



ANNUAL FINANCIAL REPORT

Jackson County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

JACKSON COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ Unclaimed funds were not reported and paid to the state.
- ◆ Competitive bids were not solicited for insurance.

OFFICE OF REGISTER OF DEEDS

- ◆ Bank statements were not reconciled properly with the general ledger.



INTRODUCTORY SECTION

JACKSON COUNTY OFFICIALS

June 30, 2024

Officials

Randy Heady, County Mayor
Daniel Garrison, Road Superintendent
Jason Hardy, Director of Schools
Anthony Flatt, Trustee
Kaleb Allen, Assessor of Property
Brandon Stafford, County Clerk
Jeff Hardy, Circuit and General Sessions Courts Clerk
Sherrie Pippin-Loftis, Clerk and Master
Michelle Hix, Register of Deeds
Marty Hinson, Sheriff

Board of County Commissioners

Randy Heady, County Mayor, Chairman	
Paul Ballard	Richard Head
Anthony Buck	Ryan Hopkins
Darrell Church	Brian Lee
Kevin Cummins	Jackie Meadows
Joey Denson	Jim Morgan
Josh Denson	Jeff Smallwood
Mark Dosch	Douglas Stafford
Shelby Fox	Thomas Wilmoth
Gary Garrison	Troy York

Board of Education

Mark Brown, Chairman	Dustin Kennedy
Mark Allen	Emily Trisdale
Kim Denson	Shannon Wilson

Audit Committee

Jim Morgan, Chairman
Donna Elrod
Jeanette Hansel
Tony Hunter

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Jackson County Mayor and
Board of County Commissioners
Jackson 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 Jackson 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 Jackson County, Tennessee, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General, Solid Waste/Sanitation, Other General Government, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Jackson County School Department (a discretely presented component unit), which represent 1.7 percent, 2.01 percent, and 2.71 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 Jackson 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 (GAAS) 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 Jackson 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., Jackson 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 Jackson 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 Jackson 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 Jackson County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Information


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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2025, on our consideration of Jackson 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 Jackson 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 Jackson County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 7, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government	Component Unit
	Governmental Activities	Jackson County School Department
ASSETS		
Cash	\$ 13,772	\$ 607,635
Equity in Pooled Cash and Investments	8,563,007	16,992,240
Accounts Receivable	546,867	397,972
Allowance for Uncollectibles	(139,080)	0
Due from Other Governments	582,918	841,991
Due from Component Units	4,481,823	0
Property Taxes Receivable	4,177,222	1,964,410
Allowance for Uncollectible Property Taxes	(91,789)	(53,592)
Net Pension Asset - Agent Plan	298,352	181,237
Net Pension Asset - Teacher Retirement Plan	0	42,938
Net Pension Asset - Teacher Legacy Pension Plan	0	1,991,840
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	161,082
Capital Assets:		
Assets Not Depreciated:		
Land	399,223	319,507
Construction in Progress	325,010	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	6,758,814	11,284,003
Infrastructure	15,784,300	72,782
Other Capital Assets	1,977,705	912,019
Total Assets	<u>\$ 43,678,144</u>	<u>\$ 35,716,064</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Changes in Experience	\$ 375,164	\$ 703,901
Pension Changes in Investment Earnings	96,939	415,398
Pension Changes in Assumptions	334,956	884,772
Pension Changes in Proportion	0	5,420
Pension Contributions after Measurement Date	337,556	609,476
OPEB Changes in Experience	0	141,081
OPEB Changes in Assumptions	0	270,685
OPEB Changes in Proportion	0	16,087
OPEB Contributions after Measurement Date	0	51,339
Total Deferred Outflows of Resources	<u>\$ 1,144,615</u>	<u>\$ 3,098,159</u>

(Continued)

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

	Primary Government	Component Unit
	Governmental Activities	Jackson County School Department
LIABILITIES		
Accounts Payable	\$ 22,457	\$ 0
Accrued Payroll	0	176,642
Payroll Deductions Payable	74,305	6
Accrued Interest Payable	2,092	0
Due to Primary Government	0	4,481,823
Due to Other Governments	1,651,008	0
Noncurrent Liabilities:		
Due Within One Year - Debt	865,173	0
Due Within One Year - Other	74,367	100,182
Due in More Than One Year - Debt	5,223,574	0
Due in More Than One Year - Other	74,363	1,206,432
Total Liabilities	<u>\$ 7,987,339</u>	<u>\$ 5,965,085</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 3,995,264	\$ 1,871,473
Pension Changes in Experience	77,605	164,639
Pension Changes in Proportion	0	51,231
OPEB Changes in Experience	0	226,172
OPEB Changes in Assumptions	0	152,178
OPEB Changes in Proportion	0	97,051
Total Deferred Inflows of Resources	<u>\$ 4,072,869</u>	<u>\$ 2,562,744</u>
NET POSITION		
Net Investment in Capital Assets	\$ 23,638,128	\$ 12,588,311
Restricted for:		
General Government	44,195	0
Finance	44,819	0
Administration of Justice	32,830	0
Public Safety	56,376	0
Public Health and Welfare	365,903	0
Highways	2,113,489	0
Education	0	1,631,902
Capital Outlay	41,183	0
Debt Service	3,319	0
Capital Projects	2,216	0
Pensions	298,352	2,377,097
Unrestricted	<u>6,121,741</u>	<u>13,689,084</u>
Total Net Position	<u><u>\$ 32,762,551</u></u>	<u><u>\$ 30,286,394</u></u>

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

Exhibit B

JACKSON 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	Component Unit
					Government Total Governmental Activities	Jackson County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 2,229,671	\$ 191,565	\$ 60,588	\$ 0	\$ (1,977,518)	\$ 0
Finance	1,057,336	352,993	0	0	(704,343)	0
Administration of Justice	695,704	169,387	9,000	0	(517,317)	0
Public Safety	3,507,045	1,119,409	335,370	77,116	(1,975,150)	0
Public Health and Welfare	2,497,902	921,570	1,277,727	0	(298,605)	0
Social, Cultural, and Recreational Services	420,409	3,535	213,646	6,959	(196,269)	0
Agriculture and Natural Resources	145,887	0	107,379	0	(38,508)	0
Highways	4,345,645	59,307	3,015,919	685,326	(585,093)	0
Interest on Long-term Debt	193,038	0	0	0	(193,038)	0
Total Primary Government	\$ 15,092,637	\$ 2,817,766	\$ 5,019,629	\$ 769,401	\$ (6,485,841)	\$ 0
Component Unit:						
Jackson County School Department	\$ 18,598,255	\$ 108,783	\$ 5,092,980	\$ 761,343	\$ 0	\$ (12,635,149)
Total Component Unit	\$ 18,598,255	\$ 108,783	\$ 5,092,980	\$ 761,343	\$ 0	\$ (12,635,149)

(Continued)

Exhibit B

JACKSON COUNTY, TENNESSEE
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position	
		Program Revenues			Primary Government	Component Unit
		Operating	Capital			
		Charges	Grants	Grants	Total	Jackson
		for	and	and	Governmental	County
		Services	Contributions	Contributions	Activities	School
Functions/Programs	Expenses					Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 4,003,056	\$ 1,914,834
Property Taxes Levied for Debt Service					48,089	0
Local Option Sales Taxes					626,549	1,487,202
Wheel Tax					308,591	185,154
Business Tax					55,263	0
Litigation Taxes					50,029	0
Mixed Drink Tax					0	6,726
Wholesale Beer Tax					80,906	0
Hotel/Motel Tax					82,908	0
Mineral Severance Tax					45,743	0
Other Local Taxes					119	15
Grants and Contributions Not Restricted to Specific Programs					1,641,669	13,040,244
Unrestricted Investment Earnings					282,941	17,065
Miscellaneous					55,493	48,098
Total General Revenues					<u>\$ 7,281,356</u>	<u>\$ 16,699,338</u>
Insurance Recovery					<u>\$ 86,500</u>	<u>\$ 15,654</u>
Change in Net Position					\$ 882,015	\$ 4,079,843
Net Position, July 1, 2023					<u>31,880,536</u>	<u>26,206,551</u>
Net Position, June 30, 2024					<u><u>\$ 32,762,551</u></u>	<u><u>\$ 30,286,394</u></u>

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

JACKSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds

June 30, 2024

	Major Funds				
	General	Solid Waste / Sanitation	Other General Government Fund	Highway / Public Works	General Debt Service
ASSETS					
Cash	\$ 42	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	3,593,108	213,071	1,047,935	1,719,712	1,422,847
Accounts Receivable	536,916	3,151	0	6,683	33
Allowance for Uncollectibles	(139,080)	0	0	0	0
Due from Other Governments	192,171	0	0	390,747	0
Due from Other Funds	13,814	0	0	0	0
Property Taxes Receivable	3,081,755	698,210	0	228,724	168,533
Allowance for Uncollectible Property Taxes	(67,718)	(15,342)	0	(5,026)	(3,703)
Total Assets	<u>\$ 7,211,008</u>	<u>\$ 899,090</u>	<u>\$ 1,047,935</u>	<u>\$ 2,340,840</u>	<u>\$ 1,587,710</u>
LIABILITIES					
Accounts Payable	\$ 0	\$ 13,867	\$ 0	\$ 8,590	\$ 0
Payroll Deductions Payable	71,778	2,527	0	0	0
Due to Other Funds	0	0	0	0	0
Due to Other Governments	0	0	1,651,008	0	0
Total Liabilities	<u>\$ 71,778</u>	<u>\$ 16,394</u>	<u>\$ 1,651,008</u>	<u>\$ 8,590</u>	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 2,947,515	\$ 667,796	\$ 0	\$ 218,761	\$ 161,192
Deferred Delinquent Property Taxes	60,683	13,748	0	4,328	3,319
Other Deferred/Unavailable Revenue	304,391	0	0	187,400	0
Total Deferred Inflows of Resources	<u>\$ 3,312,589</u>	<u>\$ 681,544</u>	<u>\$ 0</u>	<u>\$ 410,489</u>	<u>\$ 164,511</u>

(Continued)

JACKSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds				
	General	Solid Waste / Sanitation	Other General Government Fund	Highway / Public Works	General Debt Service
FUND BALANCES					
Restricted:					
Restricted for General Government	\$ 43,651	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Finance	44,819	0	0	0	0
Restricted for Administration of Justice	32,830	0	0	0	0
Restricted for Public Safety	12,892	0	0	0	0
Restricted for Public Health and Welfare	151,003	201,152	0	0	0
Restricted for Other Operations	544	0	0	0	0
Restricted for Highways/Public Works	0	0	0	1,921,761	0
Restricted for Capital Outlay	41,183	0	0	0	0
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for Administration of Justice	74,190	0	0	0	0
Committed for Other Operations	0	0	0	0	0
Committed for Debt Service	0	0	0	0	1,423,199
Committed for Capital Projects	0	0	0	0	0
Unassigned	3,425,529	0	(603,073)	0	0
Total Fund Balances	<u>\$ 3,826,641</u>	<u>\$ 201,152</u>	<u>\$ (603,073)</u>	<u>\$ 1,921,761</u>	<u>\$ 1,423,199</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,211,008</u>	<u>\$ 899,090</u>	<u>\$ 1,047,935</u>	<u>\$ 2,340,840</u>	<u>\$ 1,587,710</u>

(Continued)

JACKSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Nonmajor Funds		Other Govern- mental Funds	Total Governmental Funds
ASSETS				
Cash	\$	13,730	\$	13,772
Equity in Pooled Cash and Investments		566,334		8,563,007
Accounts Receivable		84		546,867
Allowance for Uncollectibles		0		(139,080)
Due from Other Governments		0		582,918
Due from Other Funds		0		13,814
Property Taxes Receivable		0		4,177,222
Allowance for Uncollectible Property Taxes		0		(91,789)
		<hr/>		<hr/>
Total Assets	\$	580,148	\$	13,666,731
LIABILITIES				
Accounts Payable	\$	0	\$	22,457
Payroll Deductions Payable		0		74,305
Due to Other Funds		13,814		13,814
Due to Other Governments		0		1,651,008
Total Liabilities	\$	13,814	\$	1,761,584
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$	0	\$	3,995,264
Deferred Delinquent Property Taxes		0		82,078
Other Deferred/Unavailable Revenue		0		491,791
Total Deferred Inflows of Resources	\$	0	\$	4,569,133

(Continued)

JACKSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for General Government

Restricted for Finance

Restricted for Administration of Justice

Restricted for Public Safety

Restricted for Public Health and Welfare

Restricted for Other Operations

Restricted for Highways/Public Works

Restricted for Capital Outlay

Restricted for Capital Projects

Committed:

Committed for Administration of Justice

Committed for Other Operations

Committed for Debt Service

Committed for Capital Projects

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Nonmajor Funds		
Other		Total
Govern- mental Funds		Governmental Funds
\$ 0	\$	43,651
0		44,819
0		32,830
43,484		56,376
0		352,155
0		544
0		1,921,761
0		41,183
2,216		2,216
0		74,190
116,598		116,598
0		1,423,199
404,036		404,036
0		2,822,456
\$ 566,334	\$	7,336,014
\$ 580,148	\$	13,666,731

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

JACKSON 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)		\$ 7,336,014
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 399,223	
Add: construction in progress	325,010	
Add: buildings and improvements net of accumulated depreciation	6,758,814	
Add: infrastructure net of accumulated depreciation	15,784,300	
Add: other capital assets net of accumulated depreciation	<u>1,977,705</u>	25,245,052
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (156,924)	
Less: other loans payable	(5,931,823)	
Add: debt to be contributed by the school department	4,481,823	
Less: compensated absences payable	(148,730)	
Less: accrued interest on bonds	<u>(2,092)</u>	(1,757,746)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,144,615	
Less: deferred inflows of resources related to pensions	<u>(77,605)</u>	1,067,010
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		298,352
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>573,869</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 32,762,551</u></u>

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

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

	Major Funds				
	General	Solid Waste / Sanitation	Other General Government Fund	Highway / Public Works	General Debt Service
Revenues					
Local Taxes	\$ 4,331,364	\$ 688,751	\$ 0	\$ 269,379	\$ 164,009
Licenses and Permits	32,864	0	0	0	0
Fines, Forfeitures, and Penalties	36,688	0	0	0	0
Charges for Current Services	1,049,039	3,313	0	0	0
Other Local Revenues	343,798	26,323	53,623	167,228	0
Fees Received From County Officials	506,031	0	0	0	0
State of Tennessee	2,096,967	0	0	2,846,682	350,000
Federal Government	217,113	0	422,186	833,020	0
Other Governments and Citizens Groups	99,888	0	0	0	747,710
Total Revenues	\$ 8,713,752	\$ 718,387	\$ 475,809	\$ 4,116,309	\$ 1,261,719
Expenditures					
Current:					
General Government	\$ 876,384	\$ 0	\$ 0	\$ 0	\$ 0
Finance	455,088	0	0	0	0
Administration of Justice	620,007	0	0	0	0
Public Safety	3,060,813	0	0	0	0
Public Health and Welfare	1,098,881	693,368	0	0	0
Social, Cultural, and Recreational Services	156,003	0	0	0	0
Agriculture and Natural Resources	130,177	0	0	0	0
Other Operations	1,507,351	0	536	0	3,254
Highways	39,164	0	0	4,222,230	0
Debt Service:					
Principal on Debt	0	0	0	0	834,070
Interest on Debt	0	0	0	0	193,087
Other Debt Service	0	0	0	0	35,537

(Continued)

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

	Major Funds				
	General	Solid Waste / Sanitation	Other General Government Fund	Highway / Public Works	General Debt Service
Expenditures (Cont.)					
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 7,943,868	\$ 693,368	\$ 536	\$ 4,222,230	\$ 1,065,948
Excess (Deficiency) of Revenues Over Expenditures	\$ 769,884	\$ 25,019	\$ 475,273	\$ (105,921)	\$ 195,771
Other Financing Sources (Uses)					
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 86,500	\$ 0
Transfers In	0	0	0	0	0
Transfers Out	0	0	(300,000)	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ (300,000)	\$ 86,500	\$ 0
Net Change in Fund Balances	\$ 769,884	\$ 25,019	\$ 175,273	\$ (19,421)	\$ 195,771
Fund Balance, July 1, 2023	3,056,757	176,133	(778,346)	1,941,182	1,227,428
Fund Balance, June 30, 2024	\$ 3,826,641	\$ 201,152	\$ (603,073)	\$ 1,921,761	\$ 1,423,199

(Continued)

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		Funds
Revenues			
Local Taxes	\$ 0	\$	5,453,503
Licenses and Permits	0		32,864
Fines, Forfeitures, and Penalties	10,837		47,525
Charges for Current Services	132		1,052,484
Other Local Revenues	9,000		599,972
Fees Received From County Officials	0		506,031
State of Tennessee	75,000		5,368,649
Federal Government	1,251,916		2,724,235
Other Governments and Citizens Groups	0		847,598
Total Revenues	<u>\$ 1,346,885</u>	<u>\$</u>	<u>16,632,861</u>
Expenditures			
Current:			
General Government	\$ 0	\$	876,384
Finance	132		455,220
Administration of Justice	0		620,007
Public Safety	53,712		3,114,525
Public Health and Welfare	0		1,792,249
Social, Cultural, and Recreational Services	0		156,003
Agriculture and Natural Resources	0		130,177
Other Operations	135		1,511,276
Highways	0		4,261,394
Debt Service:			
Principal on Debt	0		834,070
Interest on Debt	0		193,087
Other Debt Service	0		35,537

(Continued)

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		Funds
Expenditures (Cont.)			
Capital Projects	\$ 1,774,533	\$	1,774,533
Total Expenditures	<u>\$ 1,828,512</u>	<u>\$</u>	<u>15,754,462</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (481,627)</u>	<u>\$</u>	<u>878,399</u>
Other Financing Sources (Uses)			
Insurance Recovery	\$ 0	\$	86,500
Transfers In	300,000		300,000
Transfers Out	0		(300,000)
Total Other Financing Sources (Uses)	<u>\$ 300,000</u>	<u>\$</u>	<u>86,500</u>
Net Change in Fund Balances	\$ (181,627)	\$	964,899
Fund Balance, July 1, 2023	<u>747,961</u>		<u>6,371,115</u>
Fund Balance, June 30, 2024	<u><u>\$ 566,334</u></u>	<u><u>\$</u></u>	<u><u>7,336,014</u></u>

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

JACKSON 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)		\$ 964,899
(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: assets purchased and capitalized	\$ 554,569	
Less: current-year depreciation expense	<u>(657,417)</u>	(102,848)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Less: book value of capital assets disposed		(102,195)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 573,869	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(626,668)</u>	(52,799)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 3,628	
Add: principal payments on other loans	830,442	
Less: contributions from the school department for other loans	<u>(598,442)</u>	235,628
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 49	
Change in compensated absences payable	(2,815)	
Change in net pension liability/asset	(251,194)	
Change in deferred outflows related to pensions	97,491	
Change in deferred inflows related to pensions	<u>95,799</u>	<u>(60,670)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 882,015</u>

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 4,331,364	\$ 4,271,062	\$ 4,101,062	\$ 230,302
Licenses and Permits	32,864	35,000	35,000	(2,136)
Fines, Forfeitures, and Penalties	36,688	39,300	39,300	(2,612)
Charges for Current Services	1,049,039	807,200	812,200	236,839
Other Local Revenues	343,798	189,500	193,088	150,710
Fees Received From County Officials	506,031	455,000	455,000	51,031
State of Tennessee	2,096,967	2,532,800	2,822,170	(725,203)
Federal Government	217,113	77,000	77,000	140,113
Other Governments and Citizens Groups	99,888	35,000	35,000	64,888
Total Revenues	\$ 8,713,752	\$ 8,441,862	\$ 8,569,820	\$ 143,932
Expenditures				
General Government				
County Commission	\$ 52,906	\$ 75,925	\$ 75,925	\$ 23,019
Beer Board	0	200	200	200
County Mayor/Executive	232,280	232,088	235,088	2,808
County Attorney	12,918	13,530	13,530	612
Election Commission	298,092	313,841	313,841	15,749
Register of Deeds	132,150	132,258	132,258	108
County Buildings	139,400	139,200	139,200	(200)
Preservation of Records	8,638	8,781	8,781	143
Finance				
Property Assessor's Office	132,971	136,308	136,308	3,337
County Trustee's Office	145,575	151,130	151,130	5,555
County Clerk's Office	176,542	179,026	179,026	2,484
Administration of Justice				
Circuit Court	225,141	230,791	230,791	5,650
General Sessions Court	155,933	158,688	158,688	2,755
Chancery Court	132,365	133,884	133,884	1,519
Juvenile Court	60,822	46,014	62,114	1,292
Judicial Commissioners	44,470	45,000	45,000	530
Other Administration of Justice	1,276	3,955	3,955	2,679
Public Safety				
Sheriff's Department	1,286,582	1,348,871	1,440,172	153,590
Administration of the Sexual Offender Registry	1,270	2,000	2,000	730
Jail	1,553,061	1,599,742	1,604,743	51,682
Fire Prevention and Control	120,100	26,500	150,100	30,000
Other Emergency Management	99,800	99,800	99,800	0

(Continued)

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Expenditures (Cont.)				
Public Health and Welfare				
Local Health Center	\$ 42,157	\$ 232,410	\$ 232,410	\$ 190,253
Ambulance/Emergency Medical Services	1,038,862	1,098,610	1,102,198	63,336
Alcohol and Drug Programs	1,110	6,000	6,000	4,890
Crippled Children Services	0	900	900	900
Regional Mental Health Center	1,162	5,811	5,811	4,649
Appropriation to State	15,590	15,590	15,590	0
Social, Cultural, and Recreational Services				
Adult Activities	30,823	31,210	46,210	15,387
Senior Citizens Assistance	57,770	66,150	81,150	23,380
Libraries	67,410	71,605	71,606	4,196
Agriculture and Natural Resources				
Agricultural Extension Service	61,587	77,186	77,186	15,599
Soil Conservation	68,590	67,700	68,800	210
Other Operations				
Industrial Development	0	6,040	6,040	6,040
Other Economic and Community Development	7,896	83,000	83,000	75,104
Airport	100,675	435,880	435,880	335,205
Veterans' Services	10,000	10,000	10,000	0
Other Charges	637,640	647,000	663,000	25,360
Contributions to Other Agencies	107,526	114,469	114,469	6,943
Employee Benefits	584,353	584,600	585,600	1,247
Miscellaneous	59,261	62,000	63,100	3,839
Highways				
Litter and Trash Collection	39,164	48,515	48,515	9,351
Total Expenditures	<u>\$ 7,943,868</u>	<u>\$ 8,742,208</u>	<u>\$ 9,033,999</u>	<u>\$ 1,090,131</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>\$ 769,884</u>	<u>\$ (300,346)</u>	<u>\$ (464,179)</u>	<u>\$ 1,234,063</u>
Net Change in Fund Balance	<u>\$ 769,884</u>	<u>\$ (300,346)</u>	<u>\$ (464,179)</u>	<u>\$ 1,234,063</u>
Fund Balance, July 1, 2023	<u>3,056,757</u>	<u>3,464,702</u>	<u>3,464,702</u>	<u>(407,945)</u>
Fund Balance, June 30, 2024	<u><u>\$ 3,826,641</u></u>	<u><u>\$ 3,164,356</u></u>	<u><u>\$ 3,000,523</u></u>	<u><u>\$ 826,118</u></u>

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 688,751	\$ 665,167	\$ 665,167	\$ 23,584
Charges for Current Services	3,313	0	0	3,313
Other Local Revenues	26,323	50,000	50,000	(23,677)
State of Tennessee	0	46,000	46,000	(46,000)
Total Revenues	<u>\$ 718,387</u>	<u>\$ 761,167</u>	<u>\$ 761,167</u>	<u>\$ (42,780)</u>
Expenditures				
Public Health and Welfare				
Waste Pickup	\$ 467,973	\$ 511,000	\$ 511,000	\$ 43,027
Convenience Centers	225,395	247,650	252,650	27,255
Total Expenditures	<u>\$ 693,368</u>	<u>\$ 758,650</u>	<u>\$ 763,650</u>	<u>\$ 70,282</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 25,019</u>	<u>\$ 2,517</u>	<u>\$ (2,483)</u>	<u>\$ 27,502</u>
Net Change in Fund Balance	\$ 25,019	2,517	(2,483)	27,502
Fund Balance, July 1, 2023	<u>176,133</u>	<u>188,740</u>	<u>188,740</u>	<u>(12,607)</u>
Fund Balance, June 30, 2024	<u><u>\$ 201,152</u></u>	<u><u>\$ 191,257</u></u>	<u><u>\$ 186,257</u></u>	<u><u>\$ 14,895</u></u>

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

JACKSON COUNTY, TENNESSEE
Statement 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	
Revenues				
Other Local Revenues	\$ 53,623	\$ 0	\$ 500	\$ 53,123
Federal Government	422,186	0	349,475	72,711
Total Revenues	<u>\$ 475,809</u>	<u>\$ 0</u>	<u>\$ 349,975</u>	<u>\$ 125,834</u>
Expenditures				
Other Operations				
COVID-19 Grant #1	\$ 536	\$ 0	\$ 536	\$ 0
Total Expenditures	<u>\$ 536</u>	<u>\$ 0</u>	<u>\$ 536</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 475,273</u>	<u>\$ 0</u>	<u>\$ 349,439</u>	<u>\$ 125,834</u>
Other Financing Sources (Uses)				
Transfers Out	\$ (300,000)	\$ 0	\$ (300,000)	\$ 0
Total Other Financing Sources	<u>\$ (300,000)</u>	<u>\$ 0</u>	<u>\$ (300,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 175,273	\$ 0	\$ 49,439	\$ 125,834
Fund Balance, July 1, 2023	<u>(778,346)</u>	<u>0</u>	<u>0</u>	<u>(778,346)</u>
Fund Balance, June 30, 2024	<u><u>\$ (603,073)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 49,439</u></u>	<u><u>\$ (652,512)</u></u>

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 269,379	\$ 254,196	\$ 263,392	\$ 5,987
Other Local Revenues	167,228	94,500	176,692	(9,464)
State of Tennessee	2,846,682	2,057,814	2,791,468	55,214
Federal Government	833,020	250,000	833,020	0
Total Revenues	<u>\$ 4,116,309</u>	<u>\$ 2,656,510</u>	<u>\$ 4,064,572</u>	<u>\$ 51,737</u>
Expenditures				
Highways				
Administration	\$ 269,516	\$ 271,830	\$ 284,330	\$ 14,814
Highway and Bridge Maintenance	1,437,320	1,959,295	1,937,615	500,295
Operation and Maintenance of Equipment	484,302	651,600	640,600	156,298
Other Charges	997,481	535,360	1,390,726	393,245
Employee Benefits	176,322	184,500	192,500	16,178
Capital Outlay	857,289	382,000	1,033,376	176,087
Total Expenditures	<u>\$ 4,222,230</u>	<u>\$ 3,984,585</u>	<u>\$ 5,479,147</u>	<u>\$ 1,256,917</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (105,921)</u>	<u>\$ (1,328,075)</u>	<u>\$ (1,414,575)</u>	<u>\$ 1,308,654</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 86,500	0	\$ 86,500	0
Total Other Financing Sources	<u>\$ 86,500</u>	<u>0</u>	<u>\$ 86,500</u>	<u>0</u>
Net Change in Fund Balance	\$ (19,421)	(1,328,075)	(1,328,075)	1,308,654
Fund Balance, July 1, 2023	<u>1,941,182</u>	<u>2,033,571</u>	<u>2,033,571</u>	<u>(92,389)</u>
Fund Balance, June 30, 2024	<u>\$ 1,921,761</u>	<u>\$ 705,496</u>	<u>\$ 705,496</u>	<u>\$ 1,216,265</u>

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

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

Fiduciary Funds

June 30, 2024

	Custodial Funds
ASSETS	
Cash	\$ 507,815
Accounts Receivable	84
Due from Other Governments	67,199
Total Assets	<u>\$ 575,098</u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 67,199</u>
Total Liabilities	<u>\$ 67,199</u>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 507,899</u>
Total Net Position	<u><u>\$ 507,899</u></u>

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

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

	Custodial Funds
	<hr/>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 390,805
Fines/Fees and Other Collections	3,949,707
Total Additions	<hr/> \$ 4,340,512 <hr/>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 390,805
Payments to State	1,472,280
Payments to Cities, Individuals, and Others	2,476,833
Total Deductions	<hr/> \$ 4,339,918 <hr/>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 594
Net Position, July 1, 2023	<hr/> 507,305 <hr/>
Net Position, June 30, 2024	<hr/> \$ 507,899 <hr/>

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

JACKSON COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Jackson 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 Jackson County:

A. *Reporting Entity*

Jackson County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Jackson County (the primary government) and its component units. The financial statements of the Jackson 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 Jackson County School Department operates the public school system in the county, and the voters of Jackson 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 Jackson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Jackson County, and the Jackson 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 Jackson County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Jackson County Emergency
Communications District
P. O. Box 313
305 North Murry
Gainesboro, TN 38562

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

B. Government-wide and Fund Financial Statements

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

Jackson County issues all debt for the discretely presented Jackson 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 Jackson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/fund net position, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Jackson County has no proprietary funds to report.

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

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

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

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

Jackson County reports the following major governmental funds:

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

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

Other General Government Fund - This special revenue fund accounts for transactions related to the American Rescue Plan Act funding.

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, Jackson County reports the following fund types:

Capital Projects Funds – The capital projects funds are used to account for general capital expenditures and for revenues and expenditures related to industrial buildings owned by the county.

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

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY23) 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 Jackson 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. Jackson County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Jackson County had no

investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

2. Receivables and Payables

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.14 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 deferred inflows of resources as of June 30.

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

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

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

3. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Jackson 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 Jackson County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Jackson County School Department has not withdrawn any

funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

4. **Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life extending beyond the current fiscal year and values as defined in the county's capital assets policy. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	20 - 40
Infrastructure	25 - 75
Other Capital Assets	5 - 20

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

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

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

following sources: current and delinquent property taxes, pension and OPEB changes in experience and proportionate share, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

It is the county's policy (excluding the highway department) to permit employees to accumulate earned but unused vacation benefits, which will be paid to employees upon separation of service. The cost of vacation benefits is recognized when payments are made to employees. All vacation pay should be accrued by the county when incurred and presented in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The county's policy does allow employees to accumulate an unlimited amount of unused sick leave; however, the granting of sick leave has no guaranteed payment attached, and therefore, is not required to be accrued or recorded. The general policy of the highway department does not allow for the accumulation of unused vacation and sick days.

The school department's general policy does not allow employees to accumulate earned but unused vacation leave benefits beyond year-end. The school department does allow employees to accumulate an unlimited amount of unused sick leave; however, the granting of sick leave has no guaranteed payment attached, and therefore, is not required to be accrued or recorded.

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 and other loans 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 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, Jackson County had \$4,481,823 in outstanding debt for capital purposes for the discretely presented Jackson County School Department. This debt is a liability of Jackson County, but the capital assets acquired are reported in the financial statements of the school department.

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 makes assignments for the general government. The Board of Education makes assignments for the school department.

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

E. Pension Plans

Primary Government

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

Discretely Presented Jackson 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 Jackson 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 Jackson 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 Jackson County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. *Budgetary Information*

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State

of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Mayor, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

On June 30, 2024, the Jackson County School Department reported the following encumbrances:

Fund	Amount
School Department:	
Major Fund:	
General Purpose School	\$ 209,759

B. Fund Deficit

The Other General Government Fund had a fund deficit of \$603,073 due to the grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (ALN 21.027). The grant expenditures can only be reported in April of each year, and fund revenues are not recognized until the expenditures are reported. Jackson County made expenditures of grant funds after the reporting period but before the end of the fiscal year which resulted in the deficit.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the County Buildings major appropriations category (the legal level of control) of the General Fund by \$200 and in the Interest on Debt major appropriations category of the General Purpose School Fund by \$17,766. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the General and General Purpose School funds.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Jackson County and the Jackson 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 or nonpooled investments as of June 30, 2024.

TCRS Stabilization Trust

Legal Provisions. The Jackson 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 Jackson 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.

At June 30, 2024, the Jackson 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	\$ 49,935
Developed Market International Equity	N/A	N/A	22,551
Emerging Market International Equity	N/A	N/A	6,443
U.S. Fixed Income	N/A	N/A	32,217
Real Estate	N/A	N/A	16,108
Short-term Securities	N/A	N/A	1,611
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>32,217</u>
Total			<u><u>\$ 161,082</u></u>

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

B. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 399,223	\$ 0	\$ 0	\$ 399,223
Construction in Progress	781,678	70,101	(526,769)	325,010
Total Capital Assets Not Depreciated	<u>\$ 1,180,901</u>	<u>\$ 70,101</u>	<u>\$ (526,769)</u>	<u>\$ 724,233</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 10,499,059	\$ 0	\$ 0	\$ 10,499,059
Infrastructure	19,706,950	526,769	(9,189)	20,224,530
Other Capital Assets	5,219,999	484,468	(288,235)	5,416,232
Total Capital Assets Depreciated	<u>\$ 35,426,008</u>	<u>\$ 1,011,237</u>	<u>\$ (297,424)</u>	<u>\$ 36,139,821</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 3,516,926	\$ 223,319	\$ 0	\$ 3,740,245
Infrastructure	4,267,791	172,901	(462)	4,440,230
Other Capital Assets	3,372,097	261,197	(194,767)	3,438,527
Total Accumulated Depreciation	<u>\$ 11,156,814</u>	<u>\$ 657,417</u>	<u>\$ (195,229)</u>	<u>\$ 11,619,002</u>
Total Capital Assets Depreciated, Net	<u>\$ 24,269,194</u>	<u>\$ 353,820</u>	<u>\$ (102,195)</u>	<u>\$ 24,520,819</u>
Governmental Activities Capital Assets, Net	<u>\$ 25,450,095</u>	<u>\$ 423,921</u>	<u>\$ (628,964)</u>	<u>\$ 25,245,052</u>

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

Governmental Activities:

General Government	\$ 86,976
Public Safety	193,359
Public Health and Welfare	142,392
Social, Cultural, and Recreational Services	90
Highways/Public Works	<u>234,600</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 657,417</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 25,245,052
Add:	
Debt for school purposes	4,481,823
Less:	
Outstanding principal of capital debt and other capital borrowings	<u>(6,088,747)</u>
Net Investment in Capital Assets	<u><u>\$ 23,638,128</u></u>

Discretely Presented Jackson County School Department

Governmental Activities:

	Balance 7-1-23		Increases		Decreases		Balance 6-30-24
Capital Assets Not Depreciated:							
Land	\$ 319,507	\$	0	\$	0	\$	319,507
Construction in Progress	1,402,410		0		(1,402,410)		0
Total Capital Assets							
Not Depreciated	\$ 1,721,917	\$	0	\$	(1,402,410)	\$	319,507
Capital Assets Depreciated:							
Buildings and Improvements	\$ 16,610,759	\$	2,678,645	\$	0	\$	19,289,404
Infrastructure	109,860		0		0		109,860
Other Capital Assets	2,124,955		116,032		(142,080)		2,098,907
Total Capital Assets Depreciated	\$ 18,845,574	\$	2,794,677	\$	(142,080)	\$	21,498,171
Less Accumulated Depreciated For:							
Buildings and Improvements	\$ 7,571,558	\$	433,843	\$	0	\$	8,005,401
Infrastructure	31,585		5,493		0		37,078
Other Capital Assets	1,209,453		115,253		(137,818)		1,186,888
Total Accumulated Depreciation	\$ 8,812,596	\$	554,589	\$	(137,818)	\$	9,229,367
Total Capital Assets Depreciated, Net	\$ 10,032,978	\$	2,240,088	\$	(4,262)	\$	12,268,804
Governmental Activities Capital Assets, Net	\$ 11,754,895	\$	2,240,088	\$	(1,406,672)	\$	12,588,311

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

Governmental Activities:

Instruction	\$ 360,375
Support Services	193,045
Non-Instructional Services	<u>1,169</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 554,589</u></u>

C. Construction Commitments

On June 30, 2024, the county had uncompleted construction contracts of approximately \$604,305 for waterline projects. Funding for this project is expected to be received from grant proceeds.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 13,814

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	School Department Component Unit: Governmental Activities	\$ 4,481,823

The Due to Primary Government of \$4,481,823 is the balance of other loans issued by the county for the school department. The school department has agreed to contribute the funds annually to retire these other loans. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Interfund Transfers:

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

Primary Government

Transfer Out	Transfer In Nonmajor governmental funds	Purpose
Other General Government Fund	\$ 300,000	Operations

Discretely Presented Jackson County School Department

Transfers Out	Transfers In General Purpose School Fund	Purpose
School Federal Projects Fund	\$ 2,000	Indirect costs
Nonmajor governmental funds	67,000	Supervisor's salary
Total	<u>\$ 69,000</u>	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

E. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Jackson County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 38 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Jackson 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. Other loans outstanding were issued for original terms of up to 28 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds	4 %	2-22-49	\$ 194,600	\$ 156,924
Direct Borrowing and Direct Placement:				
Other Loans	variable	5-25-31	14,765,000	4,086,000
Other Loans	1.5	6-1-37	2,235,776	1,845,823

In prior years, Jackson County entered into two separate loan agreements with the Montgomery County Public Building Authority. Under these loan agreements, the authority loaned Jackson County \$3,500,000 and \$1,200,000, respectively, for jail construction. These loans are repayable at interest rates that are tax-exempt variable rates determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with these loans. On June 30, 2024, the variable interest rate for these loans was 4.03 percent and other fees totaled approximately .67 percent (letter of credit), .09 percent (remarketing), and a trustee fee of \$85 per month.

In a prior year, Jackson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$6,300,000 to the school department for construction of a middle school. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, debt remarketing, etc.) in connection with this loan. On June 30, 2024, the variable interest rate was 3.41 percent, and other fees totaled approximately .67 percent (letter of credit) and .09 percent (remarketing) of the outstanding loan principal, and a trustee fee of \$85 per month.

In a prior year, Jackson County entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee. Under this loan agreement, the authority loaned \$3,765,000 to Jackson County for the refunding of two school bonds and for various school construction and renovation projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, debt remarketing, etc.) in connection with this loan. On June 30, 2024, the variable interest rate was 3.40 percent, and other fees totaled approximately .68 percent (letter of credit) and .10 percent (remarketing) of the outstanding loan principal, and a trustee fee of \$85 per month.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 3,773	\$ 6,277	\$ 10,050
2026	3,924	6,126	10,050
2027	4,081	5,969	10,050
2028	4,244	5,806	10,050
2029	4,414	5,636	10,050
2030-2034	24,863	25,387	50,250
2035-2039	30,250	20,000	50,250
2040-2044	36,803	13,447	50,250
2045-2049	44,572	5,678	50,250
Total	\$ 156,924	\$ 94,326	\$ 251,250

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2025	\$ 861,400	\$ 155,478	\$ 30,639	\$ 1,047,517
2026	893,383	130,678	25,888	1,049,949
2027	922,402	104,906	20,943	1,048,251
2028	953,456	78,254	15,820	1,047,530
2029	965,534	50,672	10,510	1,026,716
2030-2034	886,922	74,457	3,633	965,012
2035-2037	448,726	13,069	0	461,795
Total	\$ 5,931,823	\$ 607,514	\$ 107,433	\$ 6,646,770

There is \$1,423,199 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$14, based on the 2020 federal census. Total debt per capita, including bonds, notes, and other loans totaled \$524, 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. This debt 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.

Discretely Presented Jackson County School Department

Description of Debt	Outstanding 6-30-24
<u>Other Loans Payable - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
School Construction	\$ 1,884,000
Refunding/School Construction	752,000
Energy Efficiency Schools Initiative Loan	<u>1,845,823</u>
Total	<u>\$ 4,481,823</u>

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2023	\$ 160,552	\$ 6,762,265
Reductions	<u>(3,628)</u>	<u>(830,442)</u>
Balance, June 30, 2024	<u>\$ 156,924</u>	<u>\$ 5,931,823</u>
Balance Due Within One Year	<u>\$ 3,773</u>	<u>\$ 861,400</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 6,088,747
Less: Balance Due Within One Year - Debt	<u>(865,173)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 5,223,574</u>

E. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:Compensated
Absences

Balance, July 1, 2023	\$ 145,915
Additions	117,151
Reductions	(114,336)
	<hr/>
Balance, June 30, 2024	\$ 148,730
	<hr/>
Balance Due Within One Year	\$ 74,367
	<hr/>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 148,730
Less: Balance Due Within One Year - Other	(74,367)
	<hr/>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	\$ 74,363
	<hr/>

Compensated absences will be paid from the employing funds, primarily the General Fund.

Discretely Presented Jackson County School Department**Changes in Long-term Obligations**

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

Governmental Activities:Other
Postemployment
Benefits

Balance, July 1, 2023	\$ 1,345,964
Additions	190,905
Reductions	(230,255)
	<hr/>
Balance, June 30, 2024	\$ 1,306,614
	<hr/>
Balance Due Within One Year	\$ 100,182
	<hr/>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2024	\$ 1,306,614
Less: Balance Due Within One Year - Other	<u>(100,182)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 1,206,432</u>

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

G. *On-Behalf Payments*

Discretely Presented Jackson County School Department

The State of Tennessee pays health insurance premiums for retired teachers on behalf of the Jackson County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are 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 and the Medicare Supplement Plan for the year ended June 30, 2024, were \$43,114 and \$27,313, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. *Risk Management*

Primary Government

The county is exposed to various risks related to general liability, property, and casualty losses. During 2022, the county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

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

The county carries commercial insurance for airport operations. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

Discretely Presented Jackson County School Department

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

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

B. Accounting Change

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

C. Contingent Liabilities

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

The county is involved in several pending lawsuits. The county and school department attorneys estimate that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. Change in Administration

On July 14, 2023, Kristy Brown left the Office of Director of Schools and was succeeded by Deborah Whitaker on an interim basis. Jason Hardy was appointed to the Office of Director of Schools effective July 21, 2023.

E. Joint Venture

The Fifteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifteenth Judicial District and participating municipalities in the district. The Fifteenth Judicial District includes Smith, Jackson, Trousdale, and Wilson counties. The DTF interlocal agreement was signed by the sheriffs of Smith County, Jackson County, Hartsville/Trousdale County Government, and the police chiefs of the cities of Carthage and Lafayette. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of the participating law enforcement agencies within the judicial district. Jackson County made no contributions to the DTF for the year ended June 30, 2024, and does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

District Attorney General
Fifteenth Judicial District
203 Greentop Street
Hartsville, TN 37074

F. Jointly Governed Organization

The Gainesboro Port Authority was created by the county in conjunction with the city of Gainesboro. The authority's board comprises two members appointed by the county commission, two members appointed by the city of Gainesboro, and the remaining member appointed by the other four members. Jackson County does not provide funding for the authority and retains no ongoing financial responsibility for the authority.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Jackson County and non-certified employees of the discretely presented Jackson County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 62.21 percent, the non-certified employees of the discretely presented school department comprise 37.79 percent of the plan based on

contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

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

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	103
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	265
Active Employees	<u>223</u>
Total	<u><u>591</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Jackson 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 Jackson County was \$523,001 based on a rate of 6.99 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Jackson 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)

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

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

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2022	\$ 16,469,779	\$ 17,297,160	\$ (827,381)
Changes for the Year:			
Service Cost	\$ 678,652	\$ 0	\$ 678,652
Interest	1,135,176	0	1,135,176
Differences Between Expected and Actual Experience	522,280	0	522,280
Contributions-Employer	0	488,752	(488,752)
Contributions-Employees	0	351,377	(351,377)
Net Investment Income	0	1,168,013	(1,168,013)
Benefit Payments, Including Refunds of Employee Contributions	(662,021)	(662,021)	0
Administrative Expense	0	(19,826)	19,826
Net Changes	\$ 1,674,087	\$ 1,326,295	\$ 347,792
Balance, June 30, 2023	\$ 18,143,866	\$ 18,623,455	\$ (479,589)

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 62.21%	\$ 11,287,299	\$ 11,585,651	\$ (298,352)
School Department 37.79%	6,856,567	7,037,804	(181,237)
Total	\$ 18,143,866	\$ 18,623,455	\$ (479,589)

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

	1% Decrease	Current Discount Rate	1% Increase
Jackson County	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 2,212,393 \$ (479,589) \$ (2,672,891)

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, Jackson County recognized pension expense (negative pension expense) of \$521,689.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 603,061	\$ 124,747
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	155,825	0
Changes in Assumptions	538,428	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	523,001	N/A
Total	\$ 1,820,315	\$ 124,747

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,144,615	\$ 77,605
School Department	675,700	47,142
Total	<u>\$ 1,820,315</u>	<u>\$ 124,747</u>

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

Year Ending June 30	Amount
2025	\$ 258,636
2026	262,841
2027	545,658
2028	105,433
2029	0
Thereafter	0

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

Discretely Presented Jackson County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Jackson County and non-certified employees of the discretely presented Jackson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 62.21 percent and the non-certified employees of the discretely presented school department comprise 37.79 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Jackson 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 \$71,877, which is 2.95 percent of covered payroll. In addition, employer contributions of \$23,414, 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 (\$42,938) 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 .101262 percent. The proportion as of June 30, 2022, was .086880 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$53,835.

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	\$ 1,446	\$ 25,062
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,917	0
Changes in Assumptions	32,304	0
Changes in Proportion of Net Pension Liability (Asset)	5,420	13,671
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	71,877	N/A
Total	\$ 121,964	\$ 38,733

The school department's employer contributions of \$71,877, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in 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	\$ (707)
2026	(2,296)
2027	14,544
2028	266
2029	333
Thereafter	(785)

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current	
		Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 197,515	\$ (42,938)	\$ (216,045)

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

General Information About the Pension Plan

Plan Description. Teachers of the Jackson 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 Jackson County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$352,154, 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 (\$1,991,840) 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 .168947 percent. The proportion measured on June 30, 2022, was .168717 percent.

Pension Expense (negative pension expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$491,012.

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	\$ 474,558	\$ 92,435
Changes in Assumptions	648,996	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	345,595	0
Changes in Proportion of Net Pension Liability (Asset)	0	37,560
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	352,154	N/A
Total	<u>\$ 1,821,303</u>	<u>\$ 129,995</u>

The school department's employer contributions of \$352,154 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in 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	\$ 452,502
2026	(293,642)
2027	1,177,586
2028	2,707
2029	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 4,338,367	\$ (1,991,840)	\$ (7,256,788)
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Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. **Deferred Compensation**

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

The discretely presented Jackson County School Department offers its employees a deferred compensation plan established pursuant to Internal Revenue Code Section (IRC) 457. All costs of administering and funding this program are the responsibility of the plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$118,529 and teachers contributed \$96,319 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

The discretely presented Jackson County School Department provides OPEB benefits to its retirees under various OPEB plans. These include OPEB provided through 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.

The Jackson County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Jackson County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

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

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

The discount rate was 3.65 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, 2020, 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 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

Changes in Assumptions. The discount rate changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of the measurement date of June 30, 2023. This change in assumption 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.

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

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

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

Inactive Employees Currently Receiving Benefit Payments	8
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	<u>133</u>
Total	<u><u>141</u></u>

A state insurance committee, created in accordance with *TCA* 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$51,339 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Jackson County School Department 59.9%	State of TN 40.1%	Total OPEB Liability
Balance July 1, 2022	\$ 1,344,745	\$ 819,378	\$ 2,164,123
Changes for the Year:			
Service Cost	\$ 57,269	\$ 38,333	\$ 95,602
Interest	46,852	31,361	78,213
Difference between Expected and Actuarial Experience	(119,874)	(80,238)	(200,112)
Changes in Proportionate Share	(48,359)	48,359	0
Changes in Assumption	86,784	58,089	144,873
Benefit Payments	(60,803)	(40,698)	(101,501)
Net Changes	\$ (38,131)	\$ 55,206	\$ 17,075
Balance June 30, 2023	\$ 1,306,614	\$ 874,584	\$ 2,181,198

The Jackson 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 Jackson County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$89,830 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Jackson County School Department's proportionate share of the collective OPEB liability was 59.9 percent and the State of Tennessee's share was 40.1 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department recognized OPEB expense of \$190,012, 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	\$ 141,081	\$ 226,172
Changes of Assumptions	270,685	152,178
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	16,087	97,051
Benefits Paid After the Measurement Date June 30, 2023	51,339	0
Total	<u>\$ 479,192</u>	<u>\$ 475,401</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	\$ (3,939)
2026	(3,939)
2027	(3,939)
2028	(428)
2029	(2,181)
Thereafter	(33,122)

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 1,396,918	\$ 1,306,614	\$ 1,220,219
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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>	Current	
	Rate	
1% Decrease	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	\$ 1,181,384	\$ 1,306,614	\$ 1,450,784
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Closed Tennessee Plan – Medicare (Discretely Presented School Department)

Plan Description. Employees of the Jackson County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan - Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retired teachers and disability participants of local education agencies, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Jackson County School Department provides a subsidy of \$50 per month for retirees with 30 or more years of service, retirees with 20-29

years of service receive \$37.50, and retirees with 15-19 years of service receive \$25. The state, as a governmental non-employer contributing entity, contributes to the premiums of eligible retirees of local education agencies based on years of service. The State of Tennessee provides a subsidy of \$50 per month for retirees with 30 or more years of service, retirees with 20-29 years of service receive \$37.50, and retirees with 15-19 years of service receive \$25.

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

Inactive Employees Currently Receiving	
Benefit Payments	51
Inactive Employees Entitled To But Not Yet	
Receiving Benefit Payments	14
Active Employees Eligible for Benefits	<u>99</u>
Total	<u><u>164</u></u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and 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. For the fiscal year ended June 30, 2023, the school department paid \$0 to the TNM for OPEB benefits as they came due.

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

	Share of Collective Liability		Total OPEB
	Jackson County School Department 0.00%	State of TN 100.00%	Liability
Balance July 1, 2022	\$ 1,219	\$ 540,059	\$ 541,278
Changes for the Year:			
Service Cost	\$ 0	\$ 7,601	\$ 7,601
Interest	0	18,994	18,994
Difference between			
Expected and Actuarial			
Experience	0	427	427
Changes in Proportionate			
Share	(1,219)	1,219	0
Changes in Assumption	0	(5,627)	(5,627)
Benefit Payments	0	(24,886)	(24,886)
Net Changes	<u>\$ (1,219)</u>	<u>\$ (2,272)</u>	<u>\$ (3,491)</u>
Balance June 30, 2023	<u><u>\$ 0</u></u>	<u><u>\$ 537,787</u></u>	<u><u>\$ 537,787</u></u>

The Jackson County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retirees participating in the TNM. The Jackson County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department is required by GASB Statement No. 75 to recognize revenue for subsidies provided by non-employer contributing entities for benefits paid by the TNM for school department employees. The amount of the subsidy is equal to the non-employer share of collective OPEB expenses. The school department recognized \$266,617 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TNM for school department retirees.

During the year, the Jackson County School Department's proportionate share of the collective OPEB liability was 0 percent and the State of Tennessee's share was 100 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department recognized OPEB negative expense of (\$12,508) including the state's share of the OPEB expense. On June 30, 2024, the school department reported no deferred outflows of resources and no deferred inflows of resources related to its proportionate share of OPEB.

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	\$ 0
2026	0
2027	0
2028	0
2029	0
Thereafter	0

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

I. Purchasing Laws

Office of County Mayor

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

Office of Road Superintendent

Chapter 111, Private Acts of 1951, as amended, and Section 54-7-113, *TCA*, (Uniform Road Law), govern purchasing procedures for the road department. Chapter 111, Private Acts of

1951, directs the road superintendent to make necessary purchases and to file a report with the county commission for all purchases exceeding \$1,000. Provisions of the Uniform Road Law require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

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

J. Subsequent Event

County Mayor Randy Heady passed away on January 12, 2025. Joey Denson is serving as interim county mayor until the county commission appoints someone to fill the unexpired term.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

JACKSON 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

Last Fiscal Year Ending June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 339,415	\$ 316,157	\$ 370,312	\$ 452,741	\$ 442,342	\$ 497,586	\$ 511,467	\$ 507,812	\$ 618,099	\$ 678,652
Interest	596,379	648,615	675,606	743,465	789,294	861,879	909,936	953,610	1,039,632	1,135,176
Differences Between Actual and Expected Experience	160,378	(270,416)	193,111	(16,604)	188,106	(207,779)	(323,970)	(149,881)	308,727	522,280
Changes in Assumptions	0	0	0	254,391	(447,601)	0	0	1,346,073	0	0
Benefit Payments, Including Refunds of Employee Contributions	(357,248)	(395,628)	(381,639)	(451,700)	0	(500,020)	(505,412)	(477,322)	(561,066)	(662,021)
Net Change in Total Pension Liability	\$ 738,924	\$ 298,728	\$ 857,390	\$ 982,293	\$ 972,141	\$ 651,666	\$ 592,021	\$ 2,180,292	\$ 1,405,392	\$ 1,674,087
Total Pension Liability, Beginning	7,790,932	8,529,856	8,828,584	9,685,974	10,668,267	11,640,408	12,292,074	12,884,095	15,064,387	16,469,779
Total Pension Liability, Ending (a)	\$ 8,529,856	\$ 8,828,584	\$ 9,685,974	\$ 10,668,267	\$ 11,640,408	\$ 12,292,074	\$ 12,884,095	\$ 15,064,387	\$ 16,469,779	\$ 18,143,866
Plan Fiduciary Net Position										
Contributions - Employer	\$ 291,604	\$ 255,793	\$ 295,218	\$ 319,681	\$ 369,685	\$ 387,334	\$ 405,683	\$ 407,531	\$ 440,063	\$ 488,752
Contributions - Employee	204,780	213,744	228,950	248,202	267,936	276,668	290,639	291,095	316,879	351,377
Net Investment Income	1,272,730	279,487	250,792	1,113,700	920,052	905,713	656,195	3,630,639	(684,555)	1,168,013
Benefit Payments, Including Refunds of Employee Contributions	(357,248)	(395,628)	(381,639)	(451,700)	(447,601)	(500,020)	(505,412)	(477,322)	(561,066)	(662,021)
Administrative Expense	(6,336)	(8,333)	(14,042)	(15,195)	(17,628)	(17,198)	(17,734)	(18,011)	(20,382)	(19,826)
Other Changes	0	0	0	19,373	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 1,405,530	\$ 345,063	\$ 379,279	\$ 1,234,061	\$ 1,092,444	\$ 1,052,497	\$ 829,371	\$ 3,833,932	\$ (509,061)	\$ 1,326,295
Plan Fiduciary Net Position, Beginning	7,634,044	9,039,574	9,384,637	9,763,916	10,997,977	12,090,421	13,142,918	13,972,289	17,806,221	17,297,160
Plan Fiduciary Net Position, Ending (b)	\$ 9,039,574	\$ 9,384,637	\$ 9,763,916	\$ 10,997,977	\$ 12,090,421	\$ 13,142,918	\$ 13,972,289	\$ 17,806,221	\$ 17,297,160	\$ 18,623,455
Net Pension Liability (Asset), Ending (a - b)	\$ (509,718)	\$ (556,053)	\$ (77,942)	\$ (329,710)	\$ (450,013)	\$ (850,844)	\$ (1,088,194)	\$ (2,741,834)	\$ (827,381)	\$ (479,589)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	108.98%	106.30%	100.80%	103.09%	103.87%	106.92%	108.45%	118.20%	105.02%	102.64%
Covered Payroll	\$ 4,095,566	\$ 3,971,936	\$ 4,583,407	\$ 4,984,554	\$ 5,228,742	\$ 5,533,324	\$ 5,795,473	\$ 5,821,856	\$ 6,282,312	\$ 6,982,158
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(12.45)%	(14.00)%	(1.70)%	(6.61)%	(8.61)%	(15.38)%	(18.78)%	(47.10)%	(13.17)%	(6.87)%

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

JACKSON COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Public

Employee Pension Plan of TCRS

Primary Government

Last Fiscal Year Ending June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 255,793	\$ 295,218	\$ 218,822	\$ 335,685	\$ 355,240	\$ 379,604	\$ 381,333	\$ 205,572	\$ 358,185	\$ 523,001
Less: Contributions in Relation to the Actuarially Determined Contribution	(255,793)	(295,218)	(319,681)	(369,685)	(387,334)	(405,683)	(407,531)	(440,063)	(488,752)	(523,001)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (100,859)	\$ (34,000)	\$ (32,094)	\$ (26,079)	\$ (26,198)	\$ (234,491)	\$ (130,567)	\$ 0
Covered Payroll	\$ 3,971,936	\$ 4,583,407	\$ 4,984,554	\$ 5,228,742	\$ 5,533,324	\$ 5,795,473	\$ 5,821,856	\$ 6,282,312	\$ 6,982,158	\$ 7,480,026
Contributions as a Percentage of Covered Payroll	6.44%	6.44%	6.41%	7.07%	7.00%	7.00%	7.00%	7.00%	7.00%	6.99%

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.

JACKSON COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Teacher****Retirement Plan of TCRS**

Discretely Presented Jackson County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 10,055	\$ 18,173	\$ 23,187	\$ 29,338	\$ 16,013	\$ 22,115	\$ 23,598	\$ 29,821	\$ 57,806	\$ 71,877
Less: Contributions in Relation to the Contractually Required Contribution	(10,055)	(18,173)	(23,187)	(29,338)	(16,013)	(22,115)	(23,598)	(29,821)	(57,806)	(71,877)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 251,380	\$ 454,322	\$ 579,682	\$ 733,441	\$ 825,393	\$ 1,089,422	\$ 1,168,219	\$ 1,483,622	\$ 2,014,138	\$ 2,436,510
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%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

JACKSON COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Teacher****Legacy Pension Plan of TCRS**

Discretely Presented Jackson County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 532,095	\$ 524,609	\$ 533,050	\$ 531,074	\$ 607,788	\$ 580,807	\$ 555,443	\$ 571,896	\$ 476,421	\$ 352,154
Less: Contributions in Relation to the Contractually Required Contribution	(532,095)	(524,609)	(533,050)	(531,074)	(607,788)	(580,807)	(555,443)	(571,896)	(476,421)	(352,154)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 5,886,004	\$ 5,803,210	\$ 5,896,577	\$ 5,848,832	\$ 5,810,594	\$ 5,463,843	\$ 5,408,404	\$ 5,552,384	\$ 5,482,401	\$ 5,171,137
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%

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

Discretely Presented Jackson 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)	0.118491%	0.103254%	0.088320%	0.083930%	0.078000%	0.086329%	0.080946%	0.086880%	0.101262%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (4,867)	\$ (10,749)	\$ (23,300)	\$ (38,064)	\$ (44,030)	\$ (49,090)	\$ (87,682)	\$ (26,318)	\$ (42,938)
Covered Payroll	\$ 251,380	\$ 454,322	\$ 579,682	\$ 733,441	\$ 825,393	\$ 1,089,422	\$ 1,168,219	\$ 1,483,622	\$ 2,014,138
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.

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

Discretely Presented Jackson 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)	0.153343%	0.157233%	0.160763%	0.166808%	0.167030%	0.173288%	0.164165%	0.164781%	0.168717%	0.168947%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (24,918)	\$ 64,408	\$ 1,004,677	\$ (54,577)	\$ (587,763)	\$ (1,781,712)	\$ (1,251,883)	\$ (7,107,413)	\$ (2,069,160)	\$ (1,991,840)
Covered Payroll	\$ 6,018,713	\$ 5,886,004	\$ 5,803,210	\$ 5,896,577	\$ 5,848,832	\$ 5,810,594	\$ 5,463,843	\$ 5,408,404	\$ 5,552,384	\$ 5,482,401
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(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%

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

Discretely Presented Jackson County School Department

For the Fiscal Year Ended June 30

Total OPEB Liability	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 98,676	\$ 91,167	\$ 83,868	\$ 86,138	\$ 85,811	\$ 128,654	\$ 95,602
Interest	54,348	64,720	63,670	67,955	42,654	52,645	78,213
Differences Between Actual and Expected Experience	0	(128,348)	307,463	(197,728)	149,442	(56,018)	(200,112)
Changes in Assumptions or Other Inputs	(74,756)	43,375	(154,044)	182,824	325,863	(212,948)	144,873
Benefit Payments	(109,277)	(118,738)	(127,868)	(124,164)	(165,353)	(113,090)	(101,501)
Net Change in Total OPEB Liability	\$ (31,009)	\$ (47,824)	\$ 173,089	\$ 15,025	\$ 438,417	\$ (200,757)	\$ 17,075
Total OPEB Liability, Beginning	1,817,182	1,786,173	1,738,349	1,911,438	1,926,463	2,364,880	2,164,123
Total OPEB Liability, Ending	\$ 1,786,173	\$ 1,738,349	\$ 1,911,438	\$ 1,926,463	\$ 2,364,880	\$ 2,164,123	\$ 2,181,198
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 624,537	\$ 620,439	\$ 720,386	\$ 688,705	\$ 851,735	\$ 819,378	\$ 874,584
Employer Proportionate Share of the Total OPEB Liability	1,161,636	1,118,110	1,191,052	1,237,758	1,513,145	1,344,745	1,306,614
Covered Employee Payroll	\$ 8,520,868	\$ 8,571,125	\$ 8,348,203	\$ 8,648,505	\$ 9,100,092	\$ 10,134,314	\$ 10,256,848
Net OPEB Liability as a Percentage of Covered Employee Payroll	13.63%	13.05%	14.27%	14.31%	16.63%	13.27%	12.74%

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.

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

CAPITAL PROJECT FUNDS

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

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

Community Development/Industrial Park Fund – The Community Development/ Industrial Park Fund is used to account for revenues and expenditures related to industrial buildings owned by the county.

Exhibit F-1

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

	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects	Community Development/ Industrial Park	Total	Total Nonmajor Governmental Funds
ASSETS							
Cash	\$ 0	\$ 13,730	\$ 13,730	\$ 0	\$ 0	\$ 0	\$ 13,730
Equity in Pooled Cash and Investments	43,484	0	43,484	404,036	118,814	522,850	566,334
Accounts Receivable	0	84	84	0	0	0	84
Total Assets	\$ 43,484	\$ 13,814	\$ 57,298	\$ 404,036	\$ 118,814	\$ 522,850	\$ 580,148
LIABILITIES							
Due to Other Funds	\$ 0	\$ 13,814	\$ 13,814	\$ 0	\$ 0	\$ 0	\$ 13,814
Total Liabilities	\$ 0	\$ 13,814	\$ 13,814	\$ 0	\$ 0	\$ 0	\$ 13,814
FUND BALANCES							
Restricted:							
Restricted for Public Safety	\$ 43,484	\$ 0	\$ 43,484	\$ 0	\$ 0	\$ 0	\$ 43,484
Restricted for Capital Projects	0	0	0	0	2,216	2,216	2,216
Committed:							
Committed for Other Operations	0	0	0	0	116,598	116,598	116,598
Committed for Capital Projects	0	0	0	404,036	0	404,036	404,036
Total Fund Balances	\$ 43,484	\$ 0	\$ 43,484	\$ 404,036	\$ 118,814	\$ 522,850	\$ 566,334
Total Liabilities and Fund Balances	\$ 43,484	\$ 13,814	\$ 57,298	\$ 404,036	\$ 118,814	\$ 522,850	\$ 580,148

Exhibit F-2

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

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects	Community Development/Industrial Park	Total	
Revenues							
Fines, Forfeitures, and Penalties	\$ 10,837	\$ 0	\$ 10,837	\$ 0	\$ 0	\$ 0	\$ 10,837
Charges for Current Services	0	132	132	0	0	0	132
Other Local Revenues	0	0	0	0	9,000	9,000	9,000
State of Tennessee	0	0	0	75,000	0	75,000	75,000
Federal Government	0	0	0	1,251,916	0	1,251,916	1,251,916
Total Revenues	\$ 10,837	\$ 132	\$ 10,969	\$ 1,326,916	\$ 9,000	\$ 1,335,916	\$ 1,346,885
Expenditures							
Current:							
Finance	\$ 0	\$ 132	\$ 132	\$ 0	\$ 0	\$ 0	\$ 132
Public Safety	53,712	0	53,712	0	0	0	53,712
Other Operations	0	0	0	0	135	135	135
Capital Projects	0	0	0	1,774,533	0	1,774,533	1,774,533
Total Expenditures	\$ 53,712	\$ 132	\$ 53,844	\$ 1,774,533	\$ 135	\$ 1,774,668	\$ 1,828,512
Excess (Deficiency) of Revenues Over Expenditures	\$ (42,875)	\$ 0	\$ (42,875)	\$ (447,617)	\$ 8,865	\$ (438,752)	\$ (481,627)
Other Financing Sources (Uses)							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 300,000	\$ 0	\$ 300,000	\$ 300,000
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 300,000	\$ 0	\$ 300,000	\$ 300,000
Net Change in Fund Balances	\$ (42,875)	\$ 0	\$ (42,875)	\$ (147,617)	\$ 8,865	\$ (138,752)	\$ (181,627)
Fund Balance, July 1, 2023	86,359	0	86,359	551,653	109,949	661,602	747,961
Fund Balance, June 30, 2024	\$ 43,484	\$ 0	\$ 43,484	\$ 404,036	\$ 118,814	\$ 522,850	\$ 566,334

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	\$ 10,837	\$ 18,000	\$ 53,095	\$ (42,258)
Total Revenues	\$ 10,837	\$ 18,000	\$ 53,095	\$ (42,258)
Expenditures				
Public Safety				
Drug Enforcement	\$ 53,712	\$ 29,100	\$ 64,695	\$ 10,983
Total Expenditures	\$ 53,712	\$ 29,100	\$ 64,695	\$ 10,983
Excess (Deficiency) of Revenues Over Expenditures	\$ (42,875)	\$ (11,100)	\$ (11,600)	\$ (31,275)
Net Change in Fund Balance	\$ (42,875)	\$ (11,100)	\$ (11,600)	\$ (31,275)
Fund Balance, July 1, 2023	86,359	71,488	71,488	14,871
Fund Balance, June 30, 2024	\$ 43,484	\$ 60,388	\$ 59,888	\$ (16,404)

MAJOR GOVERNMENTAL FUNDS

GENERAL DEBT SERVICE FUND

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 164,009	\$ 150,613	\$ 150,613	\$ 13,396
State of Tennessee	350,000	350,000	350,000	0
Other Governments and Citizens Groups	747,710	0	747,710	0
Total Revenues	<u>\$ 1,261,719</u>	<u>\$ 500,613</u>	<u>\$ 1,248,323</u>	<u>\$ 13,396</u>
Expenditures				
Other Operations				
Other Charges	\$ 3,254	\$ 5,000	\$ 5,000	\$ 1,746
Principal on Debt				
General Government	235,628	362,000	332,578	96,950
Education	598,442	0	598,442	0
Interest on Debt				
General Government	66,049	39,012	68,434	2,385
Education	127,038	0	127,038	0
Other Debt Service				
General Government	13,307	24,000	24,000	10,693
Education	22,230	0	22,230	0
Total Expenditures	<u>\$ 1,065,948</u>	<u>\$ 430,012</u>	<u>\$ 1,177,722</u>	<u>\$ 111,774</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 195,771</u>	<u>\$ 70,601</u>	<u>\$ 70,601</u>	<u>\$ 125,170</u>
Net Change in Fund Balance	\$ 195,771	\$ 70,601	\$ 70,601	\$ 125,170
Fund Balance, July 1, 2023	1,227,428	1,174,290	1,174,290	53,138
Fund Balance, June 30, 2024	<u>\$ 1,423,199</u>	<u>\$ 1,244,891</u>	<u>\$ 1,244,891</u>	<u>\$ 178,308</u>

CUSTODIAL FUNDS

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

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

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

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

	Custodial Funds		
	Cities -	Constitu -	
	Sales	Officers -	
	Tax	Custodial	Total
ASSETS			
Cash	\$ 0	\$ 507,815	\$ 507,815
Accounts Receivable	0	84	84
Due from Other Governments	67,199	0	67,199
Total Assets	<u>\$ 67,199</u>	<u>\$ 507,899</u>	<u>\$ 575,098</u>
LIABILITIES			
Due to Other Taxing Units	\$ 67,199	\$ 0	\$ 67,199
Total Liabilities	<u>\$ 67,199</u>	<u>\$ 0</u>	<u>\$ 67,199</u>
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 507,899	\$ 507,899
Total Net Position	<u>\$ 0</u>	<u>\$ 507,899</u>	<u>\$ 507,899</u>

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
Additions			
Sales Tax Collections for Other Governments	\$ 390,805	\$ 0	\$ 390,805
Fines/Fees and Other Collections	0	3,949,707	3,949,707
Total Additions	\$ 390,805	\$ 3,949,707	\$ 4,340,512
Deductions			
Payment of Sales Tax Collections for Other Governments	\$ 390,805	\$ 0	\$ 390,805
Payments to State	0	1,472,280	1,472,280
Payments to Cities, Individuals, and Others	0	2,476,833	2,476,833
Total Deductions	\$ 390,805	\$ 3,949,113	\$ 4,339,918
Change in Net Position	\$ 0	\$ 594	\$ 594
Net Position July 1, 2023	0	507,305	507,305
Net Position June 30, 2024	\$ 0	\$ 507,899	\$ 507,899

JACKSON COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

JACKSON COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Jackson 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	\$ 9,108,329	\$ 27,502	\$ 1,723,859	\$ 0	\$ (7,356,968)
Support Services	6,714,798	35,632	1,400,936	761,343	(4,516,887)
Operation of Non-instructional Services	2,630,362	45,649	1,968,185	0	(616,528)
Interest on Long-term Debt	144,766	0	0	0	(144,766)
Total Governmental Activities	\$ 18,598,255	\$ 108,783	\$ 5,092,980	\$ 761,343	\$ (12,635,149)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 1,914,834
Local Option Sales Taxes					1,487,202
Wheel Tax					185,154
Mixed Drink Tax					6,726
Other Local Taxes					15
Grants and Contributions Not Restricted to Specific Programs					13,040,244
Unrestricted Investment Earnings					17,065
Miscellaneous					48,098
Total General Revenues					\$ 16,699,338
Insurance Recovery					\$ 15,654
Change in Net Position					\$ 4,079,843
Net Position, July 1, 2023					26,206,551
Net Position, June 30, 2024					\$ 30,286,394

Exhibit I-2

JACKSON COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Jackson County School Department

June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 0	\$ 0	\$ 607,635	\$ 607,635
Equity in Pooled Cash and Investments	15,523,255	529,267	939,718	16,992,240
Accounts Receivable	397,972	0	0	397,972
Due from Other Governments	738,325	103,666	0	841,991
Property Taxes Receivable	1,964,410	0	0	1,964,410
Allowance for Uncollectible Property Taxes	(53,592)	0	0	(53,592)
Restricted Assets	161,082	0	0	161,082
Total Assets	<u>\$ 18,731,452</u>	<u>\$ 632,933</u>	<u>\$ 1,547,353</u>	<u>\$ 20,911,738</u>
LIABILITIES				
Accrued Payroll	\$ 147,100	\$ 29,542	\$ 0	\$ 176,642
Payroll Deductions Payable	6	0	0	6
Total Liabilities	<u>\$ 147,106</u>	<u>\$ 29,542</u>	<u>\$ 0</u>	<u>\$ 176,648</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 1,871,473	\$ 0	\$ 0	\$ 1,871,473
Deferred Delinquent Property Taxes	35,627	0	0	35,627
Other Deferred/Unavailable Revenue	129,361	0	0	129,361
Total Deferred Inflows of Resources	<u>\$ 2,036,461</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,036,461</u>
FUND BALANCES				
Restricted:				
Restricted for Education	\$ 81,158	\$ 3,391	\$ 1,547,353	\$ 1,631,902
Restricted for Hybrid Retirement Stabilization Funds	161,082	0	0	161,082
Committed:				
Committed for Education	8,811,117	600,000	0	9,411,117
Assigned:				
Assigned for Education	209,759	0	0	209,759
Unassigned	7,284,769	0	0	7,284,769
Total Fund Balances	<u>\$ 16,547,885</u>	<u>\$ 603,391</u>	<u>\$ 1,547,353</u>	<u>\$ 18,698,629</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,731,452</u>	<u>\$ 632,933</u>	<u>\$ 1,547,353</u>	<u>\$ 20,911,738</u>

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

Discretely Presented Jackson County School Department

For the Year Ended 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)		\$ 18,698,629
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 319,507	
Add: buildings and improvements net of accumulated depreciation	11,284,003	
Add: infrastructure net of accumulated depreciation	72,782	
Add: other capital assets net of accumulated depreciation	<u>912,019</u>	12,588,311
(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 other loans	\$ (4,481,823)	
Less: net OPEB liability	<u>(1,306,614)</u>	(5,788,437)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,618,967	
Less: deferred inflows of resources related to pensions	(215,870)	
Add: deferred outflows of resources related to OPEB	479,192	
Less: deferred inflows of resources related to OPEB	<u>(475,401)</u>	2,406,888
(4) Net pension assets of the pension plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 181,237	
Add: net pension asset - teacher retirement plan	42,938	
Add: net pension asset - teacher legacy pension plan	<u>1,991,840</u>	2,216,015
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>164,988</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 30,286,394</u></u>

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

Discretely Presented Jackson County School Department

For the Year Ended June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Governmental Funds
Revenues				
Local Taxes	\$ 3,609,158	\$ 0	\$ 0	\$ 3,609,158
Licenses and Permits	684	0	0	684
Charges for Current Services	63,134	0	45,649	108,783
Other Local Revenues	79,594	0	618,836	698,430
State of Tennessee	13,293,706	0	0	13,293,706
Federal Government	100,912	3,342,179	1,420,186	4,863,277
Total Revenues	\$ 17,147,188	\$ 3,342,179	\$ 2,084,671	\$ 22,574,038
Expenditures				
Current:				
Instruction	\$ 7,447,267	\$ 1,410,156	\$ 0	\$ 8,857,423
Support Services	5,418,269	983,976	0	6,402,245
Operation of Non-Instructional Services	474,119	189,668	1,965,406	2,629,193
Capital Outlay	679,563	761,343	0	1,440,906
Debt Service:				
Principal on Debt	598,442	0	0	598,442
Interest on Debt	144,766	0	0	144,766
Other Debt Service	22,269	0	0	22,269
Total Expenditures	\$ 14,784,695	\$ 3,345,143	\$ 1,965,406	\$ 20,095,244
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,362,493	\$ (2,964)	\$ 119,265	\$ 2,478,794
Other Financing Sources (Uses)				
Insurance Recovery	\$ 15,654	\$ 0	\$ 0	\$ 15,654
Transfers In	69,000	0	0	69,000
Transfers Out	0	(2,000)	(67,000)	(69,000)
Total Other Financing Sources (Uses)	\$ 84,654	\$ (2,000)	\$ (67,000)	\$ 15,654
Net Change in Fund Balances	\$ 2,447,147	\$ (4,964)	\$ 52,265	\$ 2,494,448
Fund Balance, July 1, 2023	14,100,738	608,355	1,495,088	16,204,181
Fund Balance, June 30, 2024	\$ 16,547,885	\$ 603,391	\$ 1,547,353	\$ 18,698,629

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

Discretely Presented Jackson 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)		\$ 2,494,448
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,392,267	
Less: current-year depreciation expense	<u>(554,589)</u>	837,678
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(4,262)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 164,988	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(180,215)</u>	(15,227)
(4) The contribution of long-term debt (e.g., bonds, notes, other loans, leases) by the primary government provides current financial resources to governmental funds, while the contribution by the school department of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on other loans to primary government		598,442
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension asset - agent plan	\$ (96,598)	
Change in net pension asset - teacher retirement plan	16,620	
Change in net pension asset - teacher legacy pension plan	(77,320)	
Change in deferred outflows related to pensions	(200,972)	
Change in deferred inflows related to pensions	296,752	
Change in OPEB liability	39,350	
Change in deferred outflows related to OPEB	(21,973)	
Change in deferred inflows related to OPEB	<u>212,905</u>	<u>168,764</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 4,079,843</u>

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

Discretely Presented Jackson County School Department

June 30, 2024

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
ASSETS			
Cash	\$ 0	\$ 607,635	\$ 607,635
Equity in Pooled Cash and Investments	939,718	0	939,718
Total Assets	<u>\$ 939,718</u>	<u>\$ 607,635</u>	<u>\$ 1,547,353</u>
FUND BALANCES			
Restricted:			
Restricted for Education	<u>\$ 939,718</u>	<u>\$ 607,635</u>	<u>\$ 1,547,353</u>
Total Fund Balances	<u>\$ 939,718</u>	<u>\$ 607,635</u>	<u>\$ 1,547,353</u>

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
Revenues			
Charges for Current Services	\$ 45,649	\$ 0	\$ 45,649
Other Local Revenues	5,701	613,135	618,836
Federal Government	1,420,186	0	1,420,186
Total Revenues	<u>\$ 1,471,536</u>	<u>\$ 613,135</u>	<u>\$ 2,084,671</u>
Expenditures			
Current:			
Operation of Non-Instructional Services	\$ 1,420,540	\$ 544,866	\$ 1,965,406
Total Expenditures	<u>\$ 1,420,540</u>	<u>\$ 544,866</u>	<u>\$ 1,965,406</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 50,996</u>	<u>\$ 68,269</u>	<u>\$ 119,265</u>
Other Financing Sources (Uses)			
Transfers Out	\$ (67,000)	\$ 0	\$ (67,000)
Total Other Financing Sources (Uses)	<u>\$ (67,000)</u>	<u>\$ 0</u>	<u>\$ (67,000)</u>
Net Change in Fund Balances	\$ (16,004)	\$ 68,269	\$ 52,265
Fund Balance, July 1, 2023	<u>955,722</u>	<u>539,366</u>	<u>1,495,088</u>
Fund Balance, June 30, 2024	<u><u>\$ 939,718</u></u>	<u><u>\$ 607,635</u></u>	<u><u>\$ 1,547,353</u></u>

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

Discretely Presented Jackson County School Department

General Purpose School Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 3,609,158	\$ 0	\$ 0	\$ 3,609,158	\$ 3,012,550	\$ 3,012,550	\$ 596,608
Licenses and Permits	684	0	0	684	600	600	84
Charges for Current Services	63,134	0	0	63,134	72,000	72,000	(8,866)
Other Local Revenues	79,594	0	0	79,594	29,000	29,000	50,594
State of Tennessee	13,293,706	0	0	13,293,706	14,322,411	14,554,052	(1,260,346)
Federal Government	100,912	0	0	100,912	107,550	110,806	(9,894)
Total Revenues	\$ 17,147,188	\$ 0	\$ 0	\$ 17,147,188	\$ 17,544,111	\$ 17,779,008	\$ (631,820)
Expenditures							
Instruction							
Regular Instruction Program	\$ 5,792,537	\$ (9,129)	\$ 1,825	\$ 5,785,233	\$ 8,056,120	\$ 8,169,453	\$ 2,384,220
Alternative Instruction Program	103,653	0	0	103,653	174,792	174,792	71,139
Special Education Program	880,289	0	0	880,289	1,111,290	1,111,290	231,001
Career and Technical Education Program	670,788	(40,210)	0	630,578	725,341	1,155,432	524,854
Support Services							
Attendance	212,964	0	0	212,964	250,931	250,931	37,967
Health Services	234,631	0	0	234,631	263,077	263,077	28,446
Other Student Support	5,960	0	0	5,960	383,410	388,410	382,450
Regular Instruction Program	478,758	(2,285)	989	477,462	606,670	607,150	129,688
Special Education Program	214,495	0	0	214,495	235,865	235,865	21,370
Career and Technical Education Program	2,048	0	0	2,048	80,523	43,023	40,975
Technology	150,320	0	0	150,320	162,770	162,770	12,450
Other Programs	70,427	0	0	70,427	0	70,427	0

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Board of Education	\$ 394,332	\$ (4,000)	\$ 4,000	\$ 394,332	\$ 459,237	\$ 459,237	\$ 64,905
Director of Schools	158,000	(52)	318	158,266	172,633	172,633	14,367
Office of the Principal	702,281	(362)	533	702,452	988,284	993,906	291,454
Fiscal Services	364,082	(948)	0	363,134	420,788	420,788	57,654
Operation of Plant	1,057,680	(12,753)	17,973	1,062,900	1,322,333	1,328,472	265,572
Maintenance of Plant	336,459	0	47,552	384,011	431,291	431,291	47,280
Transportation	1,035,832	(5,195)	31,173	1,061,810	1,193,768	1,364,119	302,309
Operation of Non-Instructional Services							
Food Service	81,171	0	0	81,171	98,766	106,311	25,140
Community Services	68,889	0	0	68,889	77,360	77,360	8,471
Early Childhood Education	324,059	(5,849)	281	318,491	318,667	318,667	176
Capital Outlay							
Regular Capital Outlay	679,563	(461,681)	105,115	322,997	2,050,000	2,442,000	2,119,003
Principal on Debt							
Education	598,442	0	0	598,442	641,000	641,000	42,558
Interest on Debt							
Education	144,766	0	0	144,766	127,000	127,000	(17,766)
Other Debt Service							
Education	22,269	0	0	22,269	57,000	57,000	34,731
Total Expenditures	\$ 14,784,695	\$ (542,464)	\$ 209,759	\$ 14,451,990	\$ 20,408,916	\$ 21,572,404	\$ 7,120,414

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,362,493	\$ 542,464	\$ (209,759)	\$ 2,695,198	\$ (2,864,805)	\$ (3,793,396)	\$ 6,488,594
Other Financing Sources (Uses)							
Insurance Recovery	\$ 15,654	\$ 0	\$ 0	\$ 15,654	\$ 0	\$ 0	\$ 15,654
Transfers In	69,000	0	0	69,000	30,000	18,945	50,055
Transfers Out	0	0	0	0	(14,000)	(2,945)	2,945
Total Other Financing Sources	\$ 84,654	\$ 0	\$ 0	\$ 84,654	\$ 16,000	\$ 16,000	\$ 68,654
Net Change in Fund Balance	\$ 2,447,147	\$ 542,464	\$ (209,759)	\$ 2,779,852	\$ (2,848,805)	\$ (3,777,396)	\$ 6,557,248
Fund Balance, July 1, 2023	14,100,738	(542,464)	0	13,558,274	16,076,722	16,076,722	(2,518,448)
Fund Balance, June 30, 2024	\$ 16,547,885	\$ 0	\$ (209,759)	\$ 16,338,126	\$ 13,227,917	\$ 12,299,326	\$ 4,038,800

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Federal Government	\$ 3,342,179	\$ 3,533,225	\$ 3,763,841	\$ (421,662)
Total Revenues	\$ 3,342,179	\$ 3,533,225	\$ 3,763,841	\$ (421,662)
Expenditures				
Instruction				
Regular Instruction Program	\$ 998,012	\$ 1,053,324	\$ 1,092,787	\$ 94,775
Special Education Program	389,605	379,221	477,541	87,936
Career and Technical Education Program	22,539	19,000	22,539	0
Support Services				
Health Services	710	28,786	1,500	790
Other Student Support	246,264	334,968	337,231	90,967
Regular Instruction Program	513,638	545,053	570,081	56,443
Special Education Program	61,032	38,217	115,728	54,696
Career and Technical Education Program	3,034	2,673	3,034	0
Technology	6,525	6,525	6,525	0
Office of the Principal	133,128	141,380	141,380	8,252
Transportation	19,645	15,285	21,156	1,511
Operation of Non-Instructional Services				
Food Service	7,546	2,000	7,546	0
Community Services	182,122	203,450	203,450	21,328
Capital Outlay				
Regular Capital Outlay	761,343	761,343	761,343	0
Total Expenditures	\$ 3,345,143	\$ 3,531,225	\$ 3,761,841	\$ 416,698
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,964)	\$ 2,000	\$ 2,000	\$ (4,964)
Other Financing Sources (Uses)				
Transfers Out	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ 0
Total Other Financing Sources	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ 0
Net Change in Fund Balance	\$ (4,964)	\$ 0	\$ 0	\$ (4,964)
Fund Balance, July 1, 2023	608,355	0	0	608,355
Fund Balance, June 30, 2024	\$ 603,391	\$ 0	\$ 0	\$ 603,391

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Charges for Current Services	\$ 45,649	\$ 75,001	\$ 75,001	\$ (29,352)
Other Local Revenues	5,701	3,000	3,000	2,701
Federal Government	1,420,186	1,223,407	1,223,407	196,779
Total Revenues	<u>\$ 1,471,536</u>	<u>\$ 1,301,408</u>	<u>\$ 1,301,408</u>	<u>\$ 170,128</u>
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 1,420,540	\$ 1,581,107	\$ 1,581,107	\$ 160,567
Total Expenditures	<u>\$ 1,420,540</u>	<u>\$ 1,581,107</u>	<u>\$ 1,581,107</u>	<u>\$ 160,567</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 50,996</u>	<u>\$ (279,699)</u>	<u>\$ (279,699)</u>	<u>\$ 330,695</u>
Other Financing Sources (Uses)				
Transfers Out	\$ (67,000)	\$ (67,000)	\$ (67,000)	\$ 0
Total Other Financing Sources	<u>\$ (67,000)</u>	<u>\$ (67,000)</u>	<u>\$ (67,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (16,004)	\$ (346,699)	\$ (346,699)	\$ 330,695
Fund Balance, July 1, 2023	<u>955,722</u>	<u>346,699</u>	<u>346,699</u>	<u>609,023</u>
Fund Balance, June 30, 2024	<u><u>\$ 939,718</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 939,718</u></u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date	Paid and/or		
						Outstanding 7-1-23	Matured During Period	Outstanding 6-30-24
BONDS PAYABLE								
Payable through General Debt Service Fund								
Health Department (USDA)	\$ 194,600	4 %		2-22-11	2-22-49	\$ 160,552	\$ 3,628	\$ 156,924
Total Bonds Payable						\$ 160,552	\$ 3,628	\$ 156,924
OTHER LOANS PAYABLE								
Payable through General Debt Service Fund								
Jail Construction	3,500,000	Variable		8-9-04	5-25-29	\$ 1,119,000	\$ 173,000	\$ 946,000
Jail Construction	1,200,000	Variable		10-23-06	5-25-31	563,000	59,000	504,000
Total Payable through General Debt Service Fund						\$ 1,682,000	\$ 232,000	\$ 1,450,000
Contributions Due by School Department from the General Purpose								
School Fund to the General Debt Service Fund								
School Construction	6,300,000	Variable		3-5-01	5-25-29	\$ 2,209,000	\$ 325,000	\$ 1,884,000
Refunding/School Construction	3,765,000	Variable		12-15-09	5-25-29	897,000	145,000	752,000
Energy Efficient Schools Initiative Loan	2,235,776	1.5		2-24-20	6-1-37	1,974,265	128,442	1,845,823
Total Contributions Due by the School Department from the General								
Purpose School Fund to the General Debt Service Fund						\$ 5,080,265	\$ 598,442	\$ 4,481,823
Total Other Loans Payable						\$ 6,762,265	\$ 830,442	\$ 5,931,823

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 3,773	\$ 6,277	\$ 10,050
2026	3,924	6,126	10,050
2027	4,081	5,969	10,050
2028	4,244	5,806	10,050
2029	4,414	5,636	10,050
2030	4,590	5,460	10,050
2031	4,774	5,276	10,050
2032	4,965	5,085	10,050
2033	5,164	4,886	10,050
2034	5,370	4,680	10,050
2035	5,585	4,465	10,050
2036	5,808	4,242	10,050
2037	6,041	4,009	10,050
2038	6,282	3,768	10,050
2039	6,534	3,516	10,050
2040	6,795	3,255	10,050
2041	7,067	2,983	10,050
2042	7,349	2,701	10,050
2043	7,643	2,407	10,050
2044	7,949	2,101	10,050
2045	8,267	1,783	10,050
2046	8,598	1,452	10,050
2047	8,942	1,108	10,050
2048	9,299	751	10,050
2049	9,466	584	10,050
Total	\$ 156,924	\$ 94,326	\$ 251,250

(Continued)

JACKSON COUNTY, TENNESSEE**Schedule of Long-term Debt Requirements by Year (Cont.)**

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2025	\$ 861,400	\$ 155,478	\$ 30,639	\$ 1,047,517
2026	893,383	130,678	25,888	1,049,949
2027	922,402	104,906	20,943	1,048,251
2028	953,456	78,254	15,820	1,047,530
2029	965,534	50,672	10,510	1,026,716
2030	219,637	22,753	2,073	244,463
2031	225,776	18,157	1,560	245,493
2032	144,951	13,401	0	158,352
2033	147,161	11,191	0	158,352
2034	149,397	8,955	0	158,352
2035	151,679	6,673	0	158,352
2036	153,986	4,366	0	158,352
2037	143,061	2,030	0	145,091
Total	\$ 5,931,823	\$ 607,514	\$ 107,433	\$ 6,646,770

JACKSON COUNTY, TENNESSEE**Schedule of Transfers**

Primary Government and Discretely Presented Jackson County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Other General Government Fund	General Capital Projects	Operations	\$ 300,000
DISCRETELY PRESENTED JACKSON COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	\$ 2,000
Central Cafeteria	"	Supervisor's salary	67,000
Total Transfers Discretely Presented Jackson County School Department			\$ 69,000

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

Primary Government and Discretely Presented Jackson County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 93,805</u>			
Road Superintendent		Section 8-24-102, <i>TCA</i> and	100,000	Local Government Insurance Pool
Base salary	\$ 89,338	County Commission		
Additional appropriation	4,058			
Total compensation	<u>\$ 93,396</u>			
Director of Schools - Kristy Brown (7/1/23 - 7/14/23):		State Board of Education and		
Base salary/Total compensation	<u>\$ 8,376</u>	County Board of Education	(1)	Tennessee Risk Management Trust
Director of Schools - Deborah Whitaker (7/15/23 - 7/20/23)		County Board of Education	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 414</u>			
Director of Schools - Jason Hardy (7/21/23 - 6/30/24)		State Board of Education and	(1)	Tennessee Risk Management Trust
Base salary	\$ 88,035	County Board of Education		
Certified raise	5,026			
Retention bonus	2,000			
Equity pay	1,129			
Supervisor supplement	2,200			
Insurance supplement	100			
Chief executive officer training supplement	1,000			
Total compensation	<u>\$ 99,490</u>			
Total Director of Schools compensation	<u>\$ 108,280</u>			
Trustee		Section 8-24-102, <i>TCA</i>	751,274	The Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 81,216</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 81,216</u>			

(Continued)

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

Primary Government and Discretely Presented Jackson County School Department (Cont.)

Official	Authorization	Bond	Surety
County Clerk	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 81,216</u>		
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i> , and	(1)	Local Government Insurance Pool
Base salary	\$ 81,216 Court Order		
Special commissioner fees	<u>9,930</u>		
Total compensation	<u>\$ 91,146</u>		
Clerk and Master	Section 8-24-102, <i>TCA</i> , and	(1)	Local Government Insurance Pool
Base salary	\$ 81,216 Court Order		
Special commissioner fees	<u>7,180</u>		
Total compensation	<u>\$ 88,396</u>		
Register of Deeds	Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 81,216</u>		
Sheriff	Section 8-24-102, <i>TCA</i>	100,000	Local Government Insurance Pool
Base salary	\$ 89,338		
Law enforcement training supplement	<u>800</u>		
Total compensation	<u>\$ 90,138</u>		
Employee Blanket Bonds:			
Employee Fidelity - County Departments		400,000	Local Government Insurance Pool
Employee Fidelity - School Department		400,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 2,835,957	\$ 642,519	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	82,208	20,507	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	71,496	15,930	0	0	0
Interest and Penalty	11,500	2,615	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	31,065	7,038	0	0	0
Payments in-Lieu-of Taxes - Other	623	142	0	0	0
County Local Option Taxes					
Local Option Sales Tax	624,104	0	0	0	0
Hotel/Motel Tax	82,908	0	0	0	0
Wheel Tax	308,591	0	0	0	0
Litigation Tax - General	14,819	0	0	0	0
Litigation Tax - Special Purpose	6,166	0	0	0	0
Litigation Tax - Office of Public Defender	3,978	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	17,349	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	2,219	0	0	0	0
Litigation Tax - Courthouse Security	5,498	0	0	0	0
Business Tax	55,263	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Statutory Local Taxes					
Bank Excise Tax	96,595	0	0	0	0
Wholesale Beer Tax	80,146	0	0	0	0
Beer Privilege Tax	760	0	0	0	0
Other Statutory Local Taxes	119	0	0	0	0
Total Local Taxes	\$ 4,331,364	\$ 688,751	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 31,396	\$ 0	\$ 0	\$ 0	0
Permits					
Beer Permits	712	0	0	0	0
Other Permits	756	0	0	0	0
Total Licenses and Permits	<u>\$ 32,864</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 95	\$ 0	\$ 0	\$ 0	0
Officers Costs	1,435	0	0	0	0
Data Entry Fee - Circuit Court	714	0	0	0	0
Criminal Court					
Drug Control Fines	0	0	1,193	0	0
General Sessions Court					
Fines	6,478	0	0	0	0
Officers Costs	11,352	0	0	0	0
Game and Fish Fines	22	0	0	0	0
Drug Control Fines	0	0	4,311	0	0
DUI Treatment Fines	1,929	0	0	0	0
Data Entry Fee - General Sessions Court	2,072	0	0	0	0
Courtroom Security Fee	6,657	0	0	0	0
Juvenile Court					
Fines	195	0	0	0	0
Chancery Court					
Officers Costs	342	0	0	0	0
Data Entry Fee - Chancery Court	5,380	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu- tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)					
Other Courts - In-county					
Officers Costs	\$ 17	\$ 0	\$ 0	\$ 0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	5,333	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 36,688</u>	<u>\$ 0</u>	<u>\$ 10,837</u>	<u>\$ 0</u>	<u>0</u>
Charges for Current Services					
General Service Charges					
Surcharge - Waste Tire Disposal	\$ 0	\$ 3,313	\$ 0	\$ 0	0
Patient Charges	889,203	0	0	0	0
Other General Service Charges	5,781	0	0	0	0
Service Charges	1,090	0	0	0	0
Fees					
Airport Fees	25,185	0	0	0	0
Copy Fees	1,914	0	0	0	0
Library Fees	53	0	0	0	0
Archives and Records Management Fee	3,482	0	0	0	0
Greenbelt Late Application Fee	50	0	0	0	0
Telephone Commissions	78,525	0	0	0	0
Additional Fees - Titling and Registration	11,055	0	0	0	0
Constitutional Officers' Fees and Commissions	419	0	0	0	132
Data Processing Fee - Register	4,364	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,800	0	0	0	0
Data Processing Fee - County Clerk	1,078	0	0	0	0
Education Charges					
Tuition - Other	25,040	0	0	0	0
Total Charges for Current Services	<u>\$ 1,049,039</u>	<u>\$ 3,313</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>132</u>

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Other Local Revenues					
Recurring Items					
Investment Income	\$ 229,318	\$ 0	\$ 0	\$ 53,623	\$ 0
Lease/Rentals/PPP	8,500	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0
Commissary Sales	55,883	0	0	0	0
Sale of Diesel	0	0	0	0	0
Sale of Gasoline	355	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0
Miscellaneous Refunds	46,660	151	0	0	0
Nonrecurring Items					
Sale of Equipment	0	0	0	0	0
Contributions and Gifts	69	0	0	0	0
Other Local Revenues					
Other Local Revenues	3,013	26,172	0	0	0
Total Other Local Revenues	<u>\$ 343,798</u>	<u>\$ 26,323</u>	<u>\$ 0</u>	<u>\$ 53,623</u>	<u>\$ 0</u>
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 122,909	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	10,559	0	0	0	0
General Sessions Court Clerk	49,742	0	0	0	0
Clerk and Master	41,854	0	0	0	0
Register	59,231	0	0	0	0
Sheriff	4,386	0	0	0	0
Trustee	217,350	0	0	0	0
Total Fees Received From County Officials	<u>\$ 506,031</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

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

	General	Special Revenue Funds			
		Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	8,411	0	0	0	0
Public Safety Grants					
Law Enforcement Training Programs	9,600	0	0	0	0
School Resource Officer Grants	300,000	0	0	0	0
Health and Welfare Grants					
Health Department Programs	73,768	0	0	0	0
Public Works Grants					
Bridge Program	0	0	0	0	0
State Aid Program	0	0	0	0	0
Litter Program	23,698	0	0	0	0
Other Public Works Grants	0	0	0	0	0
Other State Revenues					
Flood Control	48,783	0	0	0	0
Income Tax	769	0	0	0	0
Beer Tax	75,782	0	0	0	0
Vehicle Certificate of Title Fees	2,352	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	82,912	0	0	0	0
State Revenue Sharing - T.V.A.	448,666	0	0	0	0
State Revenue Sharing - Telecommunications	163,476	0	0	0	0
State Shared Sports Gaming Privilege Tax	19,859	0	0	0	0
Contracted Prisoner Boarding	614,812	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Registrar's Salary Supplement	\$ 11,373	\$ 0	\$ 0	\$ 0	\$ 0
Other State Grants	32,729	0	0	0	0
Other State Revenues	170,977	0	0	0	0
Total State of Tennessee	<u>\$ 2,096,967</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Federal Government					
Federal Through State					
USDA - Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Community Development	0	0	0	0	0
Disaster Relief	0	0	0	0	0
COVID-19 Grant #1	0	0	0	422,186	0
American Rescue Plan Act Grant #1	0	0	0	0	0
American Rescue Plan Act Grant #2	0	0	0	0	0
American Rescue Plan Act Grant #3	0	0	0	0	0
Other Federal through State	200,628	0	0	0	0
Direct Federal Revenue					
Police Service (Lake Area)	10,685	0	0	0	0
Other Direct Federal Revenue	5,800	0	0	0	0
Total Federal Government	<u>\$ 217,113</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 422,186</u>	<u>\$ 0</u>
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	\$ 67,509	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Other Governments and Citizens Groups (Cont.)					
Other					
Other	\$ 32,379	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 99,888	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 8,713,752	\$ 718,387	\$ 10,837	\$ 475,809	\$ 132

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 210,554	\$ 155,090	\$ 0	\$ 0	\$ 3,844,120
Trustee's Collections - Prior Year	3,665	5,159	0	0	111,539
Circuit Clerk/Clerk and Master Collections - Prior Years	6,249	1,301	0	0	94,976
Interest and Penalty	818	721	0	0	15,654
Payments in-Lieu-of Taxes - T.V.A.	2,306	1,699	0	0	42,108
Payments in-Lieu-of Taxes - Other	44	39	0	0	848
County Local Option Taxes					
Local Option Sales Tax	0	0	0	0	624,104
Hotel/Motel Tax	0	0	0	0	82,908
Wheel Tax	0	0	0	0	308,591
Litigation Tax - General	0	0	0	0	14,819
Litigation Tax - Special Purpose	0	0	0	0	6,166
Litigation Tax - Office of Public Defender	0	0	0	0	3,978
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	17,349
Litigation Tax - Victim-Offender Mediation Center	0	0	0	0	2,219
Litigation Tax - Courthouse Security	0	0	0	0	5,498
Business Tax	0	0	0	0	55,263
Mineral Severance Tax	45,743	0	0	0	45,743
Statutory Local Taxes					
Bank Excise Tax	0	0	0	0	96,595
Wholesale Beer Tax	0	0	0	0	80,146
Beer Privilege Tax	0	0	0	0	760
Other Statutory Local Taxes	0	0	0	0	119
Total Local Taxes	\$ 269,379	\$ 164,009	\$ 0	\$ 0	\$ 5,453,503

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	31,396
Permits					
Beer Permits	0	0	0	0	712
Other Permits	0	0	0	0	756
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>32,864</u>
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	95
Officers Costs	0	0	0	0	1,435
Data Entry Fee - Circuit Court	0	0	0	0	714
Criminal Court					
Drug Control Fines	0	0	0	0	1,193
General Sessions Court					
Fines	0	0	0	0	6,478
Officers Costs	0	0	0	0	11,352
Game and Fish Fines	0	0	0	0	22
Drug Control Fines	0	0	0	0	4,311
DUI Treatment Fines	0	0	0	0	1,929
Data Entry Fee - General Sessions Court	0	0	0	0	2,072
Courtroom Security Fee	0	0	0	0	6,657
Juvenile Court					
Fines	0	0	0	0	195
Chancery Court					
Officers Costs	0	0	0	0	342
Data Entry Fee - Chancery Court	0	0	0	0	5,380

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
Fines, Forfeitures, and Penalties (Cont.)					
Other Courts - In-county					
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	17
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	5,333
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	47,525
Charges for Current Services					
General Service Charges					
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 0	\$ 0	3,313
Patient Charges	0	0	0	0	889,203
Other General Service Charges	0	0	0	0	5,781
Service Charges	0	0	0	0	1,090
Fees					
Airport Fees	0	0	0	0	25,185
Copy Fees	0	0	0	0	1,914
Library Fees	0	0	0	0	53
Archives and Records Management Fee	0	0	0	0	3,482
Greenbelt Late Application Fee	0	0	0	0	50
Telephone Commissions	0	0	0	0	78,525
Additional Fees - Titling and Registration	0	0	0	0	11,055
Constitutional Officers' Fees and Commissions	0	0	0	0	551
Data Processing Fee - Register	0	0	0	0	4,364
Sexual Offender Registration Fee - Sheriff	0	0	0	0	1,800
Data Processing Fee - County Clerk	0	0	0	0	1,078
Education Charges					
Tuition - Other	0	0	0	0	25,040
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	1,052,484

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
Other Local Revenues					
Recurring Items					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	282,941
Lease/Rentals/PPP	0	0	0	9,000	17,500
Sale of Materials and Supplies	13,292	0	0	0	13,292
Commissary Sales	0	0	0	0	55,883
Sale of Diesel	47,608	0	0	0	47,608
Sale of Gasoline	26,892	0	0	0	27,247
Sale of Recycled Materials	3,194	0	0	0	3,194
Miscellaneous Refunds	216	0	0	0	47,027
Nonrecurring Items					
Sale of Equipment	76,026	0	0	0	76,026
Contributions and Gifts	0	0	0	0	69
Other Local Revenues					
Other Local Revenues	0	0	0	0	29,185
Total Other Local Revenues	\$ 167,228	\$ 0	\$ 0	\$ 9,000	\$ 599,972
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	122,909
Circuit Court Clerk	0	0	0	0	10,559
General Sessions Court Clerk	0	0	0	0	49,742
Clerk and Master	0	0	0	0	41,854
Register	0	0	0	0	59,231
Sheriff	0	0	0	0	4,386
Trustee	0	0	0	0	217,350
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	506,031

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Aging Programs	0	0	0	0	8,411
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	9,600
School Resource Officer Grants	0	0	0	0	300,000
Health and Welfare Grants					
Health Department Programs	0	0	0	0	73,768
Public Works Grants					
Bridge Program	106,394	0	0	0	106,394
State Aid Program	578,932	0	0	0	578,932
Litter Program	0	0	0	0	23,698
Other Public Works Grants	43,514	0	0	0	43,514
Other State Revenues					
Flood Control	0	0	0	0	48,783
Income Tax	0	0	0	0	769
Beer Tax	0	0	0	0	75,782
Vehicle Certificate of Title Fees	0	0	0	0	2,352
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	82,912
State Revenue Sharing - T.V.A.	0	0	0	0	448,666
State Revenue Sharing - Telecommunications	0	0	0	0	163,476
State Shared Sports Gaming Privilege Tax	0	0	0	0	19,859
Contracted Prisoner Boarding	0	350,000	0	0	964,812
Gasoline and Motor Fuel Tax	2,101,640	0	0	0	2,101,640
Hybrid/Electric Vehicle Registration Fee	8,505	0	0	0	8,505
Petroleum Special Tax	7,697	0	0	0	7,697

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Registrar's Salary Supplement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,373
Other State Grants	0	0	75,000	0	107,729
Other State Revenues	0	0	0	0	170,977
Total State of Tennessee	\$ 2,846,682	\$ 350,000	\$ 75,000	\$ 0	\$ 5,368,649
Federal Government					
Federal Through State					
USDA - Other	\$ 49,761	\$ 0	\$ 0	\$ 0	\$ 49,761
Community Development	0	0	72,950	0	72,950
Disaster Relief	783,259	0	0	0	783,259
COVID-19 Grant #1	0	0	0	0	422,186
American Rescue Plan Act Grant #1	0	0	77,116	0	77,116
American Rescue Plan Act Grant #2	0	0	765,116	0	765,116
American Rescue Plan Act Grant #3	0	0	4,577	0	4,577
Other Federal through State	0	0	332,157	0	532,785
Direct Federal Revenue					
Police Service (Lake Area)	0	0	0	0	10,685
Other Direct Federal Revenue	0	0	0	0	5,800
Total Federal Government	\$ 833,020	\$ 0	\$ 1,251,916	\$ 0	\$ 2,724,235
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 67,509
Contributions	0	747,710	0	0	747,710

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Total
Other Governments and Citizens Groups (Cont.)					
Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,379
Total Other Governments and Citizens Groups	\$ 0	\$ 747,710	\$ 0	\$ 0	\$ 847,598
 Total	 \$ 4,116,309	 \$ 1,261,719	 \$ 1,326,916	 \$ 9,000	 \$ 16,632,861

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

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 1,801,392	\$ 0	\$ 0	\$ 0	\$ 1,801,392	
Trustee's Collections - Prior Year	56,112	0	0	0	56,112	
Circuit Clerk/Clerk and Master Collections - Prior Years	49,468	0	0	0	49,468	
Interest and Penalty	8,572	0	0	0	8,572	
Payments in-Lieu-of Taxes - T.V.A.	19,867	0	0	0	19,867	
Payments in-Lieu-of Taxes - Other	382	0	0	0	382	
County Local Option Taxes						
Local Option Sales Tax	1,481,470	0	0	0	1,481,470	
Wheel Tax	185,154	0	0	0	185,154	
Mixed Drink Tax	6,726	0	0	0	6,726	
Other County Local Option Taxes	15	0	0	0	15	
Total Local Taxes	\$ 3,609,158	\$ 0	\$ 0	\$ 0	\$ 3,609,158	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 684	\$ 0	\$ 0	\$ 0	\$ 684	
Total Licenses and Permits	\$ 684	\$ 0	\$ 0	\$ 0	\$ 684	
Charges for Current Services						
Education Charges						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 19,044	\$ 0	\$ 19,044	
A la Carte Sales	0	0	26,605	0	26,605	
Contract for Instructional Services with Other LEA's	35,632	0	0	0	35,632	
Receipts from Individual Schools	27,502	0	0	0	27,502	
Total Charges for Current Services	\$ 63,134	\$ 0	\$ 45,649	\$ 0	\$ 108,783	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 13,388	\$ 0	\$ 3,677	\$ 0	\$ 17,065	
E-Rate Funding	16,544	0	0	0	16,544	
Rebates	0	0	2,024	0	2,024	
Miscellaneous Refunds	24,687	0	0	0	24,687	
Expenditure Credits	540	0	0	0	540	
Nonrecurring Items						
Sale of Equipment	24,291	0	0	0	24,291	
Contributions and Gifts	144	0	0	0	144	
Other Local Revenues						
Other Local Revenues	0	0	0	613,135	613,135	
Total Other Local Revenues	\$ 79,594	\$ 0	\$ 5,701	\$ 613,135	\$ 698,430	
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 70,427	\$ 0	\$ 0	\$ 0	\$ 70,427	
State Education Funds						
Tennessee Investment in Student Achievement	12,097,547	0	0	0	12,097,547	
TISA - On-behalf Payments	17,918	0	0	0	17,918	
Early Childhood Education	330,928	0	0	0	330,928	
School Food Service	9,810	0	0	0	9,810	
Other State Education Funds	721,969	0	0	0	721,969	
Career Ladder Program	17,338	0	0	0	17,338	
Other State Revenues						
Other State Grants	27,769	0	0	0	27,769	
Total State of Tennessee	\$ 13,293,706	\$ 0	\$ 0	\$ 0	\$ 13,293,706	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 847,476	\$ 0	\$ 847,476	
USDA - Commodities	0	0	83,355	0	83,355	
Breakfast	0	0	366,320	0	366,320	
USDA - Other	3,256	0	123,035	0	126,291	
Vocational Education - Basic Grants to States	0	34,978	0	0	34,978	
Title I Grants to Local Education Agencies	0	566,546	0	0	566,546	
Special Education - Grants to States	0	456,834	0	0	456,834	
Special Education Preschool Grants	0	15,450	0	0	15,450	
Rural Education	0	62,017	0	0	62,017	
COVID-19 Grant B	0	190,762	0	0	190,762	
COVID-19 Grant D	0	121,521	0	0	121,521	
American Rescue Plan Act Grant #1	0	1,700,442	0	0	1,700,442	
American Rescue Plan Act Grant #4	0	11,508	0	0	11,508	
Other Federal through State	97,656	182,121	0	0	279,777	
Total Federal Government	\$ 100,912	\$ 3,342,179	\$ 1,420,186	\$ 0	\$ 4,863,277	
Total	\$ 17,147,188	\$ 3,342,179	\$ 1,471,536	\$ 613,135	\$ 22,574,038	

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

General Fund

General Government

County Commission

Other Per Diem and Fees	\$	42,075	
Social Security		3,219	
Audit Services		5,379	
Dues and Memberships		2,233	
Total County Commission			\$ 52,906

County Mayor/Executive

County Official/Administrative Officer	\$	93,805	
Accountants/Bookkeepers		45,937	
Computer Programmer(s)		550	
Clerical Personnel		27,645	
Social Security		12,762	
Bank Charges		891	
Communication		2,763	
Dues and Memberships		2,444	
Maintenance and Repair Services - Office Equipment		240	
Travel		2,142	
Office Supplies		5,072	
Data Processing Equipment		38,029	
Total County Mayor/Executive			232,280

County Attorney

County Official/Administrative Officer	\$	12,000	
Social Security		918	
Total County Attorney			12,918

Election Commission

County Official/Administrative Officer	\$	73,094	
Clerical Personnel		27,372	
Election Commission		9,040	
Election Workers		15,970	
Social Security		8,335	
Communication		2,110	
Legal Notices, Recording, and Court Costs		1,140	
Printing, Stationery, and Forms		3,437	
Travel		600	
Other Contracted Services		6,500	
Office Supplies		10,195	
Data Processing Equipment		1,124	
Voting Machines		139,175	
Total Election Commission			298,092

Register of Deeds

County Official/Administrative Officer	\$	81,216	
Clerical Personnel		28,192	
Social Security		8,379	
Communication		2,933	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Data Processing Services	\$	5,872	
Dues and Memberships		140	
Maintenance and Repair Services - Office Equipment		225	
Travel		198	
Office Supplies		4,109	
Data Processing Equipment		886	
Total Register of Deeds			\$ 132,150

County Buildings

Custodial Personnel	\$	8,750	
Communication		1,469	
Maintenance and Repair Services - Buildings		31,141	
Pest Control		2,550	
Custodial Supplies		8,621	
Electricity		45,283	
Natural Gas		5,236	
Water and Sewer		5,875	
Other Supplies and Materials		2,368	
Building Improvements		28,107	
Total County Buildings			139,400

Preservation of Records

Part-time Personnel	\$	5,347	
Social Security		409	
Communication		1,492	
Custodial Supplies		85	
Office Supplies		1,305	
Total Preservation of Records			8,638

Finance

Property Assessor's Office

County Official/ Administrative Officer	\$	81,216	
Clerical Personnel		28,192	
Social Security		8,263	
Audit Services		3,500	
Communication		838	
Data Processing Services		8,202	
Dues and Memberships		112	
Travel		1,243	
Office Supplies		1,165	
Data Processing Equipment		240	
Total Property Assessor's Office			132,971

County Trustee's Office

County Official/ Administrative Officer	\$	81,216	
Deputy(ies)		29,014	
Social Security		8,353	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Communication	\$	1,600	
Dues and Memberships		2,011	
Travel		1,079	
Other Contracted Services		6,015	
Office Supplies		2,320	
Data Processing Equipment		13,967	
Total County Trustee's Office			\$ 145,575

County Clerk's Office

County Official/Administrative Officer	\$	81,216	
Deputy(ies)		58,414	
Social Security		10,550	
Communication		2,370	
Dues and Memberships		1,401	
Printing, Stationery, and Forms		1,454	
Office Supplies		5,785	
Data Processing Equipment		15,352	
Total County Clerk's Office			176,542

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	81,216	
Deputy(ies)		97,493	
Jury and Witness Expense		4,893	
Social Security		13,626	
Communication		2,412	
Printing, Stationery, and Forms		1,164	
Travel		392	
Office Supplies		5,671	
Data Processing Equipment		18,274	
Total Circuit Court			225,141

General Sessions Court

Judge(s)	\$	111,069	
Secretary(ies)		27,919	
Social Security		10,549	
Communication		1,746	
Travel		2,485	
Office Supplies		2,165	
Total General Sessions Court			155,933

Chancery Court

County Official/Administrative Officer	\$	81,216	
Deputy(ies)		30,656	
Social Security		8,443	
Communication		1,975	
Data Processing Services		6,812	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Dues and Memberships	\$	1,486	
Printing, Stationery, and Forms		890	
Office Supplies		887	
Total Chancery Court			\$ 132,365

Juvenile Court

Youth Service Officer(s)	\$	34,914	
Social Security		2,660	
Communication		1,628	
Travel		506	
Other Contracted Services		20,000	
Office Supplies		1,114	
Total Juvenile Court			60,822

Judicial Commissioners

County Official/Administrative Officer	\$	40,953	
Social Security		3,117	
Travel		400	
Total Judicial Commissioners			44,470

Other Administration of Justice

Clerical Personnel	\$	1,200	
Social Security		76	
Total Other Administration of Justice			1,276

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	89,338	
Supervisor/Director		49,547	
Deputy(ies)		340,199	
Captain(s)		52,452	
Sergeant(s)		34,731	
Salary Supplements		9,600	
Secretary(ies)		36,617	
School Resource Officer		195,355	
Overtime Pay		82,557	
In-service Training		17,904	
Social Security		66,637	
Communication		21,212	
Contracts with Government Agencies		4,466	
Dues and Memberships		1,910	
Maintenance and Repair Services - Equipment		15,200	
Maintenance and Repair Services - Vehicles		35,599	
Printing, Stationery, and Forms		525	
Towing Services		2,255	
Travel		5,614	
Equipment Parts - Light		253	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Gasoline	\$	92,354	
Law Enforcement Supplies		13,286	
Office Supplies		6,317	
Tires and Tubes		15,238	
Uniforms		6,607	
Data Processing Equipment		8,252	
Motor Vehicles		58,100	
Other Equipment		24,457	
Total Sheriff's Department			\$ 1,286,582

Administration of the Sexual Offender Registry

Constitutional Officers' Operating Expenses	\$	1,270	
Total Administration of the Sexual Offender Registry			1,270

Jail

Supervisor/Director	\$	40,406	
Captain(s)		33,350	
Sergeant(s)		36,384	
Guards		570,498	
Cafeteria Personnel		47,746	
Overtime Pay		79,813	
In-service Training		1,790	
Social Security		62,527	
Communication		25,000	
Evaluation and Testing		6,533	
Maintenance Agreements		13,437	
Maintenance and Repair Services - Buildings		17,748	
Maintenance and Repair Services - Equipment		19,272	
Medical and Dental Services		276,829	
Pest Control		1,267	
Custodial Supplies		20,143	
Electricity		40,079	
Food Preparation Supplies		4,332	
Food Supplies		185,440	
Natural Gas		9,256	
Prisoners Clothing		5,544	
Uniforms		924	
Water and Sewer		47,134	
Other Supplies and Materials		5,354	
Building Improvements		2,255	
Total Jail			1,553,061

Fire Prevention and Control

Contracts with Government Agencies	\$	1,500	
Contributions		118,600	
Total Fire Prevention and Control			120,100

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management

Communication	\$	264	
Contributions		89,300	
Gasoline		504	
Office Supplies		710	
Other Equipment		9,022	
Total Other Emergency Management			\$ 99,800

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	6,000	
In-service Training		200	
Communication		5,877	
Maintenance and Repair Services - Buildings		15,857	
Custodial Supplies		82	
Drugs and Medical Supplies		2,707	
Instructional Supplies and Materials		610	
Office Supplies		2,386	
Utilities		7,149	
Other Supplies and Materials		1,289	
Total Local Health Center			42,157

Ambulance/Emergency Medical Services

Supervisor/Director	\$	69,000	
Medical Personnel		497,787	
Overtime Pay		159,847	
In-service Training		7,830	
Social Security		55,155	
Communication		3,073	
Contracts with Government Agencies		25,586	
Dues and Memberships		485	
Laundry Service		3,185	
Licenses		3,020	
Maintenance and Repair Services - Equipment		9,099	
Maintenance and Repair Services - Vehicles		29,138	
Pest Control		891	
Travel		1,325	
Other Contracted Services		43,441	
Custodial Supplies		2,305	
Diesel Fuel		28,267	
Drugs and Medical Supplies		59,917	
Electricity		8,975	
Gasoline		1,672	
Natural Gas		1,689	
Office Supplies		7,091	
Uniforms		4,048	
Water and Sewer		1,635	
Other Equipment		14,401	
Total Ambulance/Emergency Medical Services			1,038,862

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs

Contributions	\$ 1,110	
Total Alcohol and Drug Programs		\$ 1,110

Regional Mental Health Center

Contributions	\$ 1,162	
Total Regional Mental Health Center		1,162

Appropriation to State

Contributions	\$ 15,590	
Total Appropriation to State		15,590

Social, Cultural, and Recreational Services

Adult Activities

Supervisor/Director	\$ 12,500	
Social Security	956	
Communication	1,095	
Maintenance and Repair Services - Buildings	109	
Pest Control	150	
Travel	486	
Other Contracted Services	150	
Electricity	3,291	
Office Supplies	64	
Water and Sewer	581	
Building Improvements	11,441	
Total Adult Activities		30,823

Senior Citizens Assistance

Supervisor/Director	\$ 12,000	
Other Salaries and Wages	13,818	
Social Security	1,975	
Communication	1,330	
Pest Control	325	
Electricity	3,293	
Food Supplies	11,557	
Water and Sewer	512	
Building Improvements	12,960	
Total Senior Citizens Assistance		57,770

Libraries

Assistant(s)	\$ 16,388	
Supervisor/Director	29,600	
Social Security	3,495	
Communication	2,222	
Dues and Memberships	225	
Travel	748	
Library Books/Media	9,876	
Office Supplies	1,393	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Other Supplies and Materials	\$	600	
Data Processing Equipment		2,863	
Total Libraries			\$ 67,410

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	23,851	
Secretary(ies)		10,052	
Social Security		2,669	
Pensions		4,837	
Medical Insurance		5,072	
Local Retirement		964	
Communication		2,709	
Contracts with Private Agencies		10,120	
Workers' Compensation Insurance		1,313	
Total Agricultural Extension Service			61,587

Soil Conservation

Salary Supplements	\$	63,737	
Social Security		4,853	
Total Soil Conservation			68,590

Other Operations

Other Economic and Community Development

Other Contracted Services	\$	3,330	
Other Supplies and Materials		4,566	
Total Other Economic and Community Development			7,896

Airport

Supervisor/Director	\$	14,000	
Social Security		1,071	
Communication		1,330	
Maintenance and Repair Services - Buildings		9,877	
Travel		255	
Electricity		2,685	
Water and Sewer		1,356	
Airport Improvement		70,101	
Total Airport			100,675

Veterans' Services

Supervisor/Director	\$	10,000	
Total Veterans' Services			10,000

Other Charges

Liability Insurance	\$	421,372	
Premiums on Corporate Surety Bonds		1,956	
Trustee's Commission		95,327	
Workers' Compensation Insurance		118,985	
Total Other Charges			637,640

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$ 107,526	
Total Contributions to Other Agencies		\$ 107,526

Employee Benefits

Pensions	\$ 262,868	
Medical Insurance	315,065	
Unemployment Compensation	6,420	
Total Employee Benefits		584,353

Miscellaneous

Legal Services	\$ 1,906	
Legal Notices, Recording, and Court Costs	5,500	
Postal Charges	12,205	
Other Contracted Services	16,500	
Other Charges	23,150	
Total Miscellaneous		59,261

Highways

Litter and Trash Collection

Guards	\$ 29,000	
Social Security	2,400	
Maintenance and Repair Services - Vehicles	1,326	
Gasoline	2,339	
Instructional Supplies and Materials	2,424	
Other Supplies and Materials	1,675	
Total Litter and Trash Collection		39,164

Total General Fund \$ 7,943,868

Solid Waste/Sanitation Fund

Public Health and Welfare

Waste Pickup

Supervisor/Director	\$ 44,000	
Foremen	65,076	
Truck Drivers	33,658	
Overtime Pay	12,539	
Social Security	11,833	
Maintenance and Repair Services - Equipment	7,278	
Maintenance and Repair Services - Vehicles	54,538	
Contracts for Landfill Facilities	172,629	
Diesel Fuel	32,580	
Gasoline	10,568	
Tires and Tubes	21,381	
Other Supplies and Materials	1,893	
Total Waste Pickup		\$ 467,973

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers

Guards	\$	137,198	
Other Salaries and Wages		1,032	
Social Security		10,464	
Pensions		14,889	
Communication		4,293	
Electricity		10,882	
Water and Sewer		3,305	
Trustee's Commission		13,587	
Building Improvements		7,255	
Solid Waste Equipment		22,490	
Total Convenience Centers			\$ 225,395

Total Solid Waste/Sanitation Fund \$ 693,368

Drug Control Fund

Public Safety

Drug Enforcement

Animal Food and Supplies	\$	2,741	
Trustee's Commission		776	
Motor Vehicles		50,195	
Total Drug Enforcement			\$ 53,712

Total Drug Control Fund 53,712

Other General Government Fund

Other Operations

COVID-19 Grant #1

Trustee's Commission	\$	536	
Total COVID-19 Grant #1			\$ 536

Total Other General Government Fund 536

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	132	
Total County Trustee's Office			\$ 132

Total Constitutional Officers - Fees Fund 132

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	93,396	
Accountants/Bookkeepers		58,590	
Secretary(ies)		39,364	
Overtime Pay		598	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Other Salaries and Wages	\$	12,000	
Pensions		14,276	
Bank Charges		168	
Dues and Memberships		2,762	
Maintenance and Repair Services - Office Equipment		18,945	
Postal Charges		404	
Printing, Stationery, and Forms		2,713	
Travel		762	
Office Supplies		1,890	
Other Charges		8,718	
Office Equipment		14,930	
Total Administration			\$ 269,516

Highway and Bridge Maintenance

Foremen	\$	76,800	
Equipment Operators		107,381	
Truck Drivers		99,155	
Laborers		323,498	
Overtime Pay		43,795	
Pensions		45,092	
Other Contracted Services		4,156	
Asphalt - Cold Mix		19,930	
Asphalt - Hot Mix		80,191	
Asphalt - Liquid		180,639	
Concrete		10,310	
Crushed Stone		327,890	
General Construction Materials		3,719	
Other Road Materials		4,451	
Pipe		71,064	
Road Signs		28,031	
Small Tools		2,484	
Structural Steel		2,779	
Wood Products		1,970	
Other Supplies and Materials		3,985	
Total Highway and Bridge Maintenance			1,437,320

Operation and Maintenance of Equipment

Mechanic(s)	\$	81,715	
Nightwatchmen		14,910	
Overtime Pay		968	
Pensions		5,799	
Diesel Fuel		143,793	
Equipment and Machinery Parts		112,729	
Garage Supplies		1,387	
Gasoline		53,914	
Lubricants		14,673	
Small Tools		4,204	

(Continued)

JACKSON 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	\$	34,851	
Uniforms		7,856	
Other Supplies and Materials		7,503	
Total Operation and Maintenance of Equipment			\$ 484,302

Other Charges

Communication	\$	5,275	
Electricity		4,659	
Natural Gas		3,391	
Water and Sewer		358	
Building and Contents Insurance		3,322	
Liability Insurance		3,742	
Trustee's Commission		26,106	
Vehicle and Equipment Insurance		33,248	
Highway Construction		917,380	
Total Other Charges			997,481

Employee Benefits

Social Security	\$	72,841	
Medical Insurance		44,744	
Unemployment Compensation		6,323	
Workers' Compensation Insurance		52,414	
Total Employee Benefits			176,322

Capital Outlay

Communication Equipment	\$	550	
Highway Construction		25,338	
Highway Equipment		211,678	
Motor Vehicles		28,976	
State Aid Projects		590,747	
Total Capital Outlay			857,289

Total Highway/Public Works Fund \$ 4,222,230

General Debt Service Fund

Other Operations

Other Charges

Trustee's Commission	\$	3,254	
Total Other Charges			\$ 3,254

Principal on Debt

General Government

Principal on Bonds	\$	3,628	
Principal on Other Loans		232,000	
Total General Government			235,628

(Continued)

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

Principal on Other Loans	\$ 598,442	
Total Education		\$ 598,442

Interest on Debt

General Government

Interest on Bonds	\$ 6,422	
Interest on Other Loans	59,627	
Total General Government		66,049

Education

Interest on Other Loans	\$ 127,038	
Total Education		127,038

Other Debt Service

General Government

Other Debt Service	\$ 13,307	
Total General Government		13,307

Education

Other Debt Service	\$ 22,230	
Total Education		22,230

Total General Debt Service Fund \$ 1,065,948

General Capital Projects Fund

Capital Projects

General Administration Projects

Building Improvements	\$ 70,596	
Total General Administration Projects		\$ 70,596

Administration of Justice Projects

Building Improvements	\$ 16,316	
Total Administration of Justice Projects		16,316

Public Health and Welfare Projects

Building Improvements	\$ 6,740	
Motor Vehicles	664,590	
Other Equipment	33,580	
Total Public Health and Welfare Projects		704,910

Social, Cultural, and Recreation Projects

Building Construction	\$ 72,950	
Building Improvements	126,994	
Total Social, Cultural, and Recreation Projects		199,944

Public Utility Projects

Other Contracted Services	\$ 782,767	
Total Public Utility Projects		782,767

Total General Capital Projects Fund 1,774,533

(Continued)

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

Community Development/Industrial Park Fund		
Other Operations		
Other Charges		
Trustee's Commission	\$ 135	
Total Other Charges		\$ 135
Total Community Development/Industrial Park Fund		\$ 135
Total Governmental Funds - Primary Government		\$ 15,754,462

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	4,299,392	
Career Ladder Program		9,000	
Homebound Teachers		3,705	
Educational Assistants		152,807	
Other Salaries and Wages		12,991	
Certified Substitute Teachers		22,382	
Non-certified Substitute Teachers		63,020	
Social Security		260,869	
Pensions		328,249	
Medical Insurance		338,346	
Unemployment Compensation		643	
Employer Medicare		62,122	
Contracts with Private Agencies		1,713	
Maintenance and Repair Services - Equipment		115	
Printing, Stationery, and Forms		76	
Other Contracted Services		12,799	
Instructional Supplies and Materials		103,709	
Textbooks - Bound		22,221	
Other Supplies and Materials		45,241	
TISA - On-behalf Payments		17,918	
Regular Instruction Equipment		35,219	
Total Regular Instruction Program			\$ 5,792,537

Alternative Instruction Program

Teachers	\$	56,246	
Educational Assistants		20,555	
Social Security		4,245	
Pensions		5,888	
Medical Insurance		15,654	
Employer Medicare		993	
Other Equipment		72	
Total Alternative Instruction Program			103,653

Special Education Program

Teachers	\$	583,642	
Career Ladder Program		1,140	
Homebound Teachers		341	
Educational Assistants		97,771	
Certified Substitute Teachers		3,000	
Non-certified Substitute Teachers		8,349	
Social Security		40,050	
Pensions		49,191	
Medical Insurance		55,246	
Employer Medicare		9,425	
Contracts with Private Agencies		22,260	
Instructional Supplies and Materials		8,142	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$	754	
Special Education Equipment		978	
Total Special Education Program			\$ 880,289

Career and Technical Education Program

Teachers	\$	242,030	
Certified Substitute Teachers		255	
Non-certified Substitute Teachers		4,368	
Social Security		12,907	
Pensions		14,517	
Medical Insurance		3,416	
Employer Medicare		3,541	
Contracts with Other School Systems		117,500	
Instructional Supplies and Materials		97,432	
Software		19,500	
Other Supplies and Materials		9,996	
Vocational Instruction Equipment		145,326	
Total Career and Technical Education Program			670,788

Support Services

Attendance

Supervisor/Director	\$	75,890	
Career Ladder Program		1,000	
Clerical Personnel		84,731	
Social Security		8,993	
Pensions		11,151	
Medical Insurance		19,582	
Employer Medicare		2,103	
Travel		6,267	
Other Contracted Services		2,597	
Attendance Equipment		650	
Total Attendance			212,964

Health Services

Supervisor/Director	\$	61,670	
Medical Personnel		57,188	
Other Salaries and Wages		64,489	
Non-certified Substitute Teachers		240	
Social Security		9,497	
Pensions		12,116	
Medical Insurance		21,126	
Employer Medicare		2,223	
Communication		500	
Postal Charges		100	
Travel		656	
Drugs and Medical Supplies		796	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Other Supplies and Materials	\$ 1,730	
Other Charges	2,300	
Total Health Services		\$ 234,631

Other Student Support

Medical Insurance	\$ 1,866	
Travel	238	
In Service/Staff Development	3,856	
Total Other Student Support		5,960

Regular Instruction Program

Supervisor/Director	\$ 135,204	
Career Ladder Program	2,000	
Librarians	216,316	
Certified Substitute Teachers	2,000	
Non-certified Substitute Teachers	3,999	
Social Security	21,458	
Pensions	23,804	
Medical Insurance	22,125	
Employer Medicare	4,971	
Travel	6,969	
Library Books/Media	6,828	
Other Supplies and Materials	16,853	
In Service/Staff Development	12,883	
Other Equipment	3,348	
Total Regular Instruction Program		478,758

Special Education Program

Supervisor/Director	\$ 70,299	
Psychological Personnel	69,668	
Social Security	7,454	
Pensions	9,518	
Medical Insurance	20,672	
Employer Medicare	1,743	
Travel	986	
Other Contracted Services	14,182	
Other Supplies and Materials	143	
In Service/Staff Development	928	
Special Education Equipment	18,902	
Total Special Education Program		214,495

Career and Technical Education Program

Travel	\$ 1,650	
Other Supplies and Materials	198	
In Service/Staff Development	200	
Total Career and Technical Education Program		2,048

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology

Instructional Computer Personnel	\$	48,930	
Other Salaries and Wages		43,050	
Social Security		5,387	
Pensions		6,438	
Medical Insurance		10,791	
Employer Medicare		1,260	
Internet Connectivity		21,734	
Software		12,730	
Total Technology			\$ 150,320

Other Programs

On-behalf Payments to OPEB	\$	70,427	
Total Other Programs			70,427

Board of Education

Other Salaries and Wages	\$	13,075	
Social Security		777	
Life Insurance		8,119	
Employer Medicare		155	
Audit Services		4,000	
Dues and Memberships		8,710	
Other Contracted Services		8,800	
Other Supplies and Materials		4,870	
Liability Insurance		173,479	
Premiums on Corporate Surety Bonds		367	
Trustee's Commission		73,732	
Workers' Compensation Insurance		95,748	
In Service/Staff Development		2,500	
Total Board of Education			394,332

Director of Schools

County Official/Administrative Officer	\$	96,411	
Other Salaries and Wages		10,669	
Social Security		6,139	
Pensions		7,281	
Medical Insurance		9,000	
Employer Medicare		1,436	
Communication		7,775	
Postal Charges		854	
Travel		3,602	
Other Contracted Services		13,304	
Office Supplies		398	
In Service/Staff Development		1,131	
Total Director of Schools			158,000

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Principals	\$	304,039	
Career Ladder Program		1,000	
Assistant Principals		98,670	
Secretary(ies)		104,531	
Clerical Personnel		37,586	
Social Security		31,746	
Pensions		37,201	
Medical Insurance		43,555	
Employer Medicare		7,425	
Communication		24,053	
Travel		3,797	
Other Contracted Services		1,027	
Office Supplies		2,000	
In Service/Staff Development		2,782	
Other Charges		500	
Administration Equipment		2,369	
Total Office of the Principal			\$ 702,281

Fiscal Services

Supervisor/Director	\$	51,706	
Accountants/Bookkeepers		84,699	
Secretary(ies)		37,753	
Clerical Personnel		43,050	
Other Salaries and Wages		29,184	
Social Security		13,808	
Pensions		17,247	
Medical Insurance		35,252	
Employer Medicare		3,229	
Travel		5,540	
Other Contracted Services		35,348	
Data Processing Supplies		1,999	
Office Supplies		995	
In Service/Staff Development		1,774	
Administration Equipment		2,498	
Total Fiscal Services			364,082

Operation of Plant

Custodial Personnel	\$	365,521	
Social Security		21,994	
Pensions		25,824	
Medical Insurance		20,376	
Employer Medicare		5,144	
Rentals		38,392	
Other Contracted Services		3,126	
Custodial Supplies		96,920	
Electricity		369,654	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Natural Gas	\$	33,220	
Water and Sewer		45,035	
Plant Operation Equipment		32,474	
Total Operation of Plant			\$ 1,057,680

Maintenance of Plant

Other Salaries and Wages	\$	132,141	
Social Security		8,193	
Pensions		9,250	
Employer Medicare		1,916	
Maintenance and Repair Services - Buildings		45,616	
Maintenance and Repair Services - Equipment		4,265	
Other Contracted Services		45,191	
Other Supplies and Materials		71,355	
Administration Equipment		16,356	
Maintenance Equipment		2,176	
Total Maintenance of Plant			336,459

Transportation

Mechanic(s)	\$	56,426	
Bus Drivers		329,486	
Other Salaries and Wages		14,682	
Social Security		24,613	
Pensions		22,063	
Medical Insurance		9,938	
Employer Medicare		5,756	
Contracts with Vehicle Owners		199,536	
Travel		4,289	
Other Contracted Services		338	
Diesel Fuel		10,964	
Gasoline		134,060	
Lubricants		3,086	
Tires and Tubes		17,023	
Vehicle Parts		23,114	
Other Supplies and Materials		18,568	
Vehicle and Equipment Insurance		38,082	
Other Charges		7,776	
Transportation Equipment		116,032	
Total Transportation			1,035,832

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	58,858	
Other Salaries and Wages		2,864	
Social Security		3,503	
Pensions		4,569	

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Medical Insurance	\$	6,145	
Employer Medicare		820	
Food Supplies		4,288	
Other Charges		124	
Total Food Service			\$ 81,171

Community Services

Supervisor/Director	\$	52,662	
Social Security		2,733	
Pensions		3,679	
Medical Insurance		7,470	
Employer Medicare		639	
Travel		946	
Other Supplies and Materials		760	
Total Community Services			68,889

Early Childhood Education

Supervisor/Director	\$	21,000	
Teachers		159,640	
Educational Assistants		57,876	
Certified Substitute Teachers		85	
Non-certified Substitute Teachers		1,843	
Social Security		14,122	
Pensions		16,929	
Medical Insurance		11,370	
Employer Medicare		3,303	
Communication		2,034	
Postal Charges		300	
Travel		972	
Other Supplies and Materials		34,085	
Other Equipment		500	
Total Early Childhood Education			324,059

Capital Outlay

Regular Capital Outlay

Architects	\$	116,916	
Building Improvements		562,647	
Total Regular Capital Outlay			679,563

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	598,442	
Total Education			598,442

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

General Purpose School Fund (Cont.)

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$ 144,766	
Total Education		\$ 144,766

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 22,269	
Total Education		22,269

Total General Purpose School Fund \$ 14,784,695

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 358,273	
Educational Assistants	135,507	
Other Salaries and Wages	9,985	
Certified Substitute Teachers	2,461	
Non-certified Substitute Teachers	2,022	
Social Security	28,380	
Pensions	31,372	
Medical Insurance	52,395	
Unemployment Compensation	545	
Employer Medicare	6,732	
Instructional Supplies and Materials	96,620	
Software	47,056	
Other Supplies and Materials	15,000	
Regular Instruction Equipment	211,664	
Total Regular Instruction Program		\$ 998,012

Special Education Program

Teachers	\$ 50,606	
Educational Assistants	199,551	
Speech Pathologist	70,229	
Non-certified Substitute Teachers	234	
Social Security	18,916	
Pensions	21,822	
Medical Insurance	15,540	
Unemployment Compensation	429	
Employer Medicare	4,424	
Instructional Supplies and Materials	7,095	
Other Supplies and Materials	147	
Special Education Equipment	612	
Total Special Education Program		389,605

Career and Technical Education Program

Instructional Supplies and Materials	\$ 7,666	
Vocational Instruction Equipment	14,873	
Total Career and Technical Education Program		22,539

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Health Services

Other Salaries and Wages	\$	243	
Other Supplies and Materials		467	
Total Health Services			\$ 710

Other Student Support

Guidance Personnel	\$	141,138	
Bus Drivers		925	
Other Salaries and Wages		52,250	
Social Security		11,789	
Pensions		13,467	
Medical Insurance		6,005	
Unemployment Compensation		104	
Employer Medicare		2,757	
Travel		5,468	
Other Contracted Services		1,660	
In Service/Staff Development		1,179	
Other Charges		9,522	
Total Other Student Support			246,264

Regular Instruction Program

Supervisor/Director	\$	76,890	
Other Salaries and Wages		201,744	
Social Security		15,106	
Pensions		17,506	
Medical Insurance		15,779	
Unemployment Compensation		144	
Employer Medicare		3,860	
Travel		431	
Other Contracted Services		179,675	
Other Supplies and Materials		340	
In Service/Staff Development		2,163	
Total Regular Instruction Program			513,638

Special Education Program

Contracts with Private Agencies	\$	28,768	
Postal Charges		21	
Travel		450	
Other Contracted Services		17,058	
Other Supplies and Materials		9,815	
In Service/Staff Development		4,920	
Total Special Education Program			61,032

Career and Technical Education Program

In Service/Staff Development	\$	3,034	
Total Career and Technical Education Program			3,034

(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Technology

Software	\$ 6,525	
Total Technology		\$ 6,525

Office of the Principal

Assistant Principals	\$ 109,299	
Social Security	6,258	
Pensions	7,430	
Medical Insurance	8,653	
Unemployment Compensation	24	
Employer Medicare	1,464	
Total Office of the Principal		133,128

Transportation

Other Salaries and Wages	\$ 17,136	
Social Security	1,052	
Pensions	1,199	
Unemployment Compensation	12	
Employer Medicare	246	
Total Transportation		19,645

Operation of Non-Instructional Services

Food Service

Food Supplies	\$ 7,546	
Total Food Service		7,546

Community Services

Supervisor/Director	\$ 13,800	
Clerical Personnel	3,600	
Other Salaries and Wages	133,217	
Social Security	9,338	
Pensions	10,684	
Unemployment Compensation	143	
Employer Medicare	2,184	
Other Supplies and Materials	8,435	
In Service/Staff Development	721	
Total Community Services		182,122

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 761,343	
Total Regular Capital Outlay		761,343

Total School Federal Projects Fund		\$ 3,345,143
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(Continued)

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

Discretely Presented Jackson County School Department (Cont.)

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	424,840	
Social Security		24,686	
Pensions		28,367	
Medical Insurance		49,906	
Unemployment Compensation		716	
Employer Medicare		5,855	
Communication		2,489	
Maintenance and Repair Services - Equipment		4,848	
Travel		2,277	
Other Contracted Services		28,996	
Food Supplies		641,754	
USDA - Commodities		83,355	
Other Supplies and Materials		49,362	
In Service/Staff Development		3,764	
Food Service Equipment		69,325	
Total Food Service			\$ 1,420,540

Total Central Cafeteria Fund		\$	1,420,540
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Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	544,866	
Total Community Services			\$ 544,866

Total Internal School Fund			544,866
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Total Governmental Funds - Jackson County School Department		\$	20,095,244
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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*

Jackson County Mayor and
Board of County Commissioners
Jackson 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 Jackson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Jackson County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 7, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Jackson County School Department (a discretely presented component unit) as described in our report on Jackson 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 Jackson County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jackson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Jackson County's internal control.

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

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

the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2024-003.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jackson 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2024-001 and 2024-002.


Jackson County's Responses to Findings

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

Purpose of this Report

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

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 7, 2025

JEM/gc



JASON E. MUMPOWER
Comptroller

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

Jackson County Mayor and
Board of County Commissioners
Jackson 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 Jackson 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 Jackson County's major federal programs for the year ended June 30, 2024. Jackson 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, Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson 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 Jackson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Jackson County's basic financial statements. We issued our report thereon dated February 7, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 7, 2025

JEM/gc

JACKSON COUNTY, TENNESSEE, AND THE JACKSON 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	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through East Tennessee Human Resource Agency:			
Local Food for Schools Cooperative Agreement Program	10.185	(6)	\$ 38,048
Rebate of Storage and Distribution Fees	10.558	(6)	84,987
Passed-through State Department of Education:			
COVID 19 - Pandemic EBT Food Benefits	10.542	N/A	3,256
Child Nutrition Cluster: (4)			
National School Lunch Program	10.555	N/A	847,476 (5)
School Breakfast Program	10.553	N/A	366,320
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(6)	83,355 (5)
Direct Program:			
Emergency Watershed Protection Program	10.923	N/A	49,761
Total U.S. Department of Agriculture			<u>\$ 1,473,203</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	(6)	\$ 332,157
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	(6)	72,950
Total U.S. Department of Housing and Urban Development			<u>\$ 405,107</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 61,975
Total U.S. Department of the Interior			<u>\$ 61,975</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	(6)	\$ 49,215
Total U.S. Department of Transportation			<u>\$ 49,215</u>
U.S. Department of the Treasury:			
Passed-through Upper Cumberland Development District:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	(6)	\$ 765,116 (5)
Direct Program:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	349,475 (5)
Total U.S. Department of the Treasury			<u>\$ 1,114,591</u>
U.S. Appalachian Regional Commission:			
Passed-through State Department of Economic and Community Development:			
Appalachian Area Development	23.002	(6)	\$ 77,116
Total U.S. Appalachian Regional Commission			<u>\$ 77,116</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 470,771
Special Education Cluster: (4)			
Special Education Grants to States	84.027	N/A	456,834
Special Education - Preschool Grants	84.173	N/A	15,450
Career and Technical Education - Basic Grants to States	84.048	N/A	34,978
Twenty-First Century Community Learning Centers	84.287	N/A	182,121
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		97,656
Rural Education	84.358	N/A	62,017
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	11,508 (5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	396,058 (5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	1,622,256 (5)
Total U.S. Department of Education			<u>\$ 3,349,649</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(6)	\$ 132,216
Total U.S. Election Assistance Commission			<u>\$ 132,216</u>
U.S. Department of Health and Human Services:			
Passed-through Upper Cumberland Development District:			
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	(6)	\$ 4,000
Aging Cluster: (4)			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(6)	7,560
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(6)	2,520
Passed-through State Department of Health:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	(6)	4,577
Total U.S. Department of Health and Human Services			<u>\$ 18,657</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance	97.036	(6)	\$ 783,259
Emergency Management Performance Grants	97.042	(6)	5,117
Total U.S. Department of Homeland Security			<u>\$ 788,376</u>
Total Expenditures of Federal Grants			<u>\$ 7,470,105</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Contract Number	Expenditures
State Grants			
Early Childhood Education - State Department of Education	N/A	N/A	\$ 326,167
Innovative School Models - State Department of Education	N/A	N/A	388,945
Public School Security Grant - State Department of Education	N/A	N/A	14,336
State Special Education Preschool Grant - State Department of Education	N/A	N/A	4,761
Summer Learning Camp - State Department of Education	N/A	N/A	128,313
Summer Learning Transportation - State Department of Education	N/A	N/A	22,836
Violent Crime Intervention Fund (VCIF) - State Department of Finance and Administration	N/A	(6)	25,770
School Resource Officer Grant - State Department of Safety and Homeland Security	N/A	(6)	300,000
Governor's Investment in Vocational Education - Tennessee Colleges of Applied Technology	N/A	(6)	13,434
Total State Grants			<u>\$ 1,224,561</u>

ALN = Assistance Listing Number

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Jackson 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 \$1,297,151; Special Education Cluster total \$472,284; Aging Cluster total \$10,080.

(5) Total for ALN 10.555 is \$930,831; Total for ALN 21.027 is \$1,114,591; Total for ALN 84.425 is \$2,029,822.

(6) Information not available.

(7) CONSOLIDATED ADMINISTRATION

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 94,908

JACKSON 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 Jackson County, Tennessee, for the year ended June 30, 2024.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
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OFFICE OF COUNTY MAYOR

2023	195	2023-001	The office had deficiencies in purchasing procedures.	N/A	Corrected
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OFFICE OF SHERIFF

2023	196	2023-002	Bank statements were not reconciled properly with the general ledger.	N/A	Corrected
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Prior-year Federal Awards Findings

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

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

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Jackson County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF COUNTY MAYOR

FINDING 2024-001

UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE

(Noncompliance Under Government Auditing Standards)

The county mayor did not report and pay to the state unclaimed funds (old outstanding checks) totaling \$25,180. On June 30, 2024, the General Fund had 235 outstanding checks totaling \$23,683, and the Solid Waste Sanitation Fund had five outstanding checks totaling \$1,497 that were issued between January 12, 2016, and June 30, 2023. The Unclaimed Property Act, Section 66-29-101, et seq., *Tennessee Code Annotated (TCA)*, provides that any funds held by the office for more than one year and unclaimed by the owner are considered abandoned. This statute further provides for the funds to be reported and paid to the State Treasurer's Office. This deficiency is a result of a lack of management oversight.

RECOMMENDATION

The office should report and pay to the state unclaimed funds held for more than one year as required by state statute.

MANAGEMENT'S RESPONSE – INTERIM COUNTY MAYOR

No formal management's response was submitted.

FINDING 2023-002

COMPETITIVE BIDS WERE NOT SOLICITED FOR INSURANCE

(Noncompliance Under Government Auditing Standards)

Competitive bids were not solicited for commercial liability insurance for the ambulance and fire and rescue vehicles and buildings totaling \$108,030. Purchasing procedures are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *TCA*, which provide for all purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids. 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 and a failure to follow state statutes.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – INTERIM COUNTY MAYOR

No formal management's response was submitted.

OFFICE OF REGISTER OF DEEDS

FINDING 2024-003

BANK STATEMENTS WERE NOT RECONCILED PROPERLY WITH THE GENERAL LEDGER

(Internal Control – Significant Deficiency Under Government Auditing Standards)

Bank statements were not reconciled properly with the general ledger. Bank reconciliations were attempted each month, but our examination revealed errors in posting and maintaining the balance of cash during the year. Sound business practices dictate that bank statements should be reconciled with the general ledger monthly to ensure errors are identified and corrected promptly. The failure to accurately reconcile bank statements with the general ledger monthly allows errors to remain undiscovered and uncorrected. This deficiency can be attributed to a lack of management oversight. Cash in bank on June 30, 2024, was verified by substantive testing and alternative auditing procedures and is presented properly in the financial statements of this report.

RECOMMENDATION

Bank statements should be reconciled with the general ledger monthly, and any differences discovered should be identified and corrected promptly.

MANAGEMENT'S RESPONSE – REGISTER OF DEEDS

I concur with this finding.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

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

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

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

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

2024-001	Unclaimed funds were not reported and paid to the state.	184
2024-002	Competitive bids were not solicited for insurance.	185

OFFICE OF REGISTER OF DEEDS

2024-003	Bank statements were not reconciled properly with the general ledger.	186
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Jackson County Mayor

Jackson County Courthouse P.O. Box 617 Gainesboro, Tn 38562 (931)268-9888

Corrective Action Plan

FINDING: UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE

Response and Corrective Action Plan Prepared by:
Joey Denson, Interim Mayor

Person Responsible for Implementing the Corrective Action:
Joey Denson, Interim Mayor

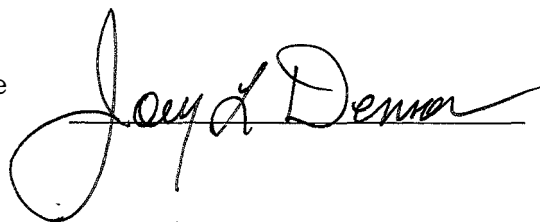
Anticipated Completion Date of Corrective Action:
June 30, 2026

Repeat Finding:
No

Reason Corrective Action was Not Taken in the Prior Year:
N/A

Planned Corrective Action:
Assess outstanding vendor warrants and report and pay to the state.

Signature





Jackson County Mayor

Jackson County Courthouse P.O. Box 617 Gainesboro, Tn 38562 (931)268-9888

FINDING: COMPETITIVE BIDS WERE NOT SOLICITED FOR INSURANCE

Response and Corrective Action Plan Prepared by:
Joey Denson, Interim Mayor

Person Responsible for Implementing the Corrective Action:
Joey Denson, Interim Mayor

Anticipated Completion Date of Corrective Action:
June 30, 2025

Repeat Finding:
No

Reason Corrective Action was Not Taken in the Prior Year:
N/A

Planned Corrective Action:
Solicit competitive bids for insurance for coverage beginning 2025-2026 fiscal year.

Signature: _____



Corrective Action Plan

FINDING: **BANK STATEMENTS WERE NOT RECONCILED PROPERLY
WITH THE GENERAL LEDGER**

Response and Corrective Action Plan Prepared by:
Name, Michelle Hix

Person Responsible for Implementing the Corrective Action:
Name, Jackson County Register of Deeds Michelle Hix

Anticipated Completion Date of Corrective Action:
Date 02012025

Repeat Finding:
No

Reason Corrective Action was Not Taken in the Prior Year:
N/A

Planned Corrective Action:
Hire an outside person to do all my month end closing

Signature: _____

**P. O. Box 301 * Gainesboro, Tn 38562-0301
Office: 931-268-9012 * Fax: 931-268-9060**

BEST PRACTICE

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

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

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

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