund Balance, June 30, 2024	\$ 424,013	\$ 102,712	\$ 1,252,886	\$ 0	\$ 1,779,611

(Continued)

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

	<u>Debt Service Fund</u>	Total Nonmajor Governmental Funds
	Rural Debt Service	
<b>Revenues</b>		
Local Taxes	\$ 0	\$ 679,220
Fines, Forfeitures, and Penalties	0	28,316
Charges for Current Services	0	43,712
Other Local Revenues	27,962	190,904
Other Governments and Citizens Groups	366,350	366,350
Total Revenues	<u>\$ 394,312</u>	<u>\$ 1,308,502</u>
<b>Expenditures</b>		
Current:		
General Government	\$ 0	\$ 32,079
Administration of Justice	0	46,734
Public Safety	0	279,975
Public Health and Welfare	0	755,292
Social, Cultural, and Recreational Services	0	3,750
Other Operations	0	50,000
Highways	0	392,657
Debt Service:		
Principal on Debt	300,000	300,000
Interest on Debt	66,350	66,350
Other Debt Service	2,054	2,054
Total Expenditures	<u>\$ 368,404</u>	<u>\$ 1,928,891</u>

(Continued)

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

	<u>Debt Service Fund</u>	Total Nonmajor Governmental Funds
	Rural Debt Service	
Excess (Deficiency) of Revenues Over Expenditures	\$ 25,908	\$ (620,389)
<b>Other Financing Sources (Uses)</b>		
Transfers Out	\$ 0	\$ (335,447)
Total Other Financing Sources (Uses)	\$ 0	\$ (335,447)
Net Change in Fund Balances	\$ 25,908	\$ (955,836)
Fund Balance, July 1, 2023	646,842	3,408,197
Fund Balance, June 30, 2024	<u>\$ 672,750</u>	<u>\$ 2,452,361</u>

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 679,220	\$ 605,500	\$ 605,500	\$ 73,720
Charges for Current Services	21,962	25,000	25,000	(3,038)
Other Local Revenues	67,775	90,000	90,000	(22,225)
Total Revenues	<u>\$ 768,957</u>	<u>\$ 720,500</u>	<u>\$ 720,500</u>	<u>\$ 48,457</u>
<b>Expenditures</b>				
Public Health and Welfare				
Sanitation Education/Information	\$ 755,292	\$ 776,925	\$ 797,925	\$ 42,633
Total Expenditures	<u>\$ 755,292</u>	<u>\$ 776,925</u>	<u>\$ 797,925</u>	<u>\$ 42,633</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 13,665</u>	<u>\$ (56,425)</u>	<u>\$ (77,425)</u>	<u>\$ 91,090</u>
Net Change in Fund Balance	\$ 13,665	\$ (56,425)	\$ (77,425)	\$ 91,090
Fund Balance, July 1, 2023	<u>410,348</u>	<u>500,000</u>	<u>500,000</u>	<u>(89,652)</u>
Fund Balance, June 30, 2024	<u>\$ 424,013</u>	<u>\$ 443,575</u>	<u>\$ 422,575</u>	<u>\$ 1,438</u>

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 28,316	\$ 22,000	\$ 22,000	\$ 6,316
Total Revenues	\$ 28,316	\$ 22,000	\$ 22,000	\$ 6,316
<b>Expenditures</b>				
Public Safety				
Drug Enforcement	\$ 12,109	\$ 26,360	\$ 26,360	\$ 14,251
Total Expenditures	\$ 12,109	\$ 26,360	\$ 26,360	\$ 14,251
Excess (Deficiency) of Revenues Over Expenditures	\$ 16,207	\$ (4,360)	\$ (4,360)	\$ 20,567
Net Change in Fund Balance	\$ 16,207	\$ (4,360)	\$ (4,360)	\$ 20,567
Fund Balance, July 1, 2023	86,505	80,000	80,000	6,505
Fund Balance, June 30, 2024	\$ 102,712	\$ 75,640	\$ 75,640	\$ 27,072

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Other General Government Fund  
**For the Year Ended June 30, 2024**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Other Local Revenues	\$ 95,167	\$ 0	\$ 0	\$ 95,167
Total Revenues	\$ 95,167	\$ 0	\$ 0	\$ 95,167
<b>Expenditures</b>				
General Government				
County Buildings	\$ 32,079	\$ 0	\$ 32,546	\$ 467
Administration of Justice				
Circuit Court	24,984	0	27,170	2,186
Public Safety				
Sheriff's Department	22,547	0	22,547	0
Workhouse	4,892	0	4,892	0
Fire Prevention and Control	99,350	0	99,350	0
Civil Defense	102,077	0	107,077	5,000
Rescue Squad	39,000	0	39,000	0
Social, Cultural, and Recreational Services				
Libraries	3,750	0	3,750	0
Other Operations				
Contributions to Other Agencies	50,000	0	50,000	0
Highways				
Highway and Bridge Maintenance	392,657	0	392,657	0
Total Expenditures	\$ 771,336	\$ 0	\$ 778,989	\$ 7,653
Excess (Deficiency) of Revenues Over Expenditures	\$ (676,169)	\$ 0	\$ (778,989)	\$ 102,820
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ (335,447)	\$ 0	\$ (335,447)	\$ 0
Total Other Financing Sources	\$ (335,447)	\$ 0	\$ (335,447)	\$ 0
Net Change in Fund Balance	\$ (1,011,616)	\$ 0	\$ (1,114,436)	\$ 102,820
Fund Balance, July 1, 2023	2,264,502	0	2,264,502	0
Fund Balance, June 30, 2024	\$ 1,252,886	\$ 0	\$ 1,150,066	\$ 102,820

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Other Local Revenues	\$ 27,962	\$ 10,000	\$ 10,000	\$ 17,962
Other Governments and Citizens Groups	366,350	0	400,000	(33,650)
Total Revenues	<u>\$ 394,312</u>	<u>\$ 10,000</u>	<u>\$ 410,000</u>	<u>\$ (15,688)</u>
<b>Expenditures</b>				
Principal on Debt				
Education	\$ 300,000	\$ 310,000	\$ 300,000	\$ 0
Interest on Debt				
Education	66,350	68,850	66,350	0
Other Debt Service				
Education	2,054	0	12,500	10,446
Total Expenditures	<u>\$ 368,404</u>	<u>\$ 378,850</u>	<u>\$ 378,850</u>	<u>\$ 10,446</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 25,908</u>	<u>\$ (368,850)</u>	<u>\$ 31,150</u>	<u>\$ (5,242)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 0	\$ 400,000	\$ 0	\$ 0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 400,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 25,908	\$ 31,150	\$ 31,150	\$ (5,242)
Fund Balance, July 1, 2023	<u>646,842</u>	<u>615,000</u>	<u>615,000</u>	<u>31,842</u>
Fund Balance, June 30, 2024	<u><u>\$ 672,750</u></u>	<u><u>\$ 646,150</u></u>	<u><u>\$ 646,150</u></u>	<u><u>\$ 26,600</u></u>

## MAJOR GOVERNMENTAL FUND

### GENERAL DEBT SERVICE FUND

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 1,981,344	\$ 1,851,000	\$ 1,851,000	\$ 130,344
Other Local Revenues	133,684	40,000	40,000	93,684
Other Governments and Citizens Groups	104,180	0	104,180	0
Total Revenues	<u>\$ 2,219,208</u>	<u>\$ 1,891,000</u>	<u>\$ 1,995,180</u>	<u>\$ 224,028</u>
<b>Expenditures</b>				
Principal on Debt				
General Government	\$ 1,447,000	\$ 2,091,703	\$ 1,447,000	\$ 0
Education	440,208	80,000	519,708	79,500
Interest on Debt				
General Government	225,819	2,500	226,070	251
Education	37,355	0	37,355	0
Other Debt Service				
General Government	32,935	0	47,105	14,170
Education	1,145	0	1,145	0
Total Expenditures	<u>\$ 2,184,462</u>	<u>\$ 2,174,203</u>	<u>\$ 2,278,383</u>	<u>\$ 93,921</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 34,746</u>	<u>\$ (283,203)</u>	<u>\$ (283,203)</u>	<u>\$ 317,949</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>\$ 160,102</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 60,102</u>
Total Other Financing Sources	<u>\$ 160,102</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 60,102</u>
Net Change in Fund Balance	\$ 194,848	\$ (183,203)	\$ (183,203)	\$ 378,051
Fund Balance, July 1, 2023	<u>1,375,800</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>75,800</u>
Fund Balance, June 30, 2024	<u><u>\$ 1,570,648</u></u>	<u><u>\$ 1,116,797</u></u>	<u><u>\$ 1,116,797</u></u>	<u><u>\$ 453,851</u></u>

## CUSTODIAL FUNDS

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

**Cities - Sales Tax Fund** – The Cities - Sales Tax Fund is used to account for the second half of 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.

**City School ADA - Lexington Fund** – The City School ADA - Lexington Fund is used to account for the city school system’s share of education revenues collected by the county, which must be apportioned between the Henderson County School System and the City of Lexington School System on an average daily attendance basis. These collections are remitted to the Lexington City School System 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, general sessions, and juvenile courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

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

	<b>Custodial Funds</b>			
	Cities - Sales Tax	City School ADA - Lexington	Constitu - tional Officers - Custodial	Total
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 2,103,082	\$ 2,103,082
Equity in Pooled Cash and Investments	0	77,844	0	77,844
Accounts Receivable	0	36	19,368	19,404
Due from Other Governments	878,900	193,542	0	1,072,442
Property Taxes Receivable	0	89,927	0	89,927
Allowance for Uncollectible Property Taxes	0	(1,927)	0	(1,927)
Total Assets	<u>\$ 878,900</u>	<u>\$ 359,422</u>	<u>\$ 2,122,450</u>	<u>\$ 3,360,772</u>
<b>LIABILITIES</b>				
Due to Other Taxing Units	\$ 878,900	\$ 276,144	\$ 0	\$ 1,155,044
Total Liabilities	<u>\$ 878,900</u>	<u>\$ 276,144</u>	<u>\$ 0</u>	<u>\$ 1,155,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 0	\$ 83,278	\$ 0	\$ 83,278
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 83,278</u>	<u>\$ 0</u>	<u>\$ 83,278</u>
<b>NET POSITION</b>				
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,122,450</u>	<u>\$ 2,122,450</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,122,450</u>	<u>\$ 2,122,450</u>

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

	<b>Custodial Funds</b>			
	Cities - Sales Tax	City School ADA - Lexington	Constitu - tional Officers - Custodial	Total
<b>Additions</b>				
Sales Tax Collections for Other Governments	\$ 4,979,390	\$ 0	\$ 0	\$ 4,979,390
ADA - Educational Funds Collected for Cities	0	1,287,619	0	1,287,619
Fines/Fees and Other Collections	0	0	11,803,363	11,803,363
<b>Total Additions</b>	<b>\$ 4,979,390</b>	<b>\$ 1,287,619</b>	<b>\$ 11,803,363</b>	<b>\$ 18,070,372</b>
<b>Deductions</b>				
Payment of Sales Tax Collections for Other Governments	\$ 4,979,390	\$ 0	\$ 0	\$ 4,979,390
Payments to City School Systems	0	1,287,619	0	1,287,619
Payments to State	0	0	3,505,782	3,505,782
Payments to Cities, Individuals, and Others	0	0	7,312,182	7,312,182
<b>Total Deductions</b>	<b>\$ 4,979,390</b>	<b>\$ 1,287,619</b>	<b>\$ 10,817,964</b>	<b>\$ 17,084,973</b>
Change in Net Position	\$ 0	\$ 0	\$ 985,399	\$ 985,399
Net Position July 1, 2023	0	0	1,137,051	1,137,051
<b>Net Position June 30, 2024</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,122,450</b>	<b>\$ 2,122,450</b>

# HENDERSON COUNTY SCHOOL DEPARTMENT

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

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

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

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

**School Transportation Fund** – The School Transportation Fund is used to account for transportation of students.

**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.

**HENDERSON COUNTY, TENNESSEE**

**Statement of Activities**

Discretely Presented Henderson County School Department

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 31,895,448	\$ 6,593	\$ 9,229,731	\$ 0	\$ (22,659,124)
Support Services	14,018,533	210	1,857,375	298,991	(11,861,957)
Operation of Non-instructional Services	7,478,869	391,968	3,511,588	0	(3,575,313)
<b>Total Governmental Activities</b>	<b>\$ 53,392,850</b>	<b>\$ 398,771</b>	<b>\$ 14,598,694</b>	<b>\$ 298,991</b>	<b>\$ (38,096,394)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 2,287,330
Local Option Sales Taxes					5,618,864
Other Local Taxes					668
Grants and Contributions Not Restricted to Specific Programs					32,536,697
Unrestricted Investment Earnings					161,714
Miscellaneous					64,704
<b>Total General Revenues</b>					<b>\$ 40,669,977</b>
Change in Net Position					\$ 2,573,583
Net Position, July 1, 2023					38,633,614
Net Position, June 30, 2024					<b>\$ 41,207,197</b>

**HENDERSON COUNTY, TENNESSEE**

**Balance Sheet - Governmental Funds**

Discretely Presented Henderson County School Department

**June 30, 2024**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	<b>Total Governmental Funds</b>
	<b>General Purpose School</b>	<b>School Transportation</b>	<b>Other Governmental Funds</b>	
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 1,133,652	\$ 1,133,652
Equity in Pooled Cash and Investments	8,686,361	260,865	1,992,697	10,939,923
Inventories	0	0	2,378	2,378
Accounts Receivable	5,490	0	10,450	15,940
Due from Other Governments	2,167,319	0	32,348	2,199,667
Property Taxes Receivable	452,429	1,413,303	0	1,865,732
Allowance for Uncollectible Property Taxes	(9,692)	(20,878)	0	(30,570)
Restricted Assets	478,131	0	0	478,131
<b>Total Assets</b>	<b>\$ 11,780,038</b>	<b>\$ 1,653,290</b>	<b>\$ 3,171,525</b>	<b>\$ 16,604,853</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 0	\$ 0	\$ 170	\$ 170
Payroll Deductions Payable	666,110	0	9,014	675,124
<b>Total Liabilities</b>	<b>\$ 666,110</b>	<b>\$ 0</b>	<b>\$ 9,184</b>	<b>\$ 675,294</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 418,977	\$ 1,354,027	\$ 0	\$ 1,773,004
Deferred Delinquent Property Taxes	21,419	36,590	0	58,009
Other Deferred/Unavailable Revenue	487,025	0	0	487,025
<b>Total Deferred Inflows of Resources</b>	<b>\$ 927,421</b>	<b>\$ 1,390,617</b>	<b>\$ 0</b>	<b>\$ 2,318,038</b>

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Balance Sheet - Governmental Funds**

Discretely Presented Henderson County School Department (Cont.)

**FUND BALANCES**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	<b>Total Governmental Funds</b>
	<b>General Purpose School</b>	<b>School Transportation</b>	<b>Other Governmental Funds</b>	
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 2,378	\$ 2,378
Restricted:				
Restricted for Education	1,532	0	1,138,984	1,140,516
Restricted for Operation of Non-instructional Services	0	0	1,020,979	1,020,979
Restricted for Hybrid Retirement Stabilization Funds	478,131	0	0	478,131
Committed:				
Committed for Education	1,956,140	262,673	0	2,218,813
Assigned:				
Assigned for Education	0	0	1,000,000	1,000,000
Unassigned	7,750,704	0	0	7,750,704
<b>Total Fund Balances</b>	<b>\$ 10,186,507</b>	<b>\$ 262,673</b>	<b>\$ 3,162,341</b>	<b>\$ 13,611,521</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 11,780,038</b>	<b>\$ 1,653,290</b>	<b>\$ 3,171,525</b>	<b>\$ 16,604,853</b>

**HENDERSON COUNTY, TENNESSEE**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
Discretely Presented Henderson County School Department  
**June 30, 2024**

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 13,611,521
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,151,661	
Add: construction in progress	5,395,311	
Add: buildings and improvements net of accumulated depreciation	13,382,805	
Add: infrastructure net of accumulated depreciation	39,430	
Add: other capital assets net of accumulated depreciation	<u>2,217,984</u>	22,187,191
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: contributions due on primary government debt for the other loan	\$ (733,574)	
Less: net pension liability - agent plan	(441,079)	
Less: net OPEB liability	<u>(5,477,058)</u>	(6,651,711)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as a component of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 6,224,464	
Less: deferred inflows of resources related to pensions	(620,223)	
Add: deferred outflows of resources related to OPEB	2,009,700	
Less: deferred inflows of resources related to OPEB	<u>(1,171,366)</u>	6,442,575
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 123,613	
Add: net pension asset - teacher legacy pension plan	<u>4,948,974</u>	5,072,587
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>545,034</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 41,207,197</u></u>

**HENDERSON COUNTY, TENNESSEE**

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

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	Total Governmental Funds
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	
<b>Revenues</b>				
Local Taxes	\$ 6,494,193	\$ 1,422,717	\$ 0	\$ 7,916,910
Licenses and Permits	1,732	0	0	1,732
Charges for Current Services	0	0	391,968	391,968
Other Local Revenues	125,594	50	2,930,223	3,055,867
State of Tennessee	34,834,094	0	0	34,834,094
Federal Government	1,228,374	0	7,532,398	8,760,772
Other Governments and Citizens Groups	331,534	0	0	331,534
Total Revenues	<u>\$ 43,015,521</u>	<u>\$ 1,422,767</u>	<u>\$ 10,854,589</u>	<u>\$ 55,292,877</u>
<b>Expenditures</b>				
Current:				
Instruction	\$ 24,785,555	\$ 0	\$ 2,985,755	\$ 27,771,310
Support Services	10,841,217	1,322,619	2,007,939	14,171,775
Operation of Non-Instructional Services	885,310	0	6,668,324	7,553,634
Capital Outlay	7,178,278	0	0	7,178,278
Debt Service:				
Other Debt Service	470,030	0	0	470,030
Total Expenditures	<u>\$ 44,160,390</u>	<u>\$ 1,322,619</u>	<u>\$ 11,662,018</u>	<u>\$ 57,145,027</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,144,869)</u>	<u>\$ 100,148</u>	<u>\$ (807,429)</u>	<u>\$ (1,852,150)</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 23,936	\$ 0	\$ 0	\$ 23,936
Total Other Financing Sources (Uses)	<u>\$ 23,936</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23,936</u>
Net Change in Fund Balances	\$ (1,120,933)	\$ 100,148	\$ (807,429)	\$ (1,828,214)
Fund Balance, July 1, 2023	11,307,440	162,525	3,969,770	15,439,735
Fund Balance, June 30, 2024	<u>\$ 10,186,507</u>	<u>\$ 262,673</u>	<u>\$ 3,162,341</u>	<u>\$ 13,611,521</u>

**HENDERSON COUNTY, TENNESSEE**

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

Discretely Presented Henderson County School Department

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ (1,828,214)
(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	\$ 7,558,698	
Less: current-year depreciation expense	<u>(1,673,660)</u>	5,885,038
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 545,034	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(531,706)</u>	13,328
(3) The contributions of long-term debt (e.g., other loans) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on other loan to primary government		92,208
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net OPEB liability	\$ (1,913,638)	
Change in deferred outflows related to OPEB	545,160	
Change in deferred inflows related to OPEB	12,154	
Change in net pension liability - agent plan	(175,035)	
Change in net pension asset - teacher retirement plan	43,085	
Change in net pension asset - teacher legacy pension plan	(77,474)	
Change in deferred outflows related to pensions	(538,611)	
Change in deferred inflows related to pensions	<u>515,582</u>	<u>(1,588,777)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,573,583</u>

**HENDERSON COUNTY, TENNESSEE**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
 Discretely Presented Henderson County School Department  
**June 30, 2024**

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 1,133,652	\$ 1,133,652
Equity in Pooled Cash and Investments	990,177	1,002,520	0	1,992,697
Inventories	0	0	2,378	2,378
Accounts Receivable	0	10,450	0	10,450
Due from Other Governments	23,412	8,936	0	32,348
Total Assets	<u>\$ 1,013,589</u>	<u>\$ 1,021,906</u>	<u>\$ 1,136,030</u>	<u>\$ 3,171,525</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 0	\$ 0	\$ 170	\$ 170
Payroll Deductions Payable	8,087	927	0	9,014
Total Liabilities	<u>\$ 8,087</u>	<u>\$ 927</u>	<u>\$ 170</u>	<u>\$ 9,184</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 2,378	\$ 2,378
Restricted:				
Restricted for Education	5,502	0	1,133,482	1,138,984
Restricted for Operation of Non-instructional Services	0	1,020,979	0	1,020,979
Assigned:				
Assigned for Education	1,000,000	0	0	1,000,000
Total Fund Balances	<u>\$ 1,005,502</u>	<u>\$ 1,020,979</u>	<u>\$ 1,135,860</u>	<u>\$ 3,162,341</u>
Total Liabilities and Fund Balances	<u>\$ 1,013,589</u>	<u>\$ 1,021,906</u>	<u>\$ 1,136,030</u>	<u>\$ 3,171,525</u>

**HENDERSON COUNTY, TENNESSEE**

**Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds**

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<b>Revenues</b>				
Charges for Current Services	\$ 0	\$ 391,968	\$ 0	\$ 391,968
Other Local Revenues	0	122,116	2,808,107	2,930,223
Federal Government	4,993,602	2,538,796	0	7,532,398
Total Revenues	\$ 4,993,602	\$ 3,052,880	\$ 2,808,107	\$ 10,854,589
<b>Expenditures</b>				
Current:				
Instruction	\$ 2,985,755	\$ 0	\$ 0	\$ 2,985,755
Support Services	2,007,939	0	0	2,007,939
Operation of Non-Instructional Services	0	3,872,619	2,795,705	6,668,324
Total Expenditures	\$ 4,993,694	\$ 3,872,619	\$ 2,795,705	\$ 11,662,018
Excess (Deficiency) of Revenues Over Expenditures	\$ (92)	\$ (819,739)	\$ 12,402	\$ (807,429)
Net Change in Fund Balances	\$ (92)	\$ (819,739)	\$ 12,402	\$ (807,429)
Fund Balance, July 1, 2023	1,005,594	1,840,718	1,123,458	3,969,770
Fund Balance, June 30, 2024	\$ 1,005,502	\$ 1,020,979	\$ 1,135,860	\$ 3,162,341

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

Discretely Presented Henderson County School Department  
 General Purpose School Fund

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 6,494,193	\$ 5,971,600	\$ 5,971,600	\$ 522,593
Licenses and Permits	1,732	2,000	2,000	(268)
Other Local Revenues	125,594	92,500	92,500	33,094
State of Tennessee	34,834,094	32,668,257	38,311,223	(3,477,129)
Federal Government	1,228,374	658,000	787,033	441,341
Other Governments and Citizens Groups	331,534	0	323,633	7,901
Total Revenues	\$ 43,015,521	\$ 39,392,357	\$ 45,487,989	\$ (2,472,468)
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 18,641,100	\$ 19,932,000	\$ 20,236,034	\$ 1,594,934
Alternative Instruction Program	48,971	68,470	68,470	19,499
Special Education Program	3,377,790	3,271,550	3,656,583	278,793
Career and Technical Education Program	2,249,656	1,397,920	4,427,232	2,177,576
Adult Education Program	468,038	397,750	537,750	69,712
Support Services				
Attendance	173,448	119,300	176,050	2,602
Health Services	583,112	640,125	599,538	16,426
Other Student Support	1,850,347	2,056,750	2,107,383	257,036
Regular Instruction Program	1,077,665	1,290,500	1,175,575	97,910
Alternative Instruction Program	83,953	93,909	93,909	9,956
Special Education Program	251,911	322,455	322,455	70,544
Career and Technical Education Program	244,948	116,816	281,614	36,666
Technology	441,342	367,850	509,850	68,508
Adult Programs	89,867	162,350	110,350	20,483
Other Programs	90,859	0	90,859	0
Board of Education	477,461	637,350	617,350	139,889
Director of Schools	232,686	221,275	273,275	40,589
Office of the Principal	1,252,906	1,503,750	1,362,425	109,519
Fiscal Services	140,484	174,150	174,150	33,666
Operation of Plant	2,650,694	2,770,650	2,855,145	204,451
Maintenance of Plant	833,031	697,900	930,953	97,922
Transportation	366,503	204,400	572,656	206,153
Operation of Non-Instructional Services				
Food Service	154,871	147,050	180,775	25,904
Early Childhood Education	730,439	777,304	777,304	46,865
Capital Outlay				
Regular Capital Outlay	7,178,278	5,750,000	9,427,022	2,248,744
Principal on Debt				
Education	0	90,000	2,500	2,500
Interest on Debt				
Education	0	115,000	0	0
Other Debt Service				
Education	470,030	300,000	505,000	34,970
Total Expenditures	\$ 44,160,390	\$ 43,626,574	\$ 52,072,207	\$ 7,911,817

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,144,869)	\$ (4,234,217)	\$ (6,584,218)	\$ 5,439,349
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 23,936	\$ 0	\$ 0	\$ 23,936
Total Other Financing Sources	\$ 23,936	\$ 0	\$ 0	\$ 23,936
Net Change in Fund Balance	\$ (1,120,933)	\$ (4,234,217)	\$ (6,584,218)	\$ 5,463,285
Fund Balance, July 1, 2023	11,307,440	12,303,500	12,303,550	(996,110)
Fund Balance, June 30, 2024	\$ 10,186,507	\$ 8,069,283	\$ 5,719,332	\$ 4,467,175

**HENDERSON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**Discretely Presented Henderson County School Department  
School Federal Projects Fund**For the Year Ended June 30, 2024**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Federal Government	\$ 4,993,602	\$ 5,079,329	\$ 6,076,869	\$ (1,083,267)
Total Revenues	\$ 4,993,602	\$ 5,079,329	\$ 6,076,869	\$ (1,083,267)
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 2,153,495	\$ 2,382,585	\$ 2,448,806	\$ 295,311
Special Education Program	761,796	643,479	1,192,588	430,792
Career and Technical Education Program	70,464	0	70,464	0
Support Services				
Health Services	66,979	109,437	109,437	42,458
Other Student Support	698,187	850,169	795,318	97,131
Regular Instruction Program	485,440	429,056	563,417	77,977
Special Education Program	241,900	148,802	362,036	120,136
Fiscal Services	56,200	56,200	56,200	0
Transportation	459,233	459,600	478,600	19,367
Total Expenditures	\$ 4,993,694	\$ 5,079,328	\$ 6,076,866	\$ 1,083,172
Excess (Deficiency) of Revenues Over Expenditures				
	\$ (92)	\$ 1	\$ 3	\$ (95)
Net Change in Fund Balance				
Fund Balance, July 1, 2023	\$ 1,005,594	\$ 1,000,000	\$ 1,000,000	\$ 5,594
Fund Balance, June 30, 2024	\$ 1,005,502	\$ 1,000,001	\$ 1,000,003	\$ 5,499

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Charges for Current Services	\$ 391,968	\$ 400,000	\$ 400,000	\$ (8,032)
Other Local Revenues	122,116	0	0	122,116
Federal Government	2,538,796	2,175,000	2,360,000	178,796
Total Revenues	\$ 3,052,880	\$ 2,575,000	\$ 2,760,000	\$ 292,880
<b>Expenditures</b>				
Operation of Non-Instructional Services				
Food Service	\$ 3,872,619	\$ 2,895,050	\$ 4,024,150	\$ 151,531
Total Expenditures	\$ 3,872,619	\$ 2,895,050	\$ 4,024,150	\$ 151,531
Excess (Deficiency) of Revenues Over Expenditures	\$ (819,739)	\$ (320,050)	\$ (1,264,150)	\$ 444,411
Net Change in Fund Balance	\$ (819,739)	\$ (320,050)	\$ (1,264,150)	\$ 444,411
Fund Balance, July 1, 2023	1,840,718	1,600,000	1,600,000	240,718
Fund Balance, June 30, 2024	\$ 1,020,979	\$ 1,279,950	\$ 335,850	\$ 685,129

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 Discretely Presented Henderson County School Department  
 School Transportation Fund  
**For the Year Ended June 30, 2024**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 1,422,717	\$ 1,372,000	\$ 1,372,000	\$ 50,717
Other Local Revenues	50	0	0	50
Total Revenues	<u>\$ 1,422,767</u>	<u>\$ 1,372,000</u>	<u>\$ 1,372,000</u>	<u>\$ 50,767</u>
<b>Expenditures</b>				
Support Services				
Board of Education	\$ 28,157	\$ 27,000	\$ 30,000	\$ 1,843
Transportation	1,294,462	1,310,420	1,309,420	14,958
Total Expenditures	<u>\$ 1,322,619</u>	<u>\$ 1,337,420</u>	<u>\$ 1,339,420</u>	<u>\$ 16,801</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 100,148</u>	<u>\$ 34,580</u>	<u>\$ 32,580</u>	<u>\$ 67,568</u>
Net Change in Fund Balance	\$ 100,148	\$ 34,580	\$ 32,580	\$ 67,568
Fund Balance, July 1, 2023	<u>162,525</u>	<u>100,000</u>	<u>100,000</u>	<u>62,525</u>
Fund Balance, June 30, 2024	<u><u>\$ 262,673</u></u>	<u><u>\$ 134,580</u></u>	<u><u>\$ 132,580</u></u>	<u><u>\$ 130,093</u></u>

## MISCELLANEOUS SCHEDULES

Exhibit J-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-23	Paid and/or Matured During Period	Outstanding 6-30-24
<b>OTHER LOAN PAYABLE</b>							
Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund							
Clean Water State Revolving Fund	\$ 1,800,582	1.38 %	7-31-10	12-31-31	\$ 825,782	\$ 92,208	\$ 733,574
Total Other Loan Payable					<u>\$ 825,782</u>	<u>\$ 92,208</u>	<u>\$ 733,574</u>
<b>BONDS PAYABLE</b>							
Payable through General Debt Service Fund							
G.O. Bonds, Series 2018	2,310,000	2.5 to 3.05	8-15-18	4-1-33	\$ 1,835,000	\$ 165,000	\$ 1,670,000
G.O. Refunding Bonds, Series 2019	5,500,000	3 to 5	5-31-19	3-1-29	2,595,000	430,000	2,165,000
G.O. Refunding Bonds, Series 2021	7,575,000	1 to 2	4-30-21	5-1-29	5,100,000	1,200,000	3,900,000
Total Payable through General Debt Service Fund					<u>\$ 9,530,000</u>	<u>\$ 1,795,000</u>	<u>\$ 7,735,000</u>
Payable through Rural Debt Service Fund							
Rural School Refunding Bonds, Series 2020	2,785,000	2 to 5	6-30-20	3-1-29	\$ 1,930,000	\$ 300,000	\$ 1,630,000
Total Payable through Rural Debt Service Fund					<u>\$ 1,930,000</u>	<u>\$ 300,000</u>	<u>\$ 1,630,000</u>
Total Bonds Payable					<u>\$ 11,460,000</u>	<u>\$ 2,095,000</u>	<u>\$ 9,365,000</u>

Exhibit J-2

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

<b>Year Ending June 30</b>	<b>Other Loan</b>			<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Other Fees</b>	
2025	\$ 93,480	\$ 9,540	\$ 588	\$ 103,608
2026	94,788	8,232	516	103,536
2027	96,096	6,924	432	103,452
2028	97,440	5,580	360	103,380
2029	98,784	4,236	276	103,296
2030	100,164	2,856	204	103,224
2031	101,556	1,464	120	103,140
2032	51,266	135	16	51,417
<b>Total</b>	<b>\$ 733,574</b>	<b>\$ 38,967</b>	<b>\$ 2,512</b>	<b>\$ 775,053</b>

<b>Year Ending June 30</b>	<b>Bonds</b>			<b>Total</b>
	<b>Principal</b>	<b>Interest</b>		
2025	\$ 1,730,000	\$ 252,602	\$	\$ 1,982,602
2026	1,750,000	195,103		1,945,103
2027	1,750,000	135,752		1,885,752
2028	1,700,000	90,203		1,790,203
2029	1,645,000	57,553		1,702,553
2030	190,000	23,802		213,802
2031	195,000	18,103		213,103
2032	200,000	12,252		212,252
2033	205,000	6,253		211,253
<b>Total</b>	<b>\$ 9,365,000</b>	<b>\$ 791,623</b>	<b>\$</b>	<b>\$ 10,156,623</b>

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Transfers**  
**For the Year Ended June 30, 2024**

<b>From Fund</b>	<b>To Fund</b>	<b>Purpose</b>	<b>Amount</b>
General	General Debt Service	Debt retirement	\$ 160,102
Other General Government	General	American Rescue Plan Act funds	<u>335,447</u>
Total Transfers			<u>\$ 495,549</u>

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

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Mayor</b>		Section 8-24-102, <i>TCA</i>	\$ 100,000	Auto-Owners Mutual Insurance Company
Base salary/Total compensation	<u>\$ 115,255</u>		(1)	
<b>Road Supervisor</b>		Section 8-24-102, <i>TCA</i>	100,000	Western Surety
Base salary/Total compensation	<u>\$ 109,766</u>			
<b>Director of Schools</b>		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 124,000			
Career ladder program additional pay	800			
Total compensation	<u>\$ 124,800</u>			
<b>Trustee</b>		Section 8-24-102, <i>TCA</i>	1,505,515	Auto-Owners Mutual Insurance Company
Base salary/Total compensation	<u>\$ 90,715</u>			
<b>Assessor of Property</b>		Section 8-24-102, <i>TCA</i>	50,000	Auto-Owners Mutual Insurance Company
Base salary/Total compensation	<u>\$ 90,715</u>		(1)	
<b>County Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 90,715</u>			
<b>Circuit/General Sessions/Juvenile Courts Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary	\$ 90,715			
Additional 10% for overseeing more than one court	9,072			
Certified public administrator supplement	1,500			
Total compensation	<u>\$ 101,287</u>			
<b>Clerk and Master</b>		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Tennessee Risk Management Trust
Base salary	\$ 90,715			
Additional 10% for overseeing more than one court	9,072			
Special commissioner fees	21,750			
Total compensation	<u>\$ 121,537</u>			
<b>Register of Deeds</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary	\$ 90,715			
Certified public administrator supplement	1,500			
Total compensation	<u>\$ 92,215</u>			
<b>Sheriff</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary	\$ 109,766			
Law enforcement training supplement	800			
Total compensation	<u>\$ 110,566</u>			
<b>Finance Director</b>		County Commission	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 90,714</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

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

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu- tional Officers - Fees	Highway / Public Works
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 5,882,828	\$ 447,949	\$ 0	\$ 0	\$ 0	\$ 244,036
Trustee's Collections - Prior Year	251,461	20,531	0	0	0	11,151
Circuit Clerk/Clerk and Master Collections - Prior Years	49,029	3,800	0	0	0	2,067
Interest and Penalty	46,580	3,904	0	0	0	2,104
Payments in-Lieu-of Taxes - Local Utilities	106,160	8,084	0	0	0	4,404
County Local Option Taxes						
Local Option Sales Tax	200,513	190,039	0	0	0	0
Hotel/Motel Tax	356,566	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0
Litigation Tax - General	158,364	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	59,564	0	0	0	0	0
Business Tax	382,732	0	0	0	0	0
Mixed Drink Tax	801	0	0	0	0	0
Other County Local Option Taxes	514,565	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	64,526	4,913	0	0	0	2,677
Wholesale Beer Tax	115,514	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 8,189,203</b>	<b>\$ 679,220</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 266,439</b>
<b>Licenses and Permits</b>						
Permits						
Beer Permits	\$ 1,235	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Licenses and Permits</b>	<b>\$ 1,235</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Highway / Public Works
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 44,968	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	3,554	0	0	0	0	0
Drug Control Fines	15,224	0	15,300	0	0	0
DUI Treatment Fines	1,751	0	0	0	0	0
Data Entry Fee - Circuit Court	564	0	0	0	0	0
General Sessions Court						
Fines	157,065	0	0	0	0	0
Officers Costs	25,321	0	0	0	0	0
Game and Fish Fines	466	0	0	0	0	0
Drug Control Fines	28	0	2,104	0	0	0
Drug Court Fees	14,530	0	0	0	0	0
Jail Fees	99,297	0	0	0	0	0
DUI Treatment Fines	16,511	0	0	0	0	0
Data Entry Fee - General Sessions Court	24,040	0	0	0	0	0
Juvenile Court						
Fines	57	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,060	0	0	0	0	0
Chancery Court						
Officers Costs	120	0	0	0	0	0
Data Entry Fee - Chancery Court	2,421	0	0	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	0	10,912	0	0	0
Courtroom Security Fee	294,501	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 701,478</b>	<b>\$ 0</b>	<b>\$ 28,316</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu- tional Officers - Fees	Highway / Public Works
<b>Charges for Current Services</b>						
General Service Charges						
Surcharge - Waste Tire Disposal	\$ 0	\$ 21,962	\$ 0	\$ 0	\$ 0	0
Fees						
Copy Fees	50	0	0	0	0	0
Telephone Commissions	84,000	0	0	0	0	0
Additional Fees - Titling and Registration	25,140	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	21,750	0
Data Processing Fee - Register	7,932	0	0	0	0	0
Data Processing Fee - Sheriff	10,471	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,900	0	0	0	0	0
Data Processing Fee - County Clerk	3,165	0	0	0	0	0
Vehicle Registration Reinstatement Fees	4,445	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 139,103</b>	<b>\$ 21,962</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 21,750</b>	<b>\$ 0</b>
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 860,284	\$ 0	\$ 0	\$ 95,167	\$ 0	0
Lease/Rentals/PPP	16,800	0	0	0	0	0
Sale of Materials and Supplies	150,910	0	0	0	0	0
Commissary Sales	110,666	0	0	0	0	0
Sale of Recycled Materials	0	60,815	0	0	0	0
Miscellaneous Refunds	104,119	398	0	0	0	29,504
Nonrecurring Items						
Sale of Equipment	39,902	6,562	0	0	0	23,350
Sale of Property	900	0	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Highway / Public Works
<b>Other Local Revenues (Cont.)</b>						
Other Local Revenues						
Other Local Revenues	\$ 1,099	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 1,284,680	\$ 67,775	\$ 0	\$ 95,167	\$ 0	\$ 52,854
<b>Fees Received From County Officials</b>						
Fees In-Lieu-of Salary						
County Clerk	\$ 357,873	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	94,172	0	0	0	0	0
General Sessions Court Clerk	425,903	0	0	0	0	0
Clerk and Master	81,060	0	0	0	0	0
Juvenile Court Clerk	26,904	0	0	0	0	0
Register	102,415	0	0	0	0	0
Sheriff	38,225	0	0	0	0	0
Trustee	470,450	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,597,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety Grants						
School Resource Officer Grants	675,000	0	0	0	0	0
Health and Welfare Grants						
Other Health and Welfare Grants	198,356	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	3,521,075
Litter Program	2,143	0	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Highway / Public Works
<b>State of Tennessee (Cont.)</b>						
Other State Revenues						
Beer Tax	\$ 18,498	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Certificate of Title Fees	7,772	0	0	0	0	0
Alcoholic Beverage Tax	91,096	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	120,905	0	0	0	0	0
State Revenue Sharing - Telecommunications	31,120	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	34,571	0	0	0	0	0
Prisoner Transportation	3,077	0	0	0	0	0
Contracted Prisoner Boarding	893,226	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,620,738
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	10,606
Petroleum Special Tax	0	0	0	0	0	18,448
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	472,337	0	0	0	0	0
Other State Revenues	26,142	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 2,593,907</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>6,170,867</b>
<b>Federal Government</b>						
Federal Through State						
Community Development	\$ 279,972	\$ 0	\$ 0	\$ 0	\$ 0	0
Law Enforcement Grants	4,219	0	0	0	0	0
Other Federal through State	583,812	0	0	0	0	0
Direct Federal Revenue						
Other Direct Federal Revenue	396	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 868,399</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu- tional Officers - Fees	Highway / Public Works
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 143,066	\$ 0	\$ 0	\$ 0	\$ 0	0
Other						
Other	440,504	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	75,013	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 658,583</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
 Total	 <u>\$ 16,033,590</u>	 <u>\$ 768,957</u>	 <u>\$ 28,316</u>	 <u>\$ 95,167</u>	 <u>\$ 21,750</u>	 <u>\$ 6,490,160</u>

(Continued)

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

	<u>Debt Service Funds</u>		Total
	General Debt Service	Rural Debt Service	
<b>Local Taxes</b>			
County Property Taxes			
Current Property Tax	\$ 876,511	\$ 0	\$ 7,451,324
Trustee's Collections - Prior Year	40,230	0	323,373
Circuit Clerk/Clerk and Master Collections - Prior Years	7,438	0	62,334
Interest and Penalty	7,671	0	60,259
Payments in-Lieu-of Taxes - Local Utilities	15,817	0	134,465
County Local Option Taxes			
Local Option Sales Tax	0	0	390,552
Hotel/Motel Tax	0	0	356,566
Wheel Tax	1,024,063	0	1,024,063
Litigation Tax - General	0	0	158,364
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	59,564
Business Tax	0	0	382,732
Mixed Drink Tax	0	0	801
Other County Local Option Taxes	0	0	514,565
Statutory Local Taxes			
Bank Excise Tax	9,614	0	81,730
Wholesale Beer Tax	0	0	115,514
Total Local Taxes	<u>\$ 1,981,344</u>	<u>\$ 0</u>	<u>\$ 11,116,206</u>
<b>Licenses and Permits</b>			
Permits			
Beer Permits	\$ 0	\$ 0	\$ 1,235
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,235</u>

(Continued)

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

	<u>Debt Service Funds</u>		Total
	General Debt Service	Rural Debt Service	
<b>Fines, Forfeitures, and Penalties</b>			
Circuit Court			
Fines	\$ 0	\$ 0	\$ 44,968
Officers Costs	0	0	3,554
Drug Control Fines	0	0	30,524
DUI Treatment Fines	0	0	1,751
Data Entry Fee - Circuit Court	0	0	564
General Sessions Court			
Fines	0	0	157,065
Officers Costs	0	0	25,321
Game and Fish Fines	0	0	466
Drug Control Fines	0	0	2,132
Drug Court Fees	0	0	14,530
Jail Fees	0	0	99,297
DUI Treatment Fines	0	0	16,511
Data Entry Fee - General Sessions Court	0	0	24,040
Juvenile Court			
Fines	0	0	57
Data Entry Fee - Juvenile Court	0	0	1,060
Chancery Court			
Officers Costs	0	0	120
Data Entry Fee - Chancery Court	0	0	2,421
Judicial District Drug Program			
Drug Task Force Forfeitures and Seizures	0	0	10,912
Courtroom Security Fee	0	0	294,501
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 729,794</b>

(Continued)

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

	<u>Debt Service Funds</u>		Total
	General Debt Service	Rural Debt Service	
<b>Charges for Current Services</b>			
General Service Charges			
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 21,962
Fees			
Copy Fees	0	0	50
Telephone Commissions	0	0	84,000
Additional Fees - Titling and Registration	0	0	25,140
Constitutional Officers' Fees and Commissions	0	0	21,750
Data Processing Fee - Register	0	0	7,932
Data Processing Fee - Sheriff	0	0	10,471
Sexual Offender Registration Fee - Sheriff	0	0	3,900
Data Processing Fee - County Clerk	0	0	3,165
Vehicle Registration Reinstatement Fees	0	0	4,445
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 182,815</u>
<b>Other Local Revenues</b>			
Recurring Items			
Investment Income	\$ 133,684	\$ 27,962	\$ 1,117,097
Lease/Rentals/PPP	0	0	16,800
Sale of Materials and Supplies	0	0	150,910
Commissary Sales	0	0	110,666
Sale of Recycled Materials	0	0	60,815
Miscellaneous Refunds	0	0	134,021
Nonrecurring Items			
Sale of Equipment	0	0	69,814
Sale of Property	0	0	900

(Continued)

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

	<u>Debt Service Funds</u>		
	General Debt Service	Rural Debt Service	Total
<b>Other Local Revenues (Cont.)</b>			
Other Local Revenues			
Other Local Revenues	\$ 0	\$ 0	\$ 1,099
Total Other Local Revenues	<u>\$ 133,684</u>	<u>\$ 27,962</u>	<u>\$ 1,662,122</u>
<b>Fees Received From County Officials</b>			
Fees In-Lieu-of Salary			
County Clerk	\$ 0	\$ 0	\$ 357,873
Circuit Court Clerk	0	0	94,172
General Sessions Court Clerk	0	0	425,903
Clerk and Master	0	0	81,060
Juvenile Court Clerk	0	0	26,904
Register	0	0	102,415
Sheriff	0	0	38,225
Trustee	0	0	470,450
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,597,002</u>
<b>State of Tennessee</b>			
General Government Grants			
Juvenile Services Program	\$ 0	\$ 0	\$ 4,500
Public Safety Grants			
School Resource Officer Grants	0	0	675,000
Health and Welfare Grants			
Other Health and Welfare Grants	0	0	198,356
Public Works Grants			
State Aid Program	0	0	3,521,075
Litter Program	0	0	2,143

(Continued)

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

	<u>Debt Service Funds</u>		Total
	General Debt Service	Rural Debt Service	
<b>State of Tennessee (Cont.)</b>			
Other State Revenues			
Beer Tax	\$ 0	\$ 0	\$ 18,498
Vehicle Certificate of Title Fees	0	0	7,772
Alcoholic Beverage Tax	0	0	91,096
Opioid Settlement Funds - TN Abatement Council	0	0	120,905
State Revenue Sharing - Telecommunications	0	0	31,120
State Shared Sports Gaming Privilege Tax	0	0	34,571
Prisoner Transportation	0	0	3,077
Contracted Prisoner Boarding	0	0	893,226
Gasoline and Motor Fuel Tax	0	0	2,620,738
Hybrid/Electric Vehicle Registration Fee	0	0	10,606
Petroleum Special Tax	0	0	18,448
Registrar's Salary Supplement	0	0	15,164
Other State Grants	0	0	472,337
Other State Revenues	0	0	26,142
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,764,774</u>
<b>Federal Government</b>			
Federal Through State			
Community Development	\$ 0	\$ 0	279,972
Law Enforcement Grants	0	0	4,219
Other Federal through State	0	0	583,812
Direct Federal Revenue			
Other Direct Federal Revenue	0	0	396
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 868,399</u>

(Continued)

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

	<u>Debt Service Funds</u>		
	General Debt Service	Rural Debt Service	Total
<b>Other Governments and Citizens Groups</b>			
Other Governments			
Contributions	\$ 104,180	\$ 366,350	\$ 613,596
Other			
Other	0	0	440,504
Opioid Settlement Funds - Past Remediation	0	0	75,013
Total Other Governments and Citizens Groups	<u>\$ 104,180</u>	<u>\$ 366,350</u>	<u>\$ 1,129,113</u>
Total	<u>\$ 2,219,208</u>	<u>\$ 394,312</u>	<u>\$ 26,051,460</u>

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	School Transportation	Internal School	
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 815,337	\$ 0	\$ 0	\$ 1,317,771	\$ 0	\$ 2,133,108
Trustee's Collections - Prior Year	65,284	0	0	46,732	0	112,016
Circuit Clerk/Clerk and Master Collections - Prior Years	8,131	0	0	10,648	0	18,779
Interest and Penalty	12,829	0	0	9,332	0	22,161
Payments in-Lieu-of Taxes - T.V.A.	364	0	0	0	0	364
Payments in-Lieu-of Taxes - Local Utilities	14,694	0	0	23,780	0	38,474
County Local Option Taxes						
Local Option Sales Tax	5,567,964	0	0	0	0	5,567,964
Mixed Drink Tax	668	0	0	0	0	668
Statutory Local Taxes						
Bank Excise Tax	8,922	0	0	14,454	0	23,376
Total Local Taxes	<u>\$ 6,494,193</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,422,717</u>	<u>\$ 0</u>	<u>\$ 7,916,910</u>
<b>Licenses and Permits</b>						
Licenses						
Marriage Licenses	\$ 1,522	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,522
Permits						
Other Permits	210	0	0	0	0	210
Total Licenses and Permits	<u>\$ 1,732</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,732</u>
<b>Charges for Current Services</b>						
Education Charges						
Receipts from Individual Schools	\$ 0	\$ 0	\$ 391,968	\$ 0	\$ 0	\$ 391,968
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 391,968</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 391,968</u>

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Henderson County School Department (Cont.)

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	School Transportation	Internal School	
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 39,843	\$ 0	\$ 121,871	\$ 0	\$ 0	161,714
Lease/Rentals/PPP	6,593	0	0	0	0	6,593
Sale of Materials and Supplies	1,006	0	0	0	0	1,006
Miscellaneous Refunds	63,403	0	245	50	0	63,698
Nonrecurring Items						
Contributions and Gifts	11,443	0	0	0	0	11,443
Other Local Revenues						
Other Local Revenues	3,306	0	0	0	2,808,107	2,811,413
<b>Total Other Local Revenues</b>	<b>\$ 125,594</b>	<b>\$ 0</b>	<b>\$ 122,116</b>	<b>\$ 50</b>	<b>\$ 2,808,107</b>	<b>\$ 3,055,867</b>
<b>State of Tennessee</b>						
General Government Grants						
On-behalf Contributions for OPEB	\$ 90,859	\$ 0	\$ 0	\$ 0	\$ 0	90,859
State Education Funds						
Tennessee Investment in Student Achievement	31,432,842	0	0	0	0	31,432,842
TISA - On-behalf Payments	88,359	0	0	0	0	88,359
Early Childhood Education	759,349	0	0	0	0	759,349
School Food Service	20,351	0	0	0	0	20,351
Driver Education	7,180	0	0	0	0	7,180
Other State Education Funds	439,551	0	0	0	0	439,551
Career Ladder Program	53,355	0	0	0	0	53,355
Other Vocational	862,344	0	0	0	0	862,344
Other State Revenues						
State Revenue Sharing - T.V.A.	990,598	0	0	0	0	990,598

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Henderson County School Department (Cont.)

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	
<b>State of Tennessee (Cont.)</b>						
Other State Revenues (Cont.)						
Other State Revenues	\$ 89,306	\$ 0	\$ 0	\$ 0	\$ 0	\$ 89,306
<b>Total State of Tennessee</b>	<b>\$ 34,834,094</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 34,834,094</b>
<b>Federal Government</b>						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,416,189	\$ 0	\$ 0	\$ 1,416,189
USDA - Commodities	0	0	189,767	0	0	189,767
Breakfast	0	0	631,905	0	0	631,905
USDA - Other	0	0	300,935	0	0	300,935
Adult Education State Grant Program	554,660	0	0	0	0	554,660
Vocational Education - Basic Grants to States	0	82,827	0	0	0	82,827
Title I Grants to Local Education Agencies	0	820,572	0	0	0	820,572
Special Education - Grants to States	0	1,120,979	0	0	0	1,120,979
Special Education Preschool Grants	0	32,845	0	0	0	32,845
Eisenhower Professional Development State Grants	0	186,499	0	0	0	186,499
COVID-19 Grant B	0	395,165	0	0	0	395,165
COVID-19 Grant D	0	37,000	0	0	0	37,000
American Rescue Plan Act Grant #1	546,463	2,282,712	0	0	0	2,829,175
American Rescue Plan Act Grant #2	0	10,422	0	0	0	10,422
Other Federal through State	55,389	24,581	0	0	0	79,970
Direct Federal Revenue						
ROTC Reimbursement	71,862	0	0	0	0	71,862
<b>Total Federal Government</b>	<b>\$ 1,228,374</b>	<b>\$ 4,993,602</b>	<b>\$ 2,538,796</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 8,760,772</b>

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Henderson County School Department (Cont.)

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	School Transportation	Internal School	
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 331,133	\$ 0	\$ 0	\$ 0	\$ 0	331,133
Other						
Other	401	0	0	0	0	401
Total Other Governments and Citizens Groups	<u>\$ 331,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>331,534</u>
Total	<u>\$ 43,015,521</u>	<u>\$ 4,993,602</u>	<u>\$ 3,052,880</u>	<u>\$ 1,422,767</u>	<u>\$ 2,808,107</u>	<u>\$ 55,292,877</u>

**HENDERSON 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	\$	84,000	
Social Security		4,732	
Medical Insurance		20,522	
Employer Medicare		1,107	
Audit Services		11,972	
Total County Commission			\$ 122,333

**Board of Equalization**

Board and Committee Members Fees	\$	5,250	
Social Security		326	
Unemployment Compensation		13	
Employer Medicare		76	
Total Board of Equalization			5,665

**County Mayor/Executive**

County Official/Administrative Officer	\$	115,255	
Secretary(ies)		36,235	
Social Security		9,209	
Pensions		12,571	
Medical Insurance		2,822	
Unemployment Compensation		28	
Employer Medicare		2,154	
Communication		649	
Dues and Memberships		2,425	
Legal Notices, Recording, and Court Costs		607	
Postal Charges		1,777	
Travel		3,442	
Office Supplies		303	
Other Charges		2,262	
Office Equipment		407	
Total County Mayor/Executive			190,146

**County Attorney**

Social Security	\$	417	
Unemployment Compensation		31	
Employer Medicare		97	
Legal Services		8,000	
Total County Attorney			8,545

**Election Commission**

County Official/Administrative Officer	\$	81,644	
Clerical Personnel		42,972	
Election Commission		3,095	
Election Workers		17,231	
Social Security		7,989	
Pensions		10,276	
Medical Insurance		11,570	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Election Commission (Cont.)**

Unemployment Compensation	\$	125	
Employer Medicare		1,868	
Communication		7,934	
Data Processing Services		3,502	
Legal Notices, Recording, and Court Costs		1,845	
Maintenance Agreements		8,430	
Maintenance and Repair Services - Office Equipment		451	
Postal Charges		4,564	
Travel		175	
Other Contracted Services		17,574	
Office Supplies		7,702	
Other Supplies and Materials		6,247	
Office Equipment		1,242	
Total Election Commission			\$ 236,436

**Register of Deeds**

County Official/Administrative Officer	\$	92,215	
Secretary(ies)		74,039	
Social Security		10,250	
Pensions		13,262	
Medical Insurance		2,963	
Unemployment Compensation		56	
Employer Medicare		2,397	
Data Processing Services		7,411	
Dues and Memberships		859	
Maintenance Agreements		1,805	
Office Supplies		4,002	
Other Charges		250	
Total Register of Deeds			209,509

**County Buildings**

Supervisor/Director	\$	35,410	
Custodial Personnel		80,365	
Social Security		6,868	
Pensions		8,249	
Medical Insurance		38,544	
Unemployment Compensation		104	
Employer Medicare		1,606	
Communication		90,565	
Licenses		530	
Maintenance Agreements		36,273	
Maintenance and Repair Services - Buildings		137,973	
Maintenance and Repair Services - Equipment		4,404	
Maintenance and Repair Services - Vehicles		4,483	
Pest Control		10,642	
Postal Charges		8,285	
Rentals		36,000	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**County Buildings (Cont.)**

Travel	\$	15	
Custodial Supplies		3,878	
Gasoline		9,055	
Utilities		362,329	
Other Charges		12,775	
Total County Buildings			\$ 888,353

Finance

**Accounting and Budgeting**

County Official/Administrative Officer	\$	90,714	
Accountants/Bookkeepers		186,697	
Social Security		15,958	
Pensions		20,413	
Medical Insurance		37,701	
Unemployment Compensation		190	
Employer Medicare		3,732	
Communication		3,740	
Data Processing Services		20,687	
Legal Notices, Recording, and Court Costs		715	
Postal Charges		5,612	
Printing, Stationery, and Forms		3,223	
Travel		1,362	
Office Supplies		2,818	
Other Supplies and Materials		146	
Other Charges		10,562	
Total Accounting and Budgeting			404,270

**Property Assessor's Office**

County Official/Administrative Officer	\$	90,715	
Clerical Personnel		87,046	
Part-time Personnel		2,600	
Social Security		11,015	
Pensions		14,535	
Medical Insurance		295	
Unemployment Compensation		60	
Employer Medicare		2,576	
Contracts with Private Agencies		24,636	
Data Processing Services		313	
Dues and Memberships		1,715	
Legal Notices, Recording, and Court Costs		142	
Maintenance Agreements		1,038	
Maintenance and Repair Services - Vehicles		85	
Other Contracted Services		55,536	
Gasoline		521	
Office Supplies		1,994	
Other Charges		531	
Office Equipment		358	
Total Property Assessor's Office			295,711

(Continued)

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

**General Fund (Cont.)**

Finance (Cont.)

**County Trustee's Office**

County Official/Administrative Officer	\$	90,715	
Clerical Personnel		165,279	
Social Security		15,034	
Pensions		18,040	
Medical Insurance		23,140	
Unemployment Compensation		112	
Employer Medicare		3,516	
Data Processing Services		16,809	
Dues and Memberships		984	
Legal Notices, Recording, and Court Costs		58	
Maintenance Agreements		8,582	
Maintenance and Repair Services - Office Equipment		10	
Postal Charges		5,252	
Travel		72	
Other Contracted Services		4,877	
Office Supplies		2,900	
Furniture and Fixtures		155	
Office Equipment		523	
Total County Trustee's Office			\$ 356,058

**County Clerk's Office**

County Official/Administrative Officer	\$	90,715	
Clerical Personnel		187,667	
Social Security		16,755	
Pensions		20,789	
Medical Insurance		23,140	
Unemployment Compensation		138	
Employer Medicare		3,918	
Data Processing Services		25,344	
Dues and Memberships		759	
Legal Notices, Recording, and Court Costs		55	
Postal Charges		11,256	
Travel		1,721	
Office Supplies		4,642	
Other Charges		824	
Total County Clerk's Office			387,723

Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$	101,287	
Clerical Personnel		288,545	
Part-time Personnel		17,060	
Overtime Pay		5,849	
Jury and Witness Expense		17,360	
Social Security		24,172	
Pensions		26,938	
Medical Insurance		34,005	

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Circuit Court (Cont.)**

Unemployment Compensation	\$	260	
Employer Medicare		5,653	
Communication		913	
Dues and Memberships		859	
Evaluation and Testing		11,850	
Legal Notices, Recording, and Court Costs		292	
Maintenance Agreements		1,639	
Other Contracted Services		5,650	
Office Supplies		8,718	
Other Charges		2,929	
Total Circuit Court			\$ 553,979

**General Sessions Court**

Judge(s)	\$	147,103	
Secretary(ies)		49,592	
Part-time Personnel		256	
Social Security		11,358	
Pensions		16,443	
Medical Insurance		5,785	
Unemployment Compensation		30	
Employer Medicare		2,656	
Contracts with Private Agencies		30,790	
Other Contracted Services		16,875	
Office Supplies		240	
Furniture and Fixtures		554	
Total General Sessions Court			281,682

**Drug Court**

Other Charges	\$	5,798	
Total Drug Court			5,798

**Chancery Court**

County Official/Administrative Officer	\$	99,787	
Clerical Personnel		87,811	
Social Security		10,872	
Pensions		15,185	
Medical Insurance		17,355	
Unemployment Compensation		56	
Employer Medicare		2,543	
Data Processing Services		11,921	
Dues and Memberships		944	
Legal Notices, Recording, and Court Costs		6,747	
Office Supplies		1,964	
Furniture and Fixtures		810	
Total Chancery Court			255,995

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Juvenile Court**

Guidance Personnel	\$	50,067	
In-service Training		190	
Social Security		3,001	
Pensions		3,725	
Medical Insurance		5,785	
Unemployment Compensation		28	
Employer Medicare		702	
Contracts with Other Public Agencies		2,800	
Travel		1,471	
Office Supplies		978	
Total Juvenile Court			\$ 68,747

**Victim Assistance Programs**

Supervisor/Director	\$	45,989	
Social Security		2,587	
Pensions		3,422	
Medical Insurance		5,785	
Unemployment Compensation		28	
Employer Medicare		605	
Communication		475	
Travel		14,950	
Office Supplies		3,046	
Total Victim Assistance Programs			76,887

Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	109,766	
Supervisor/Director		77,011	
Deputy(ies)		775,588	
Investigator(s)		257,951	
Captain(s)		109,421	
Lieutenant(s)		9,836	
Sergeant(s)		319,730	
Salary Supplements		22,400	
Clerical Personnel		127,328	
School Resource Officer		397,039	
Longevity Pay		36,900	
Overtime Pay		41,073	
Other Salaries and Wages		50,000	
In-service Training		9,613	
Social Security		138,655	
Pensions		171,584	
Medical Insurance		169,902	
Unemployment Compensation		1,266	
Employer Medicare		32,427	
Communication		39,167	
Dues and Memberships		2,900	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Sheriff's Department (Cont.)**

Evaluation and Testing	\$	5,765	
Legal Services		64,793	
Legal Notices, Recording, and Court Costs		696	
Maintenance Agreements		3,046	
Maintenance and Repair Services - Equipment		3,660	
Maintenance and Repair Services - Vehicles		64,066	
Postal Charges		6,230	
Travel		19,838	
Other Contracted Services		145,578	
Gasoline		121,452	
Office Supplies		7,146	
Tires and Tubes		11,000	
Uniforms		43,547	
In Service/Staff Development		3,025	
Other Charges		14,426	
Motor Vehicles		48,972	
Other Equipment		83,046	
Total Sheriff's Department	\$		3,545,843

**Administration of the Sexual Offender Registry**

Office Supplies	\$	2,162	
Other Charges		819	
Office Equipment		40	
Total Administration of the Sexual Offender Registry			3,021

**Workhouse**

Supervisor/Director	\$	60,010	
Lieutenant(s)		45,983	
Guards		1,222,133	
Clerical Personnel		45,972	
Custodial Personnel		58,505	
Longevity Pay		19,700	
Overtime Pay		59,478	
Other Salaries and Wages		41,814	
Social Security		92,168	
Pensions		115,515	
Medical Insurance		137,806	
Unemployment Compensation		1,280	
Employer Medicare		21,555	
Evaluation and Testing		2,575	
Maintenance and Repair Services - Buildings		5,277	
Maintenance and Repair Services - Equipment		31,031	
Medical and Dental Services		383,929	
Custodial Supplies		20,417	
Drugs and Medical Supplies		60	
Food Supplies		366,046	
Office Supplies		1,318	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Workhouse (Cont.)**

Uniforms	\$	4,274	
Other Charges		11,056	
Other Equipment		300,000	
Total Workhouse			\$ 3,047,902

**Fire Prevention and Control**

County Official/Administrative Officer	\$	70,316	
Assistant(s)		44,766	
Part-time Personnel		45,396	
In-service Training		2,345	
Social Security		9,558	
Pensions		8,543	
Medical Insurance		11,570	
Unemployment Compensation		206	
Employer Medicare		2,235	
Communication		2,065	
Dues and Memberships		70	
Legal Notices, Recording, and Court Costs		308	
Maintenance and Repair Services - Buildings		1,269	
Maintenance and Repair Services - Equipment		20,082	
Maintenance and Repair Services - Vehicles		19,913	
Matching Share		108,254	
Postal Charges		385	
Drugs and Medical Supplies		320	
Gasoline		17,969	
Office Supplies		1,197	
Uniforms		868	
Utilities		2,282	
Other Supplies and Materials		795	
Trustee's Commission		1,229	
Other Charges		54,975	
Other Equipment		374,347	
Total Fire Prevention and Control			801,263

**Civil Defense**

Other Salaries and Wages	\$	77,018	
Social Security		4,575	
Pensions		5,730	
Medical Insurance		11,275	
Unemployment Compensation		90	
Employer Medicare		1,070	
Communication		9,655	
Contracts with Private Agencies		13,100	
Maintenance Agreements		1,454	
Maintenance and Repair Services - Buildings		573	
Maintenance and Repair Services - Vehicles		1,027	
Other Contracted Services		6,615	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Civil Defense (Cont.)**

Gasoline	\$	2,708	
Office Supplies		500	
Other Charges		2,252	
Total Civil Defense			\$ 137,642

**Rescue Squad**

Contributions	\$	20,000	
Total Rescue Squad			20,000

**County Coroner/Medical Examiner**

Other Per Diem and Fees	\$	74,428	
Other Contracted Services		12,000	
Total County Coroner/Medical Examiner			86,428

**Public Safety Grants Program**

Accountants/Bookkeepers	\$	22,498	
Other Salaries and Wages		95,488	
In-service Training		249	
Social Security		6,887	
Pensions		8,778	
Medical Insurance		5,785	
Unemployment Compensation		66	
Employer Medicare		1,611	
Travel		4,666	
Other Contracted Services		105,159	
Office Supplies		16,001	
Total Public Safety Grants Program			267,188

**Other Public Safety**

County Official/Administrative Officer	\$	70,493	
Dispatchers/Radio Operators		474,701	
Clerical Personnel		59,011	
Part-time Personnel		33,434	
Longevity Pay		15,150	
Overtime Pay		7,605	
In-service Training		388	
Social Security		39,665	
Pensions		47,946	
Medical Insurance		111,928	
Unemployment Compensation		407	
Employer Medicare		9,277	
Maintenance and Repair Services - Equipment		3,926	
Total Other Public Safety			873,931

Public Health and Welfare

**Local Health Center**

Custodial Personnel	\$	5,400	
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(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Local Health Center (Cont.)**

Architects	\$	239,334	
Communication		6,908	
Maintenance and Repair Services - Buildings		1,507	
Maintenance and Repair Services - Equipment		2,600	
Postal Charges		123	
Custodial Supplies		339	
Drugs and Medical Supplies		77	
Office Supplies		1,518	
Utilities		10,685	
Other Charges		911	
Total Local Health Center			\$ 269,402

**Alcohol and Drug Programs**

Other Contracted Services	\$	76,116	
Total Alcohol and Drug Programs			76,116

**Other Local Health Services**

Contributions	\$	8,000	
Other Contracted Services		156,320	
Total Other Local Health Services			164,320

**Waste Pickup**

Supervisor/Director	\$	31,818	
Part-time Personnel		5,962	
Social Security		2,309	
Pensions		2,811	
Unemployment Compensation		32	
Employer Medicare		540	
Gasoline		3,155	
Instructional Supplies and Materials		5,800	
Other Supplies and Materials		2,401	
Other Charges		4,703	
Total Waste Pickup			59,531

Social, Cultural, and Recreational Services

**Adult Activities**

Contributions	\$	4,733	
Total Adult Activities			4,733

**Senior Citizens Assistance**

Contributions	\$	17,000	
Total Senior Citizens Assistance			17,000

**Libraries**

Contributions	\$	56,500	
Total Libraries			56,500

(Continued)

**HENDERSON 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**

Contributions	\$ 34,358	
Total Other Social, Cultural, and Recreational		\$ 34,358

Agriculture and Natural Resources

**Agricultural Extension Service**

Assistant(s)	\$ 44,836	
Supervisor/Director	20,703	
Other Salaries and Wages	85	
Social Security	4,617	
Pensions	10,072	
Medical Insurance	20,105	
Communication	4,114	
Postal Charges	250	
Office Supplies	8,847	
Workers' Compensation Insurance	150	
Total Agricultural Extension Service		113,779

**Soil Conservation**

Secretary(ies)	\$ 21,315	
Social Security	1,310	
Pensions	1,586	
Unemployment Compensation	28	
Employer Medicare	306	
Total Soil Conservation		24,545

**Flood Control**

Other Contracted Services	\$ 31,337	
Total Flood Control		31,337

Other Operations

**Tourism**

Contributions	\$ 41,000	
Other Charges	3,000	
Total Tourism		44,000

**Industrial Development**

Contributions	\$ 20,633	
Total Industrial Development		20,633

**Veterans' Services**

Supervisor/Director	\$ 37,254	
Secretary(ies)	27,459	
Social Security	3,904	
Pensions	4,815	
Medical Insurance	5,785	
Unemployment Compensation	56	
Employer Medicare	913	

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Veterans' Services (Cont.)**

Travel	\$	913	
Office Supplies		1,056	
Other Charges		852	
Office Equipment		357	
Total Veterans' Services			\$ 83,364

**Other Charges**

Building and Contents Insurance	\$	126,431	
Liability Insurance		175,321	
Vehicle and Equipment Insurance		135,450	
Workers' Compensation Insurance		119,172	
Total Other Charges			556,374

**Miscellaneous**

Architects	\$	38,873	
Dues and Memberships		3,299	
Legal Services		17,866	
Legal Notices, Recording, and Court Costs		123	
Permits		3,500	
Other Contracted Services		8,080	
Office Supplies		720	
Trustee's Commission		175,879	
Other Charges		81,138	
Airport Improvement		107,079	
Total Miscellaneous			436,557

Total General Fund \$ 15,123,604

**Solid Waste/Sanitation Fund**

Public Health and Welfare

**Sanitation Education/Information**

Supervisor/Director	\$	86,428	
Part-time Personnel		210,693	
Overtime Pay		4,566	
Social Security		18,573	
Pensions		12,407	
Medical Insurance		5,755	
Unemployment Compensation		504	
Employer Medicare		4,344	
Communication		1,745	
Contracts with Private Agencies		300,036	
Legal Notices, Recording, and Court Costs		355	
Maintenance Agreements		1,568	
Maintenance and Repair Services - Buildings		4,197	
Maintenance and Repair Services - Equipment		15,094	
Maintenance and Repair Services - Vehicles		7,563	
Custodial Supplies		5,193	

(Continued)

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

**Solid Waste/Sanitation Fund (Cont.)**

Public Health and Welfare (Cont.)

**Sanitation Education/Information (Cont.)**

Gasoline	\$	30,366	
Office Supplies		267	
Tires and Tubes		1,593	
Utilities		17,147	
Other Supplies and Materials		51	
Trustee's Commission		11,798	
Landfill Closure/Postclosure Care Costs		14,886	
Other Charges		163	
Total Sanitation Education/Information			\$ 755,292

Total Solid Waste/Sanitation Fund \$ 755,292

**Drug Control Fund**

Public Safety

**Drug Enforcement**

Other Salaries and Wages	\$	4,000	
Social Security		248	
Pensions		298	
Employer Medicare		58	
Office Supplies		113	
Uniforms		177	
Trustee's Commission		153	
Other Charges		62	
Motor Vehicles		7,000	
Total Drug Enforcement			\$ 12,109

Total Drug Control Fund 12,109

**Other General Government Fund**

General Government

**County Buildings**

Maintenance and Repair Services - Buildings	\$	5,946	
Building Improvements		26,133	
Total County Buildings			\$ 32,079

Administration of Justice

**Circuit Court**

Other Charges	\$	6,622	
Building Improvements		16,000	
Furniture and Fixtures		2,362	
Total Circuit Court			24,984

Public Safety

**Sheriff's Department**

Other Equipment	\$	22,547	
Total Sheriff's Department			22,547

(Continued)

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

**Other General Government Fund (Cont.)**

Public Safety (Cont.)

**Workhouse**

Other Equipment	\$ 4,892	
Total Workhouse		\$ 4,892

**Fire Prevention and Control**

Uniforms	\$ 16,517	
Other Equipment	82,833	
Total Fire Prevention and Control		99,350

**Civil Defense**

Other Equipment	\$ 102,077	
Total Civil Defense		102,077

**Rescue Squad**

Contributions	\$ 39,000	
Total Rescue Squad		39,000

Social, Cultural, and Recreational Services

**Libraries**

Contributions	\$ 3,750	
Total Libraries		3,750

Other Operations

**Contributions to Other Agencies**

Contributions	\$ 50,000	
Total Contributions to Other Agencies		50,000

Highways

**Highway and Bridge Maintenance**

Asphalt - Liquid	\$ 392,657	
Total Highway and Bridge Maintenance		392,657

Total Other General Government Fund \$ 771,336

**Constitutional Officers - Fees Fund**

Administration of Justice

**Chancery Court**

Special Commissioner Fees/Special Master Fees	\$ 21,750	
Total Chancery Court		\$ 21,750

Total Constitutional Officers - Fees Fund 21,750

**Highway/Public Works Fund**

Highways

**Administration**

County Official/Administrative Officer	\$ 109,766
Secretary(ies)	32,332
Social Security	10,343

(Continued)

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

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

Highways (Cont.)

**Administration (Cont.)**

Pensions	\$	11,922	
Medical Insurance		21,149	
Unemployment Compensation		210	
Employer Medicare		463	
Dues and Memberships		3,976	
Legal Notices, Recording, and Court Costs		1,037	
Maintenance and Repair Services - Office Equipment		1,679	
Office Supplies		476	
Other Charges		1,784	
Office Equipment		7,133	
Total Administration			\$ 202,270

**Highway and Bridge Maintenance**

Foremen	\$	36,088	
Equipment Operators		233,637	
Truck Drivers		337,720	
Laborers		180,163	
Overtime Pay		18,092	
Social Security		48,670	
Pensions		59,516	
Medical Insurance		151,287	
Unemployment Compensation		5,423	
Employer Medicare		11,383	
Evaluation and Testing		1,065	
Other Contracted Services		19,950	
Asphalt - Cold Mix		32,870	
Asphalt - Liquid		732,615	
Crushed Stone		207,503	
Pipe		79,875	
Road Signs		14,806	
Wood Products		38	
Other Supplies and Materials		6,574	
Total Highway and Bridge Maintenance			2,177,275

**Operation and Maintenance of Equipment**

Mechanic(s)	\$	41,915	
Overtime Pay		1,155	
Social Security		2,648	
Medical Insurance		7,463	
Unemployment Compensation		210	
Employer Medicare		619	
Laundry Service		14,823	
Maintenance and Repair Services - Equipment		1,749	
Diesel Fuel		145,106	
Equipment and Machinery Parts		254,623	
Gasoline		36,307	
Lubricants		16,599	

(Continued)

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

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

Highways (Cont.)

**Operation and Maintenance of Equipment (Cont.)**

Tires and Tubes	\$	50,110	
Other Supplies and Materials		7,318	
Other Equipment		466	
Total Operation and Maintenance of Equipment			\$ 581,111

**Other Charges**

Communication	\$	5,783	
Maintenance and Repair Services - Buildings		4,834	
Custodial Supplies		526	
Utilities		16,594	
Liability Insurance		47,250	
Trustee's Commission		31,732	
Workers' Compensation Insurance		54,000	
Total Other Charges			160,719

**Employee Benefits**

Employee and Dependent Insurance	\$	3,405	
Total Employee Benefits			3,405

**Capital Outlay**

Engineering Services	\$	18,397	
Bridge Construction		613,474	
Highway Equipment		40,180	
State Aid Projects		2,914,121	
Other Construction		4,504	
Total Capital Outlay			3,590,676

Total Highway/Public Works Fund \$ 6,715,456

**General Debt Service Fund**

Principal on Debt

**General Government**

Principal on Bonds	\$	1,447,000	
Total General Government			\$ 1,447,000

**Education**

Principal on Bonds	\$	348,000	
Principal on Other Loans		92,208	
Total Education			440,208

Interest on Debt

**General Government**

Interest on Bonds	\$	225,819	
Total General Government			225,819

(Continued)

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

**General Debt Service Fund (Cont.)**

Interest on Debt (Cont.)

**Education**

Interest on Bonds	\$ 25,883	
Interest on Other Loans	<u>11,472</u>	
Total Education		\$ 37,355

Other Debt Service

**General Government**

Fiscal Agent Charges	\$ 2,105	
Trustee's Commission	<u>30,830</u>	
Total General Government		32,935

**Education**

Fiscal Agent Charges	\$ 1,145	
Total Education		<u>1,145</u>

Total General Debt Service Fund \$ 2,184,462

**Rural Debt Service Fund**

Principal on Debt

**Education**

Principal on Bonds	\$ 300,000	
Total Education		\$ 300,000

Interest on Debt

**Education**

Interest on Bonds	\$ 66,350	
Total Education		66,350

Other Debt Service

**Education**

Fiscal Agent Charges	\$ 1,750	
Trustee's Commission	<u>304</u>	
Total Education		<u>2,054</u>

Total Rural Debt Service Fund 368,404

Total Governmental Funds - Primary Government \$ 25,952,413

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

**General Purpose School Fund**

Instruction

**Regular Instruction Program**

Teachers	\$ 12,563,049	
Career Ladder Program	24,000	
Career Ladder Extended Contracts	12,878	
Homebound Teachers	3,000	
Salary Supplements	32,500	
Clerical Personnel	562,812	
Educational Assistants	288,647	
Other Salaries and Wages	444,625	
Certified Substitute Teachers	990	
Non-certified Substitute Teachers	349,345	
Social Security	820,353	
Pensions	970,909	
Medical Insurance	1,684,680	
Employer Medicare	192,564	
Tuition	55,000	
Other Contracted Services	31,633	
Instructional Supplies and Materials	240,239	
Textbooks - Electronic	2,064	
Textbooks - Bound	6,986	
Other Supplies and Materials	27,541	
TISA - On-behalf Payments	60,784	
Other Charges	186,213	
Regular Instruction Equipment	80,288	
Total Regular Instruction Program	\$ 18,641,100	

**Alternative Instruction Program**

Educational Assistants	\$ 36,866	
Social Security	2,106	
Pensions	2,743	
Medical Insurance	5,130	
Employer Medicare	493	
Other Supplies and Materials	75	
Other Equipment	1,558	
Total Alternative Instruction Program	48,971	

**Special Education Program**

Teachers	\$ 1,737,034
Career Ladder Program	7,000
Homebound Teachers	9,288
Educational Assistants	554,974
Speech Pathologist	250,312
Other Salaries and Wages	71,197
Non-certified Substitute Teachers	38,629
Social Security	150,832
Pensions	175,087
Medical Insurance	300,392

(Continued)

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

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

Instruction (Cont.)

**Special Education Program (Cont.)**

Employer Medicare	\$	35,903	
Contracts with Private Agencies		15,723	
Instructional Supplies and Materials		1,439	
Other Supplies and Materials		151	
TISA - On-behalf Payments		27,575	
Other Charges		2,254	
Total Special Education Program			\$ 3,377,790

**Career and Technical Education Program**

Teachers	\$	851,032	
Guidance Personnel		258,873	
Other Salaries and Wages		35,692	
Certified Substitute Teachers		120	
Non-certified Substitute Teachers		19,218	
Social Security		66,380	
Pensions		82,356	
Medical Insurance		131,617	
Employer Medicare		15,662	
Other Contracted Services		60,000	
Instructional Supplies and Materials		46,443	
Software		26,741	
Other Supplies and Materials		25,037	
Vocational Instruction Equipment		630,485	
Total Career and Technical Education Program			2,249,656

**Adult Education Program**

Supervisor/Director	\$	59,113	
Teachers		180,936	
Other Salaries and Wages		127,165	
Social Security		20,762	
Pensions		15,813	
Medical Insurance		18,462	
Employer Medicare		5,181	
Contracts with Private Agencies		12,115	
Travel		1,617	
Instructional Supplies and Materials		14,818	
Other Supplies and Materials		8,664	
In Service/Staff Development		3,392	
Total Adult Education Program			468,038

Support Services

**Attendance**

Supervisor/Director	\$	131,148	
Career Ladder Program		500	
Social Security		7,193	
Pensions		8,965	

(Continued)

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

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

Support Services (Cont.)

**Attendance (Cont.)**

Medical Insurance	\$	22,810	
Employer Medicare		1,682	
Travel		757	
Other Supplies and Materials		393	
Total Attendance			\$ 173,448

**Health Services**

Supervisor/Director	\$	68,817	
Medical Personnel		368,248	
Social Security		24,876	
Pensions		32,253	
Medical Insurance		61,147	
Employer Medicare		5,818	
Travel		2,204	
Instructional Supplies and Materials		6,602	
Other Supplies and Materials		8,872	
In Service/Staff Development		2,075	
Other Charges		2,200	
Total Health Services			583,112

**Other Student Support**

Career Ladder Program	\$	2,000	
Guidance Personnel		417,133	
Other Salaries and Wages		60,877	
Social Security		27,408	
Pensions		32,357	
Medical Insurance		67,108	
Employer Medicare		6,410	
Communication		29,247	
Contracts with Government Agencies		111,066	
Contracts with Vehicle Owners		816	
Data Processing Services		40,931	
Evaluation and Testing		10,000	
Internet Connectivity		390,800	
Travel		1,317	
Other Contracted Services		15,739	
Instructional Supplies and Materials		300,021	
Other Supplies and Materials		103	
In Service/Staff Development		5,546	
Other Charges		12,967	
Regular Instruction Equipment		277,152	
Other Equipment		41,349	
Total Other Student Support			1,850,347

**Regular Instruction Program**

Supervisor/Director	\$	234,187	
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**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types**  
 Discretely Presented Henderson County School Department (Cont.)

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

Support Services (Cont.)

**Regular Instruction Program (Cont.)**

Career Ladder Program	\$	4,000	
Librarians		542,660	
Social Security		45,468	
Pensions		53,706	
Medical Insurance		79,310	
Employer Medicare		10,634	
Travel		23,690	
Other Contracted Services		700	
Library Books/Media		47,100	
In Service/Staff Development		25,174	
Other Charges		11,036	
Total Regular Instruction Program			\$ 1,077,665

**Alternative Instruction Program**

Supervisor/Director	\$	68,674	
Social Security		4,025	
Pensions		4,677	
Medical Insurance		5,636	
Employer Medicare		941	
Total Alternative Instruction Program			83,953

**Special Education Program**

Supervisor/Director	\$	83,088	
Career Ladder Program		1,500	
Psychological Personnel		39,805	
Assessment Personnel		69,752	
Social Security		11,827	
Pensions		10,477	
Medical Insurance		5,506	
Employer Medicare		2,766	
Communication		7,902	
Postal Charges		26	
Travel		6,863	
Other Supplies and Materials		7,995	
In Service/Staff Development		1,105	
Other Equipment		3,299	
Total Special Education Program			251,911

**Career and Technical Education Program**

Supervisor/Director	\$	91,386	
Career Ladder Program		2,000	
Other Salaries and Wages		15,000	
Social Security		6,483	
Pensions		7,085	
Medical Insurance		5,636	
Employer Medicare		1,516	

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

Support Services (Cont.)

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

Travel	\$	3,000	
Other Contracted Services		103,018	
Other Supplies and Materials		600	
In Service/Staff Development		2,863	
Other Charges		2,000	
Other Equipment		4,361	
Total Career and Technical Education Program			\$ 244,948

**Technology**

Other Salaries and Wages	\$	245,689	
Social Security		14,178	
Pensions		18,671	
Medical Insurance		25,718	
Employer Medicare		3,316	
Internet Connectivity		131,828	
Other Equipment		1,942	
Total Technology			441,342

**Adult Programs**

Supervisor/Director	\$	30,452	
Other Salaries and Wages		24,333	
Social Security		3,227	
Pensions		3,884	
Medical Insurance		5,173	
Employer Medicare		755	
Travel		2,027	
Other Supplies and Materials		15,113	
In Service/Staff Development		4,903	
Total Adult Programs			89,867

**Other Programs**

On-behalf Payments to OPEB	\$	90,859	
Total Other Programs			90,859

**Board of Education**

Board and Committee Members Fees	\$	52,800	
Social Security		2,757	
Medical Insurance		17,647	
Employer Medicare		645	
Audit Services		20,500	
Dues and Memberships		3,550	
Legal Services		12,000	
Travel		3,054	
Trustee's Commission		122,815	
Workers' Compensation Insurance		239,460	
In Service/Staff Development		2,083	
Other Charges		150	
Total Board of Education			477,461

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Detailed Expenditures -**

**All Governmental Fund Types**

Discretely Presented Henderson County School Department (Cont.)

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

Support Services (Cont.)

**Director of Schools**

County Official/Administrative Officer	\$ 124,000	
Career Ladder Program	800	
Other Salaries and Wages	48,000	
Social Security	10,679	
Pensions	8,499	
Medical Insurance	3,082	
Employer Medicare	2,497	
Dues and Memberships	15,235	
Postal Charges	1,449	
Travel	3,947	
Office Supplies	7,838	
Other Charges	6,660	
Total Director of Schools	\$ 232,686	\$ 232,686

**Office of the Principal**

Principals	\$ 695,281	
Career Ladder Program	4,000	
Assistant Principals	327,867	
Social Security	60,558	
Pensions	69,948	
Medical Insurance	78,511	
Employer Medicare	14,163	
Travel	2,578	
Total Office of the Principal	1,252,906	1,252,906

**Fiscal Services**

Internal Audit Personnel	\$ 6,500	
Clerical Personnel	97,796	
Social Security	5,917	
Pensions	7,719	
Medical Insurance	12,968	
Employer Medicare	1,384	
Maintenance and Repair Services - Equipment	8,200	
Total Fiscal Services	140,484	140,484

**Operation of Plant**

Supervisor/Director	\$ 78,852	
Custodial Personnel	751,117	
Social Security	48,466	
Pensions	47,968	
Medical Insurance	57,501	
Employer Medicare	11,335	
Janitorial Services	118,000	
Disposal Fees	33,469	
Other Contracted Services	38,940	
Custodial Supplies	119,000	

(Continued)

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Detailed Expenditures -**

**All Governmental Fund Types**

Discretely Presented Henderson County School Department (Cont.)

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

Support Services (Cont.)

**Operation of Plant (Cont.)**

Utilities	\$	953,325	
Building and Contents Insurance		392,308	
Other Charges		413	
		<hr/>	
Total Operation of Plant	\$		2,650,694

**Maintenance of Plant**

Supervisor/Director	\$	65,791	
Maintenance Personnel		199,713	
Social Security		15,532	
Pensions		19,683	
Medical Insurance		26,013	
Employer Medicare		3,632	
Maintenance and Repair Services - Buildings		262,165	
Maintenance and Repair Services - Equipment		16,177	
Maintenance and Repair Services - Vehicles		14,123	
Pest Control		20,300	
Travel		400	
Other Contracted Services		5,706	
Gasoline		31,291	
Other Supplies and Materials		3,625	
Other Charges		28,174	
Maintenance Equipment		15,153	
Other Equipment		105,553	
		<hr/>	
Total Maintenance of Plant			833,031

**Transportation**

Bus Drivers	\$	83,422	
Social Security		5,172	
Pensions		2,056	
Employer Medicare		1,210	
Contracts with Vehicle Owners		9,801	
Maintenance and Repair Services - Vehicles		7,021	
Other Contracted Services		1,845	
Diesel Fuel		4,265	
Gasoline		24,257	
Other Charges		1,000	
Transportation Equipment		226,454	
		<hr/>	
Total Transportation			366,503

Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$	76,050	
Clerical Personnel		32,000	
Cafeteria Personnel		9,856	
Social Security		5,143	
Pensions		6,334	

(Continued)

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

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

Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

Medical Insurance	\$	5,236	
Employer Medicare		1,203	
Travel		3,107	
Food Supplies		10,179	
Other Supplies and Materials		761	
Other Charges		1,244	
Food Service Equipment		3,758	
Total Food Service			\$ 154,871

**Early Childhood Education**

Supervisor/Director	\$	15,728	
Teachers		386,660	
Educational Assistants		156,674	
Social Security		31,923	
Pensions		40,246	
Medical Insurance		75,654	
Employer Medicare		7,466	
Retirement - Hybrid Stabilization		1	
Communication		2,190	
Travel		2,471	
Food Supplies		2,870	
Other Supplies and Materials		6,931	
In Service/Staff Development		817	
Regular Instruction Equipment		505	
Other Equipment		303	
Total Early Childhood Education			730,439

Capital Outlay

**Regular Capital Outlay**

Architects	\$	161,716	
Building Improvements		1,121,718	
Site Development		5,730,944	
Other Capital Outlay		163,900	
Total Regular Capital Outlay			7,178,278

Other Debt Service

**Education**

Debt Service Contribution to Primary Government	\$	470,030	
Total Education			470,030

Total General Purpose School Fund \$ 44,160,390

**School Federal Projects Fund**

Instruction

**Regular Instruction Program**

Teachers	\$	535,605	
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(Continued)

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

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

Instruction (Cont.)

**Regular Instruction Program (Cont.)**

Educational Assistants	\$ 593,235	
Other Salaries and Wages	92,305	
Social Security	67,693	
Pensions	85,971	
Medical Insurance	158,714	
Employer Medicare	15,831	
Tuition	15,232	
Instructional Supplies and Materials	102,876	
Textbooks - Bound	184,463	
Software	217,145	
Regular Instruction Equipment	<u>84,425</u>	
Total Regular Instruction Program		\$ 2,153,495

**Special Education Program**

Teachers	\$ 45,398	
Educational Assistants	517,595	
Other Salaries and Wages	1,380	
Social Security	31,340	
Pensions	41,076	
Medical Insurance	97,579	
Employer Medicare	7,329	
Contracts with Private Agencies	254	
Instructional Supplies and Materials	15,920	
Other Supplies and Materials	1,196	
Special Education Equipment	<u>2,729</u>	
Total Special Education Program		761,796

**Career and Technical Education Program**

Other Supplies and Materials	\$ 20,464	
Vocational Instruction Equipment	<u>50,000</u>	
Total Career and Technical Education Program		70,464

Support Services

**Health Services**

Other Salaries and Wages	\$ 34,086	
Social Security	2,113	
Pensions	2,702	
Employer Medicare	494	
Other Supplies and Materials	<u>27,584</u>	
Total Health Services		66,979

**Other Student Support**

Guidance Personnel	\$ 489,294	
Social Workers	20,419	
Other Salaries and Wages	31,559	
Social Security	31,436	

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

Support Services (Cont.)

**Other Student Support (Cont.)**

Pensions	\$	40,751	
Medical Insurance		58,745	
Employer Medicare		7,352	
Travel		8,156	
In Service/Staff Development		4,207	
Other Charges		5,204	
Other Equipment		1,064	
Total Other Student Support			\$ 698,187

**Regular Instruction Program**

Supervisor/Director	\$	90,094	
Other Salaries and Wages		281,011	
Social Security		21,779	
Pensions		24,682	
Medical Insurance		32,467	
Employer Medicare		5,093	
Travel		1,369	
Other Supplies and Materials		488	
In Service/Staff Development		28,457	
Total Regular Instruction Program			485,440

**Special Education Program**

Secretary(ies)	\$	31,066	
Clerical Personnel		25,191	
Other Salaries and Wages		1,250	
Social Security		3,564	
Pensions		4,275	
Employer Medicare		833	
Contracts with Other Public Agencies		46,036	
Contracts with Private Agencies		83,565	
Travel		14,506	
Other Supplies and Materials		2,623	
In Service/Staff Development		17,384	
Other Equipment		11,607	
Total Special Education Program			241,900

**Fiscal Services**

Other Contracted Services	\$	56,200	
Total Fiscal Services			56,200

**Transportation**

Bus Drivers	\$	145,154	
Social Security		8,929	
Pensions		3,005	
Medical Insurance		1,467	
Employer Medicare		2,088	
Transportation Equipment		298,590	
Total Transportation			459,233

Total School Federal Projects Fund \$ 4,993,694

(Continued)

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

**Central Cafeteria Fund**

Operation of Non-Instructional Services

**Food Service**

Cafeteria Personnel	\$ 1,193,788	
Social Security	69,890	
Pensions	78,555	
Medical Insurance	108,410	
Employer Medicare	16,345	
Communication	2,890	
Travel	522	
Food Supplies	1,448,590	
Uniforms	4,312	
USDA - Commodities	189,767	
Other Supplies and Materials	243,997	
Food Service Equipment	515,553	
Total Food Service		\$ 3,872,619

Total Central Cafeteria Fund \$ 3,872,619

**School Transportation Fund**

Support Services

**Board of Education**

Trustee's Commission	\$ 28,157	
Total Board of Education		\$ 28,157

**Transportation**

Supervisor/Director	\$ 13,698	
Bus Drivers	201,976	
Social Security	13,351	
Pensions	4,430	
Medical Insurance	1,467	
Employer Medicare	3,122	
Contracts with Vehicle Owners	712,088	
Maintenance and Repair Services - Vehicles	89,174	
Other Contracted Services	18,708	
Diesel Fuel	196,052	
Other Charges	40,396	
Total Transportation		1,294,462

Total School Transportation Fund 1,322,619

**Internal School Fund**

Operation of Non-Instructional Services

**Community Services**

Other Charges	\$ 2,795,705	
Total Community Services		\$ 2,795,705

Total Internal School Fund 2,795,705

Total Governmental Funds - Henderson County School Department \$ 57,145,027

**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***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Henderson County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated September 10, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Henderson County School Department (a discretely presented component unit), as described in our report on Henderson 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 Henderson County's internal control over financial reporting (internal control) to determine the 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 Henderson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Henderson County's internal control.

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

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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Henderson 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2024-001.

### Henderson County's Response to the Finding

*Government Auditing Standards* requires the auditor to perform limited procedures on Henderson County's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Henderson County's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### 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 Henderson 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

September 10, 2024

JEM/gc



JASON E. MUMPOWER  
*Comptroller*

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

Henderson County Mayor and  
Board of County Commissioners  
Henderson 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 Henderson 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 Henderson County's major federal programs for the year ended June 30, 2024. Henderson 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, Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for noncompliance resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Henderson 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 Henderson 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 Henderson 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 Henderson County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe

than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.


Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Henderson County's basic financial statements. We issued our report thereon dated September 10, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

September 10, 2024

JEM/gc

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

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 631,905
National School Lunch Program	10.555	N/A	1,713,868 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A	189,767 (6)
Total U.S. Department of Agriculture			<u>\$ 2,538,796</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	33004-32922	\$ 279,972
Passed-through State Housing Development Agency:			
Home Investment Partnerships Program	14.239	HM19-08	6,300
Total U.S. Department of Housing and Urban Development			<u>\$ 286,272</u>
U.S. Department of Justice:			
Passed-through State Department of Military:			
Bulletproof Vest Partnership Program	16.607	(5)	\$ 4,219
Passed-through State Office of Criminal Justice Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(5)	235,706
Total U.S. Department of Justice			<u>\$ 239,925</u>
U.S. Department of the Treasury:			
Passed-through State Department of Education:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 38,533
Total U.S. Department of the Treasury			<u>\$ 38,533</u>
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	N/A	\$ 554,660
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	820,572
Special Education Cluster: (4)			
Special Education Grants to States	84.027	N/A	1,121,070 (6)
COVID 19 - Special Education Grants to States (ARP)	84.027X	N/A	10,422 (6)
Special Education Preschool Grants	84.173	N/A	32,845
Career and Technical Education - Basic Grants to States	84.048	N/A	82,827
Supporting Effective Instruction State Grants	84.367	N/A	186,499
Student Support and Academic Enrichment Program	84.424	N/A	24,581
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	567,697 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	2,693,643 (6)
Total U.S. Department of Education			<u>\$ 6,094,816</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)(ARP)	93.323	34349-16823	\$ 300,000
Total U.S. Department of Health and Human Services			<u>\$ 300,000</u>
U.S. Department of Homeland Security:			
Passed-through Department of Military:			
Emergency Management Performance Grants	97.042	34101-38423	\$ 33,206
Total U.S. Department of Homeland Security			<u>\$ 33,206</u>
Total Expenditures of Federal Grants			<u>\$ 9,531,548</u>

(Continued)

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

State Grants		Contract Number	Expenditures
Juvenile Court State Supplement Funds - State Department of Children's Services	N/A	35910-03644	\$ 4,500
Evidence-Based Programming Project - State Office of Criminal Justice Programs	N/A	(5)	267,187
Early Childhood Education - State Department of Education	N/A	N/A	720,358
Innovation School Model - State Department of Education	N/A	N/A	862,344
Safe Schools - State Department of Education	N/A	N/A	160,553
Supporting Postsecondary Access in Rural Communities - State Department of Education	N/A	N/A	102,000
State Special Education Preschool Grant - State Department of Education	N/A	N/A	38,991
COVID 19 - Summer Learning Camps - State Department of Education	N/A	N/A	167,856
COVID 19 - Summer Learning Transportation - State Department of Education	N/A	N/A	16,296
Litter Program - State Department of Transportation	N/A	(5)	2,143
Multimodal Access Grant - State Department of Transportation	N/A	(5)	4,003
Three Star Grant Program - State of Tennessee Department of Economic and Community Development	N/A	33-007-28124	15,500
Local Parks and Recreation Fund - State Department of Environment and Conservation	N/A	32701.05356	20,226
Opioid Settlement Funds - Tennessee Abatement Council	N/A	(5)	120,905
Volunteer Firefighter Educational Incentive Pay - State Department of Commerce and Insurance	N/A	(5)	54,200
Volunteer Firefighter Equipment and Training Grant Program - State Department of Commerce and Insurance	N/A	33501-2425392	32,460
Local Health Department Capital Investment Project - State Department of Health	N/A	(5)	198,356
Statewide School Resource Officer (SRO) Grant Program - State Department of Safety and Homeland Security	N/A	(5)	675,000
2024 PPP Election - Tennessee Secretary of State	N/A	(5)	23,760
Capital Maintenance and Improvement Grant - Tennessee State Museum	N/A	(5)	55,000
<b>Total State Grants</b>			<b>\$ 3,541,638</b>

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) Henderson County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Child Nutrition Cluster total \$2,535,540; Special Education Cluster total \$1,164,337.
- (5) Information not available.
- (6) Total for ALN 10.555 is \$1,903,635; Total for ALN 84.027 is \$1,131,492; Total for ALN 84.425 is \$3,261,340.
- (7) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 96,613
Supporting Effective Instruction State Grant	84.367	9,377
Student Support and Academic Enrichment Program	84.424	854
Total amounts consolidated for administration purposes		<b>\$ 106,844</b>

**HENDERSON 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 Henderson 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
<b>OFFICE OF DIRECTOR OF FINANCE</b>					
2023	192	2023-001	Competitive bids were not solicited for the purchase of construction materials for stadium press boxes and bleachers.	N/A	Not Corrected - See Explanation on Corrective Action Plan

**Prior-year Federal Awards Findings**

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

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

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

**Financial Statements:**

1. Our report on the financial statements of Henderson County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
  - \* Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

## PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

### OFFICE OF FINANCE DIRECTOR

FINDING 2024-001

#### COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE OF GENERATORS

(Noncompliance Under *Government Auditing Standards*)

Competitive bids were not solicited for the purchase and installation of seven generators totaling \$82,833 for the fire department. The finance director was advised that the generators were purchased on state contract; however, no contract was made available to auditors. Purchasing procedures for the county are governed by the County Financial Management System of 1981, which requires competitive bids to be solicited through newspaper advertisements for all purchases exceeding \$25,000. The failure to solicit competitive bids could result in the county paying more than the most competitive price. This deficiency is the result of a lack of management oversight, the failure to follow state statutes, the failure to correct the finding noted in the prior-year audit report, and the failure to implement their corrective action plan.

### RECOMMENDATION

All purchases should be made in compliance with the applicable state statutes.

### MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with the finding and will make every effort to comply with applicable state statutes. We understand the proper documentation needed for items purchased on state contract and will ensure that documentation is obtained before purchasing items above the bid limit without appropriately bidding the item.

### **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.

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF FINANCE DIRECTOR**

2024-001	Competitive bids were not solicited for the purchase of generators.	190
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**HENDERSON COUNTY FINANCE DEPT.**

85 E. Church Street  
Lexington, TN 38351  
Phone: (731) 968-5550 | Fax: (731) 968-4475 |

*Corrective Action Plan*

*FINDING*

**COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE GENERATORS**  
(Noncompliance Under *Government Auditing Standards*)

**Response and Corrective Action Plan Prepared by:**  
Megan Vineyard, Finance Director

**Person Responsible for Implementing the Corrective Action:**  
Megan Vineyard, Finance Director

**Anticipated Completion Date of Corrective Action:**  
During the current fiscal year (before June 30, 2025)

**Repeat Finding:**  
Yes

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

**Planned Corrective Action:**  
Management will make every effort to comply with applicable purchasing laws. In the future, items over the bid limit will be properly bid. Management will ensure proper state contract documents are provided before approving purchases that are above the bid limit without bidding.

Signature:

*Megan D. Vineyard*