



ANNUAL FINANCIAL REPORT

Obion County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

LEE ANN WEST, CPA, CGFM
Audit Manager

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

OBION COUNTY, TENNESSEE

TABLE OF CONTENTS

	Exhibit	Page(s)
Summary of Audit Findings		6
INTRODUCTORY SECTION		7
Obion County Officials		8
FINANCIAL SECTION		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	24
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	25-26
Highway/Public Works Fund	C-6	27
Proprietary Fund:		
Statement of Net Position	D-1	28-29
Statement of Revenues, Expenses, and Changes in Net Position	D-2	30-32
Statement of Cash Flows	D-3	33
Fiduciary Funds:		
Statement of Net Position	E-1	34
Statement of Changes in Net Position	E-2	35
Index and Notes to the Financial Statements		36-93
REQUIRED SUPPLEMENTARY INFORMATION:		94
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-1	95
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-2	96
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Obion County School Department	F-3	97

	Exhibit	Page(s)
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Obion County School Department	F-4	98
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Obion County School Department	F-5	99
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Obion County School Department	F-6	100
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plan - Primary Government	F-7	101
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan - Discretely Presented Obion County School Department	F-8	102
Notes to the Required Supplementary Information		103
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		104
Nonmajor Governmental Funds:		105
Combining Balance Sheet	G-1	106
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	107
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
Solid Waste/Sanitation Fund	G-3	108
Drug Control Fund	G-4	109
Major Governmental Fund:		110
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	H	111
Fiduciary Funds:		112
Combining Statement of Net Position – Custodial Funds	I-1	113
Combining Statement of Changes in Net Position – Custodial Funds	I-2	114
Component Unit:		
Discretely Presented Obion County School Department:		115
Statement of Activities	J-1	116
Balance Sheet – Government Funds	J-2	117
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	J-3	118
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	119
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	120
Combining Balance Sheet – Nonmajor Governmental Funds	J-6	121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	J-7	122

	Exhibit	Page(s)
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-8	123-124
School Federal Projects Fund	J-9	125
Central Cafeteria Fund	J-10	126
Miscellaneous Schedules:		
Schedule of Changes in Long-term Note and Other Loan	K-1	128
Schedule of Long-term Debt Requirements by Year	K-2	129
Schedule of Notes Receivable	K-3	130
Schedule of Salaries and Official Bonds of Principal Officials –		
Primary Government and Discretely Presented Obion		
County School Department	K-4	131
Schedule of Detailed Revenues – All Governmental Fund Types	K-5	132-145
Schedule of Detailed Revenues – All Governmental Fund Types –		
Discretely Presented Obion County School Department	K-6	146-149
Schedule of Detailed Expenditures – All Governmental Fund Types	K-7	150-164
Schedule of Detailed Expenditures – All Governmental Fund Types –		
Discretely Presented Obion County School Department	K-8	165-179
SINGLE AUDIT SECTION		180
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 <i>Government Auditing Standards</i>		181-182
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 Uniform Guidance		183-185
Schedule of Expenditures of Federal Awards and State Grants		186-187
Summary Schedule of Prior-year Findings		188
Schedule of Findings and Questioned Costs		189-192
Management's Corrective Action Plan		193-195
Best Practice		196

Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Obion 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 DIRECTOR OF SCHOOLS

- ◆ The school department employed a contractor without requiring adequate bonds in accordance with state statute.

OFFICE OF SHERIFF

- ◆ The office had accounting deficiencies.



INTRODUCTORY SECTION

OBION COUNTY OFFICIALS

June 30, 2024

Officials

Steve Carr, County Mayor
Kevin Dunn, Highway Superintendent
Dr. Tim Watkins, Director of Schools
Tracey Westbrooks, Trustee
Judy Smith, Assessor of Property
Crystal Crain, County Clerk
Denise Taylor, Circuit, General Sessions, and Juvenile Courts Clerk
Emily Hall, Clerk and Master
Cheryl Reddin, Register of Deeds
Karl Jackson, Sheriff

Board of County Commissioners

Ralph Puckett, Chairman	Rob Holman
Kenneth Barnes	Eugene Hudgins
James Beasley	Danny Jowers
Jim Bondurant	Kenny Mayo
Blake Cheatham	Allen Nohsey
Heath Cunningham	Harris Pitts
Phillip Dunlap	Terry Roberts
Ryan Ellegood	Shane Sanford
Dale Frazier	Larry Sherwood
Steve Goodrich	Sam Sinclair, Jr.
James Gray	

Board of Education

Fritz Fussell, Chairman
Barry Adams
Chris Akin
Tim Britt
Shannon Hogg
Keisha Hooper
Jared Poore

Audit Committee

Jim Miles, Chairman
Jim Bondurant
Wendy Dalton
Greg Dozier
Ralph Puckett
Sam Sinclair, Jr.

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Obion County, Tennessee, as of June 30, 2024, and the respective changes in financial position and, where applicable cash flows thereof, and the respective budgetary comparison for the General 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 Obion County Nursing Home, a major fund and entire business-type activities. We also did not audit the financial statements of the Internal School Fund of the Obion County School Department (a discretely presented component unit), which represent 2.2 percent, 2.3 percent, and three 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 Obion County Nursing Home and the Obion County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

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

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total 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 Obion 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 Obion 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 Obion 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 January 23, 2025, on our consideration of Obion 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 Obion 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 Obion County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 23, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

Exhibit A

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Obion County School Department
ASSETS				
Cash	\$ 7,396	\$ 344,261	\$ 351,657	\$ 856,658
Equity in Pooled Cash and Investments	28,325,060	0	28,325,060	5,682,909
Inventories	0	39,916	39,916	0
Accounts Receivable	28,837	816,028	844,865	0
Due from Other Governments	899,648	0	899,648	3,584,848
Property Taxes Receivable	7,067,370	0	7,067,370	3,741,501
Allowance for Uncollectible Property Taxes	(88,719)	0	(88,719)	(58,073)
Prepaid Items	0	8,283	8,283	0
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	415,237
Net Pension Asset - Agent Plan	461,888	128,418	590,306	316,322
Net Pension Asset - Teacher Retirement Plan	0	0	0	114,245
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	4,092,261
Capital Assets:				
Assets Not Depreciated:				
Land	3,950,970	0	3,950,970	946,031
Construction in Progress	31,637	0	31,637	1,042,733
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	3,467,290	239,416	3,706,706	11,351,107
Infrastructure	11,833,423	0	11,833,423	2,874,373
Other Capital Assets	2,950,038	116,247	3,066,285	4,292,972
Total Assets	\$ 58,934,838	\$ 1,692,569	\$ 60,627,407	\$ 39,253,124
DEFERRED OUTFLOWS OF RESOURCES				
Pension Changes in Experience	\$ 491,484	\$ 136,645	\$ 628,129	\$ 1,315,423
Pension Changes in Investment Earnings	156,137	43,411	199,548	846,005
Pension Changes in Assumptions	339,096	94,278	433,374	1,651,552
Pension Changes in Proportion	0	13,832	13,832	183,429
Pension Contributions After Measurement Date	493,398	120,704	614,102	1,296,614
OPEB Changes in Experience	14,039	6,726	20,765	207,609
OPEB Changes in Assumptions	46,187	22,132	68,319	764,057
OPEB Changes in Proportion	0	44,067	44,067	43,196
OPEB Contributions After Measurement Date	480	230	710	108,641
Total Deferred Outflows of Resources	\$ 1,540,821	\$ 482,025	\$ 2,022,846	\$ 6,416,526

(Continued)

Exhibit A

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

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	Obion County School Department	
LIABILITIES					
Accounts Payable	\$ 0	\$ 121,693	\$ 121,693	\$ 368,597	
Accrued Leave	0	398,966	398,966	0	
Accrued Payroll	0	81,973	81,973	0	
Payroll Deductions Payable	0	23,376	23,376	1,550	
Contracts Payable	0	0	0	561	
Patients' Trust Fund	0	47,891	47,891	0	
Noncurrent Liabilities:					
Due Within One Year - Debt	228,624	0	228,624	0	
Due Within One Year - Other	18,024	13,497	31,521	268,728	
Due in More Than One Year - Debt	3,262,125	0	3,262,125	0	
Due in More Than One Year - Other	484,347	54,488	538,835	3,159,566	
Total Liabilities	\$ 3,993,120	\$ 741,884	\$ 4,735,004	\$ 3,799,002	
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 6,827,259	\$ 0	\$ 6,827,259	\$ 3,559,624	
Pension Changes in Experience	39,076	10,864	49,940	283,351	
Pension Changes in Proportion	0	32,831	32,831	84,277	
OPEB Changes in Experience	102,761	49,239	152,000	367,481	
OPEB Changes in Assumptions	73,320	35,133	108,453	358,277	
OPEB Changes in Proportions	0	2,332	2,332	226,234	
Total Deferred Inflows of Resources	\$ 7,042,416	\$ 130,399	\$ 7,172,815	\$ 4,879,244	
NET POSITION					
Net Investment in Capital Assets	\$ 22,233,358	\$ 355,663	\$ 22,589,021	\$ 20,507,216	
Restricted for:					
General Government	5,065,603	0	5,065,603	0	
Administration of Justice	79,938	0	79,938	0	
Public Safety	90,930	0	90,930	0	
Public Health and Welfare	687,385	0	687,385	0	
Highway/Public Works	166,790	0	166,790	0	
Debt Service	54,433	0	54,433	0	
Social, Cultural and Recreation	746,777	0	746,777	0	
Education	0	0	0	872,255	
Operation of Non-instructional Services	0	0	0	767,419	
Pensions	461,888	128,418	590,306	4,522,828	
Hybrid Retirement Stabilization Funds	0	0	0	415,237	
Unrestricted	19,853,021	818,230	20,671,251	9,906,449	
Total Net Position	\$ 49,440,123	\$ 1,302,311	\$ 50,742,434	\$ 36,991,404	

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

Exhibit B

OBION COUNTY, TENNESSEE

Statement of Activities

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government								
					Governmental Activities	Business-type Activities	Total						
Primary Government:													
Governmental Activities:													
General Government	\$ 4,599,761	\$ 736,420	\$ 377,926	\$ 0	\$ (3,485,415)	\$ 0	\$ (3,485,415)	\$ 0					
Finance	1,231,953	1,425,381	0	0	193,428	0	193,428	0					
Administration of Justice	1,906,986	712,811	104,618	0	(1,089,557)	0	(1,089,557)	0					
Public Safety	6,921,991	1,818,566	881,330	0	(4,222,095)	0	(4,222,095)	0					
Public Health and Welfare	707,777	375,851	273,636	469,322	411,032	0	411,032	0					
Social, Cultural, and Recreational Services	615,296	0	61,583	0	(553,713)	0	(553,713)	0					
Agriculture and Natural Resources	223,993	0	0	0	(223,993)	0	(223,993)	0					
Highways/Public Works	4,627,289	0	2,737,994	696,420	(1,192,875)	0	(1,192,875)	0					
Education	0	0	245,448	0	245,448	0	245,448						
Interest on Long-term Debt	338,774	0	0	0	(338,774)	0	(338,774)	0					
Total Governmental Activities	\$ 21,173,820	\$ 5,069,029	\$ 4,682,535	\$ 1,165,742	\$ (10,256,514)	\$ 0	\$ (10,256,514)	\$ 0					
Business-type Activities:													
Nursing Home	\$ 5,404,007	\$ 5,029,150	\$ 0	\$ 0	\$ 0	\$ (374,857)	\$ (374,857)	\$ 0					
Total Primary Government	\$ 26,577,827	\$ 10,098,179	\$ 4,682,535	\$ 1,165,742	\$ (10,256,514)	\$ (374,857)	\$ (10,631,371)	\$ 0					
Component Unit:													
Obion County School Department	\$ 43,478,431	\$ 399,989	\$ 12,114,707	\$ 417,462	\$ 0	\$ 0	\$ 0	\$ (30,546,273)					
Total Component Unit	\$ 43,478,431	\$ 399,989	\$ 12,114,707	\$ 417,462	\$ 0	\$ 0	\$ 0	\$ (30,546,273)					

(Continued)

Exhibit B

OBION COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
					Governmental Activities	Business- type Activities	Total		
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 3,617,932	\$ 0	\$ 3,617,932	\$ 4,608,434	
Property Taxes Levied for Debt Service					1,631,541	0	1,631,541	0	
Local Option Sales Taxes					843,852	0	843,852	4,640,081	
Wheel Tax					1,441,658	0	1,441,658	0	
Litigation Tax					183,124	0	183,124	0	
Business Tax					451,803	0	451,803	106,815	
Other Local Taxes					446,453	0	446,453	3,516	
Grants and Contributions Not Restricted to Specific Programs					1,553,732	0	1,553,732	23,226,297	
Unrestricted Investment Income					1,988,524	3,507	1,992,031	0	
Miscellaneous					409,272	0	409,272	148,227	
Total General Revenues					<u>\$ 12,567,891</u>	<u>\$ 3,507</u>	<u>\$ 12,571,398</u>	<u>\$ 32,733,370</u>	
Change in Net Position					<u>\$ 2,311,377</u>	<u>\$ (371,350)</u>	<u>\$ 1,940,027</u>	<u>\$ 2,187,097</u>	
Net Position, July 1, 2023					<u>47,128,746</u>	<u>1,673,661</u>	<u>48,802,407</u>	<u>34,804,307</u>	
Net Position, June 30, 2024					<u><u>\$ 49,440,123</u></u>	<u><u>\$ 1,302,311</u></u>	<u><u>\$ 50,742,434</u></u>	<u><u>\$ 36,991,404</u></u>	

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

Exhibit C-1

OBION COUNTY, TENNESSEE

Balance Sheet

Governmental Funds

June 30, 2024

	Major Funds			Nonmajor Funds		Total Governmental Funds	
			General	Highway / Public Works	General Debt Service		
	General	Governmental Funds			Govern-mental Funds		
ASSETS							
Cash	\$ 0	\$ 0	\$ 0	\$ 7,396	\$ 7,396		
Equity in Pooled Cash and Investments	17,668,254	7,668,292	2,533,135	455,379	28,325,060		
Accounts Receivable	19,594	0	9,181	62	28,837		
Due from Other Governments	414,811	482,380	2,457	0	899,648		
Due from Other Funds	7,358	0	0	3,492	10,850		
Property Taxes Receivable	4,165,881	404,931	2,496,558	0	7,067,370		
Allowance for Uncollectible Property Taxes	(50,641)	(5,564)	(32,514)	0	(88,719)		
Advances to Other Funds	4,783,000	0	0	0	4,783,000		
Total Assets	\$ 27,008,257	\$ 8,550,039	\$ 5,008,817	\$ 466,329	\$ 41,033,442		
LIABILITIES							
Due to Other Funds	\$ 3,492	\$ 0	\$ 0	\$ 7,358	\$ 10,850		
Advances Payable to Other Funds	0	0	4,378,000	405,000	4,783,000		
Total Liabilities	\$ 3,492	\$ 0	\$ 4,378,000	\$ 412,358	\$ 4,793,850		
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 4,032,506	\$ 388,804	\$ 2,405,949	\$ 0	\$ 6,827,259		
Deferred Delinquent Property Taxes	74,318	9,489	53,515	0	137,322		
Other Deferred/Unavailable Revenue	67,746	238,448	918	0	307,112		
Total Deferred Inflows of Resources	\$ 4,174,570	\$ 636,741	\$ 2,460,382	\$ 0	\$ 7,271,693		

(Continued)

OBION COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
FUND BALANCES						
Nonspendable:						
Advances to Other Funds	\$ 4,783,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,783,000
Restricted:						
Restricted for General Government	282,603	0	0	0	0	282,603
Restricted for Administration of Justice	79,938	0	0	0	0	79,938
Restricted for Public Safety	40,754	0	0	50,176	0	90,930
Restricted for Public Health and Welfare	687,385	0	0	0	0	687,385
Restricted for Social, Cultural, and Recreational Services	746,777	0	0	0	0	746,777
Committed:						
Committed for General Government	1,351,092	0	0	0	0	1,351,092
Committed for Public Health and Welfare	0	0	0	3,795	0	3,795
Committed for Highways/Public Works	0	7,913,298	0	0	0	7,913,298
Unassigned	14,858,646	0	(1,829,565)	0	0	13,029,081
Total Fund Balances	\$ 22,830,195	\$ 7,913,298	\$ (1,829,565)	\$ 53,971	\$ 28,967,899	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,008,257	\$ 8,550,039	\$ 5,008,817	\$ 466,329	\$ 41,033,442	

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

OBION 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)	\$ 28,967,899
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 3,950,970
Add: construction in progress	31,637
Add: buildings and improvements net of accumulated depreciation	3,467,290
Add: infrastructure net of accumulated depreciation	11,833,423
Add: other capital assets net of accumulated depreciation	<u>2,950,038</u> 22,233,358
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: other loan payable	\$ (3,490,749)
Less: net OPEB liability	(141,879)
Less: compensated absences payable	<u>(360,492)</u> (3,993,120)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.	
Add: deferred outflows of resources related to pensions	\$ 1,480,115
Less: deferred inflows of resources related to pensions	(39,076)
Add: deferred outflows of resources related to OPEB	60,706
Less: deferred inflows of resources related to OPEB	<u>(176,081)</u> 1,325,664
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.	461,888
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	<u>444,434</u>
Net position of governmental activities (Exhibit A)	<u>\$ 49,440,123</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Revenues						
Local Taxes	\$ 5,087,254	\$ 1,887,413	\$ 1,740,459	\$ 0	\$ 8,715,126	
Licenses and Permits	19,546	0	0	0	19,546	
Fines, Forfeitures, and Penalties	102,442	0	0	5,747	108,189	
Charges for Current Services	412,160	171	0	33,535	445,866	
Other Local Revenues	2,347,948	711,650	0	73,136	3,132,734	
Fees Received From County Officials	1,951,237	0	0	0	1,951,237	
State of Tennessee	2,461,525	3,429,857	0	19,820	5,911,202	
Federal Government	1,106,676	0	0	0	1,106,676	
Other Governments and Citizens Groups	1,583,647	0	245,448	279,145	2,108,240	
Total Revenues	\$ 15,072,435	\$ 6,029,091	\$ 1,985,907	\$ 411,383	\$ 23,498,816	
Expenditures						
Current:						
General Government	\$ 2,724,388	\$ 0	\$ 0	\$ 0	\$ 2,724,388	
Finance	1,025,567	0	0	0	1,025,567	
Administration of Justice	1,600,094	0	0	315	1,600,409	
Public Safety	6,200,900	0	0	5,790	6,206,690	
Public Health and Welfare	154,745	0	0	846,334	1,001,079	
Social, Cultural, and Recreational Services	496,091	0	0	0	496,091	
Agriculture and Natural Resources	210,487	0	0	0	210,487	
Other Operations	2,829,419	0	0	0	2,829,419	
Highways	0	5,213,254	0	0	5,213,254	

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	\$ 0	\$ 0	\$ 2,653,047	\$ 0	\$ 2,653,047	
Interest on Debt	0	0	340,886	15,750	356,636	
Other Debt Service	0	0	33,438	0	33,438	
Capital Projects	574,579	0	0	0	574,579	
Total Expenditures	\$ 15,816,270	\$ 5,213,254	\$ 3,027,371	\$ 868,189	\$ 24,925,084	
Excess (Deficiency) of Revenues Over Expenditures	\$ (743,835)	\$ 815,837	\$ (1,041,464)	\$ (456,806)	\$ (1,426,268)	
Other Financing Sources (Uses)						
Notes Issued	\$ 2,447,905	\$ 0	\$ 0	\$ 0	\$ 2,447,905	
Insurance Recovery	17,252	434	0	0	17,686	
Total Other Financing Sources (Uses)	\$ 2,465,157	\$ 434	\$ 0	\$ 0	\$ 2,465,591	
Net Change in Fund Balances	\$ 1,721,322	\$ 816,271	\$ (1,041,464)	\$ (456,806)	\$ 1,039,323	
Fund Balance, July 1, 2023	21,108,873	7,097,027	(788,101)	510,777	27,928,576	
Fund Balance, June 30, 2024	\$ 22,830,195	\$ 7,913,298	\$ (1,829,565)	\$ 53,971	\$ 28,967,899	

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

OBION COUNTY, TENNESSEE

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024**

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

Net change in fund balances - total governmental funds (Exhibit C-3)	\$ 1,039,323
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:	
Add: capital assets purchased in the current period	\$ 3,017,585
Less: current-year depreciation expense	<u>(1,912,384)</u>
	1,105,201
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 444,434
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(458,053)</u>
	(13,619)
(3) The issuance of long-term debt (e.g., notes, other loans, and bonds) 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 note	\$ 2,447,905
Add: principal payments on other loan	205,142
Less: note proceeds	<u>(2,447,905)</u>
	205,142
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in compensated absences payable	\$ 7,633
Change in accrued interest	17,862
Change in net pension asset	(330,531)
Change in deferred outflows related to pensions	197,002
Change in deferred inflows related to pensions	42,182
Change in net OPEB liability	(21,138)
Change in deferred outflows related to OPEB	18,844
Change in deferred inflows related to OPEB	<u>43,476</u>
	<u>(24,670)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 2,311,377</u>

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 5,087,254	\$ 4,847,864	\$ 4,847,864	\$ 239,390
Licenses and Permits	19,546	26,000	26,000	(6,454)
Fines, Forfeitures, and Penalties	102,442	113,000	116,000	(13,558)
Charges for Current Services	412,160	641,300	641,300	(229,140)
Other Local Revenues	2,347,948	2,345,750	2,345,750	2,198
Fees Received From County Officials	1,951,237	1,623,000	1,623,000	328,237
State of Tennessee	2,461,525	3,289,921	3,289,921	(828,396)
Federal Government	1,106,676	5,802,420	5,802,420	(4,695,744)
Other Governments and Citizens Groups	1,583,647	1,701,000	1,701,000	(117,353)
Total Revenues	\$ 15,072,435	\$ 20,390,255	\$ 20,393,255	\$ (5,320,820)
Expenditures				
General Government				
County Commission	\$ 129,851	\$ 130,100	\$ 130,100	\$ 249
Board of Equalization	1,020	3,500	3,500	2,480
Beer Board	1,195	1,200	1,200	5
Budget and Finance Committee	10,100	14,000	14,000	3,900
Other Boards and Committees	2,500	5,000	5,000	2,500
County Mayor/Executive	314,724	341,476	341,476	26,752
Election Commission	495,637	556,824	556,824	61,187
Register of Deeds	192,777	227,915	227,915	35,138
County Buildings	1,528,719	1,813,350	1,813,350	284,631
Preservation of Records	47,865	60,000	60,000	12,135
Finance				
Property Assessor's Office	320,378	365,242	365,242	44,864
County Trustee's Office	224,856	233,965	233,965	9,109
County Clerk's Office	480,333	500,087	500,087	19,754
Administration of Justice				
Circuit Court	769,865	834,766	835,992	66,127
Chancery Court	253,787	269,421	272,421	18,634
Juvenile Court	180,822	191,410	191,410	10,588
Courtroom Security	395,620	311,768	436,936	41,316
Public Safety				
Sheriff's Department	3,595,827	3,674,186	3,918,232	322,405
Jail	2,379,983	2,616,436	2,631,436	251,453
Rural Fire Protection	37,000	37,000	37,000	0
Rescue Squad	26,000	26,000	26,000	0
Other Emergency Management	100,373	161,880	161,880	61,507
County Coroner/Medical Examiner	36,254	73,500	73,500	37,246
Public Safety Grants Program	25,463	37,420	37,420	11,957
Public Health and Welfare				
Local Health Center	55,723	554,707	554,707	498,984
Alcohol and Drug Programs	20,830	35,000	35,000	14,170
Other Local Health Services	3,609	3,610	3,610	1
Appropriation to State	74,583	74,583	74,583	0
General Welfare Assistance	0	1,500	1,500	1,500

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)		
		Original	Final			
Expenditures (Cont.)						
Social, Cultural, and Recreational Services						
Senior Citizens Assistance	\$ 32,000	\$ 32,000	\$ 32,000	0		
Libraries	464,091	464,091	464,091	0		
Parks and Fair Boards	0	1,800	1,800	1,800		
Other Social, Cultural, and Recreational	0	2,000	2,000	2,000		
Agriculture and Natural Resources						
Agricultural Extension Service	146,151	163,373	163,373	17,222		
Soil Conservation	37,876	38,000	38,000	124		
Flood Control	26,460	26,460	26,460	0		
Other Operations						
Tourism	245,000	245,000	245,000	0		
Industrial Development	33,731	59,000	59,000	25,269		
Airport	20,000	20,000	20,000	0		
Veterans' Services	24,944	25,000	25,000	56		
Other Charges	776,539	6,601,742	6,029,242	5,252,703		
Contributions to Other Agencies	95,320	2,500	125,000	29,680		
Employee Benefits	1,547,133	1,567,791	1,567,791	20,658		
Miscellaneous	86,752	105,000	105,000	18,248		
Capital Projects						
Other General Government Projects	574,579	1,492,095	1,492,095	917,516		
Total Expenditures	\$ 15,816,270	\$ 24,001,698	\$ 23,940,138	\$ 8,123,868		
Excess (Deficiency) of Revenues						
Over Expenditures	\$ (743,835)	\$ (3,611,443)	\$ (3,546,883)	\$ 2,803,048		
Other Financing Sources (Uses)						
Notes Issued	\$ 2,447,905	\$ 1,500,000	\$ 1,500,000	\$ 947,905		
Insurance Recovery	17,252	25,000	25,000	(7,748)		
Transfers In	0	400,000	400,000	(400,000)		
Other General Government Projects	0	0	(450,000)	450,000		
Transfers Out	0	(400,000)	(400,000)	400,000		
Total Other Financing Sources	\$ 2,465,157	\$ 1,525,000	\$ 1,075,000	\$ 1,390,157		
Net Change in Fund Balance	\$ 1,721,322	\$ (2,086,443)	\$ (2,471,883)	\$ 4,193,205		
Fund Balance, July 1, 2023	21,108,873	18,098,165	18,098,165	3,010,708		
Fund Balance, June 30, 2024	\$ 22,830,195	\$ 16,011,722	\$ 15,626,282	\$ 7,203,913		

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

Exhibit C-6

OBION COUNTY, TENNESSEE

**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

Highway/Public Works Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Add: 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Local Taxes	\$ 1,887,413	\$ 0	\$ 1,887,413	\$ 1,848,850	\$ 1,848,850	\$ 38,563
Charges for Current Services	171	0	171	350	350	(179)
Other Local Revenues	711,650	0	711,650	10,000	10,000	701,650
State of Tennessee	3,429,857	0	3,429,857	4,782,600	4,782,600	(1,352,743)
Total Revenues	\$ 6,029,091	\$ 0	\$ 6,029,091	\$ 6,641,800	\$ 6,641,800	\$ (612,709)
Expenditures						
Highways						
Administration	\$ 258,602	\$ 0	\$ 258,602	\$ 266,417	\$ 274,267	\$ 15,665
Highway and Bridge Maintenance	2,123,107	0	2,123,107	4,660,000	4,658,850	2,535,743
Operation and Maintenance of Equipment	514,271	0	514,271	689,850	689,850	175,579
Asphalt Plant Operations	94,772	0	94,772	551,000	551,000	456,228
Other Charges	248,148	0	248,148	264,500	264,500	16,352
Employee Benefits	390,707	0	390,707	431,500	431,500	40,793
Capital Outlay	1,583,647	343,512	1,927,159	3,695,000	3,688,300	1,761,141
Total Expenditures	\$ 5,213,254	\$ 343,512	\$ 5,556,766	\$ 10,558,267	\$ 10,558,267	\$ 5,001,501
Excess (Deficiency) of Revenues Over Expenditures	\$ 815,837	\$ (343,512)	\$ 472,325	\$ (3,916,467)	\$ (3,916,467)	\$ 4,388,792
Other Financing Sources (Uses)						
Insurance Recovery	\$ 434	\$ 0	\$ 434	\$ 0	\$ 0	\$ 434
Total Other Financing Sources	\$ 434	\$ 0	\$ 434	\$ 0	\$ 0	\$ 434
Net Change in Fund Balance	\$ 816,271	\$ (343,512)	\$ 472,759	\$ (3,916,467)	\$ (3,916,467)	\$ 4,389,226
Fund Balance, July 1, 2023	7,097,027	0	7,097,027	4,588,585	4,588,585	2,508,442
Fund Balance, June 30, 2024	\$ 7,913,298	\$ (343,512)	\$ 7,569,786	\$ 672,118	\$ 672,118	\$ 6,897,668

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

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

	Business-type Activities
	Major Enterprise Fund
	Nursing Home
ASSETS	
Current Assets:	
Cash	\$ 344,261
Inventories	39,916
Accounts Receivable	816,028
Prepaid Items	8,283
Total Current Assets	<u>\$ 1,208,488</u>
Noncurrent Assets:	
Capital Assets:	
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	\$ 239,416
Other Capital Assets	116,247
Net Pension Asset	128,418
Total Noncurrent Assets	<u>\$ 484,081</u>
Total Assets	<u>\$ 1,692,569</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Changes in Experience	\$ 136,645
Pension Changes in Investment Earnings	43,411
Pension Changes in Assumptions	94,278
Pension Changes in Proportion	13,832
Pension Contributions After Measurement Date	120,704
OPEB Changes in Experience	6,726
OPEB Changes in Assumptions	22,132
OPEB Changes in Proportion	44,067
OPEB Contributions After Measurement Date	230
Total Deferred Outflows	<u>\$ 482,025</u>

(Continued)

OBION COUNTY, TENNESSEE
Statement of Net Position
 Proprietary Fund (Cont.)

Business-type Activities	
Major Enterprise Fund	
Nursing Home	

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 121,693
Accrued Leave	398,966
Accrued Payroll	81,973
Payroll Deductions Payable	23,376
Patients' Trust Fund	47,891
Long-term Liabilities:	
OPEB Liability	67,985
Total Liabilities	<u>\$ 741,884</u>

DEFERRED INFLOWS OF RESOURCES

Pension Changes in Experience	\$ 10,864
Pension Changes in Proportion	32,831
OPEB Changes in Experience	49,239
OPEB Changes in Assumptions	35,133
OPEB Changes in Proportions	2,332
Total Deferred Inflows	<u>\$ 130,399</u>

NET POSITION

Investment in Capital Assets	\$ 355,663
Restricted for Pensions	128,418
Unrestricted	<u>818,230</u>
Total Net Position	<u>\$ 1,302,311</u>

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

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

	Business-type Activities
	Major Enterprise Fund
	Nursing Home
Operating Revenues	
Medicaid patients	\$ 3,249,389
Medicare patients	1,378,810
Managed care	157,607
Discounts and allowances	(809,420)
Private patients	890,680
Hospice	160,788
Other revenue	1,296
Total Operating Revenues	<u><u>\$ 5,029,150</u></u>
Operating Expenses	
General and Administrative Expenses:	
Salary - administrator	\$ 106,689
Salaries - administrative	123,574
Freight and postage	776
Office supplies and expense	10,377
Travel	287
Advisory board fees and expense	6,025
Employee insurance	333,779
Employee pension expense	(381)
Employee OPEB expense	13,497
Equipment Rental	2,191
Workers compensation insurance	16,401
Employee activities and awards	1,556
Property Insurance	0
Liability insurance	88,697
IT Services	59,390
Payroll Fees	34,936
Taxes and licenses	305,172
Dues and subscriptions	19,310
Legal and audit fees	25,402
Advertising and promotion	4,467
Telephone	618
Miscellaneous	391,789
Total General and Administrative Expenses	<u><u>\$ 1,544,552</u></u>

(Continued)

OBION COUNTY, TENNESSEE
Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Fund (Cont.)

	Business-type Activities
	Major Enterprise Fund
	Nursing Home
Operating Expenses (Cont.)	
Medical and Nursing:	
Salaries	\$ 1,928,655
Minor equipment	779
Training and seminars	1,442
Training supplies	1,119
Medical supplies	94,123
Medical waste	2,115
Contract services	147
Prescription drugs	34,994
Pharmacy consultant	896
Lab fees	6,720
X-ray	4,692
COVID related expenses	50
Equipment repairs and maintenance	1,314
Total Medical and Nursing Expenses	<u>\$ 2,077,046</u>
Life Enrichment:	
Salaries	\$ 49,607
Special events	6,017
Minor equipment	375
IT services	7,519
Supplies	8,950
Total Life Enrichment	<u>\$ 72,468</u>
Chaplain:	
Salaries	\$ 20,410
Total Chaplain	<u>\$ 20,410</u>
Social Services:	
Salaries	\$ 98,868
Supplies	61
Resident Expense	2,145
Pharmacy consultant	448
Dietary consultant	0
Therapy	503,738
Special consultant	27,074
Total Social Services	<u>\$ 632,334</u>

(Continued)

OBION COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes in Net Position**
Proprietary Fund (Cont.)

	Business-type Activities
	Major Enterprise Fund
	Nursing Home
Operating Expenses (Cont.)	
Dietary:	
Salaries	\$ 310,020
Training and Travel	25
Raw food	203,590
Supplies	16,684
Consultant	2,880
Total Dietary Expenses	<u>\$ 533,199</u>
Housekeeping:	
Salaries	\$ 224,783
Supplies	<u>19,199</u>
Total Housekeeping Expenses	<u>\$ 243,982</u>
Maintenance:	
Salaries	\$ 57,167
Repair and maintenance	29,432
Minor equipment	1,920
Equipment rental	943
Supplies	9,063
Depreciation	61,589
Pest control	8,579
Fuel and repairs	1,159
Ground Maintenance	6,568
License and fees	440
Security/fire	6,004
Electricity	34,858
Utilities	42,394
Total Maintenance Expenses	<u>\$ 260,116</u>
Total Operating Expenses	<u>\$ 5,384,107</u>
Operating Income (Loss)	<u>\$ (354,957)</u>
Nonoperating Revenues	
Loss on disposal of capital assets	\$ (19,900)
Investment income	<u>3,507</u>
Total Nonoperating Revenues	<u>\$ (16,393)</u>
Change in Net Position	\$ (371,350)
Net Position, July 1, 2023	<u>1,673,661</u>
Net Position, June 30, 2024	<u>\$ 1,302,311</u>

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

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

	Business-type Activities
	Major Enterprise Fund
	Nursing Home
Cash Flows from Operating Activities	
Cash Received from Patients	\$ 5,284,718
Cash Paid to Suppliers	(2,373,250)
Cash Paid to Employees	(2,903,968)
Other Operating Revenue	13,331
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 20,831</u></u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	\$ (22,802)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u><u>\$ (22,802)</u></u>
Cash Flows from Investing Activities	
Interest on Investments	\$ 3,507
Net Cash Provided By (Used In) Investing Activities	<u><u>\$ 3,507</u></u>
Increase (Decrease) in Cash	\$ 1,536
Cash, July 1, 2023	<u><u>342,725</u></u>
Cash, June 30, 2024	<u><u>\$ 344,261</u></u>
Reconciliation of Operating Income to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	\$ (354,957)
Adjustments to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	61,589
Deferred Outflows	(105,818)
Deferred Inflows	29,633
Changes in Assets and Liabilities:	
(Increase) Decrease in Inventories	(6,412)
(Increase) Decrease in Accounts Receivable	256,864
(Increase) Decrease in Prepaid Items	(8,283)
(Increase) Decrease in Net Pension Asset	57,381
Increase (Decrease) in Accounts Payable	29,876
Increase (Decrease) in Accrued Payroll	33,995
Increase (Decrease) in Payroll Deductions Payable	233
Increase (Decrease) in Net OPEB Liability	31,919
Increase (Decrease) in Patients' Trust Fund	<u><u>(5,189)</u></u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 20,831</u></u>

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

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

	Other Trust Fund	Indigent Care Trust	Custodial Funds
ASSETS			
Cash	\$ 4,762,675	\$ 3,820,034	
Equity in Pooled Cash and Investments	0	101,603	
Accounts Receivable	0	21,140	
Due from Other Governments	0	1,501,192	
Taxes Receivable	0	2,005,433	
Allowance for Uncollectible Taxes	0	(29,356)	
Notes Receivable - Long-term	0	198,368	
 Total Assets	 \$ 4,762,675	 \$ 7,618,414	
LIABILITIES			
Due to Other Taxing Units	\$ 0	\$ 1,595,367	
 Total Liabilities	 \$ 0	 \$ 1,595,367	
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 0	\$ 1,922,873	
 Total Deferred Outflows of Resources	 \$ 0	 \$ 1,922,873	
NET POSITION			
Restricted for:			
Held in Trust for Indigent Patients' Medical Claims	\$ 4,762,675	\$ 0	
Individuals, Organizations and Other Governments	0	4,100,174	
 Total Net Position	 \$ 4,762,675	 \$ 4,100,174	

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

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

	Other Trust Fund	Indigent Care Trust	Custodial Funds
ADDITIONS			
Contributions:			
Gifts and Bequests	\$ 299,139	\$ 0	0
Total Contributions	<u>\$ 299,139</u>	<u>\$ 0</u>	<u>0</u>
DEDUCTIONS			
Fiscal Agent Charges	\$ 8,191	\$ 0	0
Medical Claims	54,042	0	0
Payment of Sales Tax Collections to Other Governments	0	6,377,755	6,377,755
Payment of Property Tax Collections to Other Governments	0	49,977	49,977
Payments to City School Systems	0	5,228,004	5,228,004
Payments to State	0	14,522,849	14,522,849
Payments to Cities, Individuals, and Others	0	62,076	62,076
Payment of Drug Task Force Expenses	0	101,893	101,893
Total Deductions	<u>\$ 62,233</u>	<u>\$ 25,562,757</u>	<u>0</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 444,439	\$ 677,904	677,904
Net Position, July 1, 2023	<u>4,318,236</u>	<u>3,422,270</u>	<u>0</u>
Net Position, June 30, 2024	<u>\$ 4,762,675</u>	<u>\$ 4,100,174</u>	<u>0</u>

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

OBION COUNTY, TENNESSEE INDEX OF NOTES TO THE FINANCIAL STATEMENTS

Note	Page(s)
I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
A. Reporting Entity	37
B. Government-wide and Fund Financial Statements	38
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	38
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	40
2. Receivables and Payables	41
3. Restricted Assets	42
4. Capital Assets	42
5. Deferred Outflows/Inflows of Resources	43
6. Compensated Absences	43
7. Long-term Debt and Long-term Obligations	43
8. Net Position and Fund Balance	44
9. Stabilization Arrangement	45
E. Pension Plans	45
F. Other Postemployment Benefit (OPEB) Plans	46
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	46
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	46
III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	
A. Budgetary Information	47
B. Fund Deficit	47
IV. DETAILED NOTES ON ALL FUNDS	
A. Deposits and Investments	47
B. Notes Receivable	50
C. Capital Assets	51
D. Construction Commitments	53
E. Interfund Receivables, Payables, and Transfers	53
F. Long-term Debt	54
G. Long-term Obligations	56
H. Internal Financing	57
I. On-Behalf Payments	57
J. Short-term Debt	58
V. OTHER INFORMATION	
A. Risk Management	58
B. Accounting Change	58
C. Contingent Liabilities	59
D. Joint Ventures	59
E. Jointly Governed Organization	60
F. Retirement Commitments	
1. Tennessee Consolidated Retirement System (TCRS)	60
2. Deferred Compensation	74
G. Other Postemployment Benefits (OPEB)	74
H. Purchasing Laws	82
VI. OTHER NOTES - OBION COUNTY NURSING HOME (ENTERPRISE FUND)	83

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Obion 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 Obion County:

A. *Reporting Entity*

Obion County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Obion County (the primary government) and its component units. The financial statements of the Obion County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the 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 Obion County School Department operates the public school system in the county, and the voters of Obion 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 Obion County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Obion County, and the Obion 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 Obion County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Obion County Emergency Communications District
P.O. Box 866
Union City, TN 38281

B. Government-wide and Fund Financial Statements

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

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

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

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

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

Fund financial statements of Obion County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Obion County only reports one proprietary fund, an enterprise fund.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Obion County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

The proprietary fund and 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 an indigent care trust fund and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Obion County reports the following major governmental funds:

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

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

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

Obion County reports the following major proprietary fund:

Nursing Home Fund – This fund accounts for the operations of the Obion County Nursing Home as an enterprise fund.

Additionally, Obion County reports the following fund types:

Other Trust Fund – The Indigent Care Trust Fund is used to account for a portion of the proceeds (corpus) received by the county from the sale of the county's hospital. The income derived from the corpus is to be expended for medical claims of indigent patients of Obion County.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Obion County, property tax collections to be forwarded to the town of Woodland Mills, assets held in a custodial capacity for a special school district, the city school system's share of educational revenues, and state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force.

The discretely presented Obion 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. To be consistent with the prior year's reporting, the FY 23 balances for the Internal School Fund are presented in this report. Using the prior year balances will not 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 (excluding the Nursing Home Fund) and the discretely presented Obion 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. Obion 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. Obion County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Advances between funds, as reported in the General Fund financial statements, are offset by a nonspendable fund balance classification account to indicate that they are not available for appropriation and are not expendable from available financial resources.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to .71 percent of the total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount

of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

3. Restricted Assets

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government (except for the Nursing Home Fund) as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	25
Other Capital Assets	5 - 15
Infrastructure:	
Roads	5 - 10
Bridges	15 - 30
Runways	25

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, pension changes in investment earnings, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date.

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

6. Compensated Absences

It is the policy of the Obion County general government to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from service. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. All vacation pay is accrued when incurred in the government-wide statements for the county. A liability for vacation benefits is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

It is the policy of the discretely presented Obion County School Department to permit the unlimited accumulation of unused sick leave for professional personnel (teachers). There is no liability for unpaid accumulated sick leave since the school department does not have a policy to pay any amounts when employees separate from service with the department. Central office, bus garage, and maintenance employees are allowed to accumulate a limited amount of earned but unused vacation benefits, which will be paid to these employees upon separation of service. All vacation pay is accrued when incurred in the government-wide statements for the school department. A liability for vacation pay is reported in the governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. Long-term Debt and Long-term Obligations

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

manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

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

As of June 30, 2024, Obion County had \$3,490,749 in outstanding debt for capital purposes for the discretely presented Obion County School Department. The debt is a liability of Obion County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Obion County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

9. Stabilization Arrangement

Obion County sold its hospital in 1982. The county commission adopted a resolution to retain the principal intact and appropriate the interest income earned on the investment of these funds annually through the budgetary process. The principal balance in this stabilization arrangement totaled \$12,000,000 on June 30, 2024. As discussed in Notes IV.E. and IV.H., \$4,783,000 of this amount has been loaned for various purposes and is presented in the General Fund as advances to other funds, which is offset with nonspendable fund balance. The remainder is included in the General Fund's unassigned fund balance account since this arrangement does not meet the criteria for restricted or committed fund balance as defined by GASB Statement No. 54.

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 Obion County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Obion 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 Obion County School Department

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee

Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Obion 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 Obion County School System. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school departments 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 Obion County School Department

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

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

Primary Government

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

Discretely Presented Obion County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. *Budgetary Information*

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

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

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

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

On June 30, 2024, the Obion County and the Obion County School Department reported the following outstanding encumbrances:

Fund	Amount
Primary Government:	
Major Fund:	
Highway/Public Works	\$ 343,512
School Department:	
Major Fund:	
General Purpose School	349,718

B. *Fund Deficit*

The General Debt Service Fund had a deficit in unrestricted net position of \$1,829,565 on June 30, 2024. This deficit resulted from an advance payable to the General Fund in the amount of \$4,378,000. For more information, see Notes IV.E. and IV.H.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

Obion County (excluding the Obion County Nursing Home) and the Obion County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing,

and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Cash and investments reflected on the balance sheets or statements of net position represent 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 money 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.

Investment Balances. As of June 30, 2024, Obion County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Obion County and the discretely presented Obion County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturities (days)	Amortized Cost
State Treasurer's Investment Pool	1 to 48 days	\$ 7,227,130

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Obion County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Obion County has no investment policy that would further limit its investment choices. As of June 30, 2024, Obion County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfar.html>.

TCRS Stabilization Trust

Legal Provisions. The Obion 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 Obion County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2024, the Obion 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	\$ 128,725
Developed Market International Equity	N/A	N/A	58,133
Emerging Market International Equity	N/A	N/A	16,609
U.S. Fixed Income	N/A	N/A	83,047
Real Estate	N/A	N/A	41,524
Short-term Securities	N/A	N/A	4,152
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>83,047</u>
Total			<u>\$ 415,237</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. Notes Receivable

Constitutional Officers – Custodial Fund

Notes receivable in the Constitutional Officers - Custodial Fund (fiduciary fund) consist of scholarship loans of \$198,368 in the Office of Clerk and Master.

C. 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	\$ 3,950,970	\$ 0	\$ 0	\$ 3,950,970
Construction in Progress	0	31,637	0	31,637
Total Capital Assets Not Depreciated	\$ 3,950,970	\$ 31,637	\$ 0	\$ 3,982,607
Capital Assets Depreciated:				
Buildings and Improvements	\$ 14,732,764	\$ 668,948	\$ 0	\$ 15,401,712
Infrastructure	41,106,058	889,997	0	41,996,055
Other Capital Assets	12,746,395	1,427,003	(1,339,147)	12,834,251
Total Capital Assets Depreciated	\$ 68,585,217	\$ 2,985,948	\$ (1,339,147)	\$ 70,232,018
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 11,552,883	\$ 381,539	\$ 0	\$ 11,934,422
Infrastructure	29,447,686	714,946	0	30,162,632
Other Capital Assets	10,407,461	815,899	(1,339,147)	9,884,213
Total Accumulated Depreciation	\$ 51,408,030	\$ 1,912,384	\$ (1,339,147)	\$ 51,981,267
Total Capital Assets Depreciated, Net	\$ 17,177,187	\$ 1,073,564	\$ 0	\$ 18,250,751
Governmental Activities				
Capital Assets, Net	\$ 21,128,157	\$ 1,105,201	\$ 0	\$ 22,233,358

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

Governmental Activities:

General Government	\$ 88,658
Administration of Justice	2,521
Public Safety	464,465
Public Health and Welfare	67,231
Social, Cultural, and Recreational Services	119,205
Other Operations - Airport	332,877
Highway/Public Works	<u>837,427</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,912,384</u>

Discretely Presented Obion County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 696,031	\$ 250,000	\$ 0	\$ 946,031
Construction in Progress	0	1,042,733	0	1,042,733
Total Capital Assets Not Depreciated	<u>\$ 696,031</u>	<u>\$ 1,292,733</u>	<u>\$ 0</u>	<u>\$ 1,988,764</u>
 Capital Assets Depreciated:				
Buildings and Improvements	\$ 62,781,603	\$ 191,133	\$ 0	\$ 62,972,736
Infrastructure	4,374,189	0	0	4,374,189
Other Capital Assets	6,762,087	2,545,533	(307,193)	9,000,427
Total Capital Assets Depreciated	<u>\$ 73,917,879</u>	<u>\$ 2,736,666</u>	<u>\$ (307,193)</u>	<u>\$ 76,347,352</u>
 Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 50,193,910	\$ 1,427,719	\$ 0	\$ 51,621,629
Infrastructure	1,251,575	248,241	0	1,499,816
Other Capital Assets	4,423,200	591,448	(307,193)	4,707,455
Total Accumulated Depreciation	<u>\$ 55,868,685</u>	<u>\$ 2,267,408</u>	<u>\$ (307,193)</u>	<u>\$ 57,828,900</u>
 Total Capital Assets Depreciated, Net	<u>\$ 18,049,194</u>	<u>\$ 469,258</u>	<u>\$ 0</u>	<u>\$ 18,518,452</u>
 Governmental Activities				
Capital Assets, Net	<u>\$ 18,745,225</u>	<u>\$ 1,761,991</u>	<u>\$ 0</u>	<u>\$ 20,507,216</u>

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

Governmental Activities:

Instruction	\$ 1,465,932
Support Services	723,355
Operation of Non-instructional Services	<u>78,121</u>
 Total Depreciation Expense -	
Governmental Activities	<u>\$ 2,267,408</u>

D. Construction Commitments

On June 30, 2024, the highway department had uncompleted construction contracts of approximately \$343,512 for bridge construction. Funding has been received for these future expenditures.

E. 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	\$ 7,358
Nonmajor governmental	General	3,492
Discretely Presented Obion County School Department:		
General Purpose School	School Federal Projects	117,174
"	Nonmajor governmental	8,442
School Federal Projects	General Purpose School	89,817

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

Advances to/from Funds

Receivable Fund	Payable Fund	Amount
General	General Debt Service	\$ 4,378,000
"	Nonmajor Governmental	405,000

The balance of \$4,378,000 due to the General Fund from the General Debt Service Fund resulted from advances to the General Debt Service Fund to retire Rural School Refunding Bonds, Series 2007 and to finance a hot mix plant. The details of these advances are further discussed in Note IV.H.

The balance of \$405,000 due to the General Fund from the Solid Waste/Sanitation Fund resulted from advances to the Solid Waste/Sanitation Fund for a building addition to the current Solid Waste building. The details of these advances are further discussed in Note IV.H.

F. Long-term Debt

Primary Government

Notes and Other Loans

Direct Borrowing and Direct Placements - Obion County issues other loans to provide funds for the acquisition and construction of major capital facilities for the discretely presented school department. Other loans are direct obligations and pledge the full faith and credit of the government. The other loan outstanding was issued for original terms of 18 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The other loan included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

The other loan outstanding as of June 30, 2024, for governmental activities is as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
Direct Borrowing and Direct Placement:				
Other Loan - Fixed rate	0.5%	3-31-39	\$ 3,752,585	\$ 3,490,749

During the 2020–2021-year, Obion County entered into an agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. Under this agreement, the program made \$3,752,585 available for loan to Obion County to fund a project to increase energy efficiency in the Obion County school system. As of June 30, 2024, Obion County had drawn all of the available \$3,752,585 loan. The loan bears interest at .5 percent.

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

Year Ending June 30	Other Loan - Direct Placement		
	Principal	Interest	Total
2025	\$ 228,624	\$ 16,824	\$ 245,448
2026	229,764	15,684	245,448
2027	230,916	14,532	245,448
2028	232,080	13,368	245,448
2029	233,232	12,216	245,448
2030-2034	1,183,836	43,404	1,227,240
2035-2039	1,152,297	13,500	1,165,797
Total	\$ 3,490,749	\$ 129,528	\$ 3,620,277

Total debt per capita, including the other loan, totaled \$113, based on the 2020 federal census.

The school department is currently contributing funds to service the other loan issued on its behalf

by the primary government as noted in the table below.

School Department:

Description of Debt	Outstanding 6-30-24
<u>Other Loans - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient School Loan	\$ <u>3,490,749</u>

Changes in Long-term Debt

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

Governmental Activities:	Notes - Direct Placement	Other Loan - Direct Placement
Balance, July 1, 2023	\$ 0	\$ 3,695,891
Additions	2,447,905	0
Reductions	<u>(2,447,905)</u>	<u>(205,142)</u>
Balance, June 30, 2024	\$ 0	\$ 3,490,749
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 228,624</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 3,490,749
Less: Balance Due Within One Year - Debt	<u>(228,624)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Debt - Exhibit A	\$ <u>3,262,125</u>

G. 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	Other Post- employment Benefits
Balance, July 1, 2023	\$ 368,125	\$ 120,741
Additions	354,837	56,615
Reductions	(362,470)	(35,477)
Balance, June 30, 2024	<u>\$ 360,492</u>	<u>\$ 141,879</u>
Balance Due Within One Year	<u>\$ 18,024</u>	<u>0</u>

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

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 502,371
Less: Balance Due Within One Year - Other	<u>(18,024)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 484,347</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Discretely Presented Obion County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2023	\$ 65,571	\$ 3,141,385
Additions	57,737	507,293
Reductions	(51,695)	(291,997)
Balance, June 30, 2024	<u>\$ 71,613</u>	<u>\$ 3,356,681</u>
Balance Due Within One Year	<u>\$ 3,581</u>	<u>\$ 265,147</u>

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

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 3,428,294
Less: Balance Due Within One Year - Other	<u>(268,728)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ <u>3,159,566</u>
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Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School Fund.

H. *Internal Financing*

In-lieu-of issuing debt with financial institutions, Obion County chose to internally finance a debt refunding with idle county funds. On October 18, 2017, the county commission authorized the General Fund to advance \$5,960,000 to the General Debt Service Fund to refund an existing rural school bond issue. The General Debt Service Fund will repay the General Fund over a 14-year period at an interest rate of 3.35 percent.

Additionally, in-lieu-of issuing debt with financial institutions, Obion County chose to internally finance a hot mix plant. On September 20, 2021, the county commission authorized the General Fund to advance \$2,000,000 to the General Debt Service Fund for the hot mix plant. The General Debt Service Fund will repay the General Fund over a 10-year period at an interest rate of 3.35 percent.

Additionally, in-lieu-of issuing debt with financial institutions, Obion County chose to internally finance a building addition to the current Solid Waste building. On August 21, 2023, the county commission authorized the General Fund to advance \$450,000 to the Solid Waste/Sanitation Fund for the building addition. The Solid Waste/Sanitation Fund will repay the General Fund over a 10-year period at an interest rate of six percent.

The annual requirements to amortize the advances as of June 30, 2024, including interest payments are presented in the following table:

Year Ending June 30	Advance		
	Principal	Interest	Total
2025	\$ 671,000	\$ 286,980	\$ 957,980
2026	671,000	246,720	917,720
2027	671,000	206,460	877,460
2028	670,000	166,200	836,200
2029	670,000	126,000	796,000
2030-2031	<u>1,430,000</u>	<u>139,500</u>	<u>1,569,500</u>
Total	\$ 4,783,000	\$ 1,171,860	\$ 5,954,860

I. *On-Behalf Payments - Discretely Presented Obion County School Department*

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Obion County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan

for the year ended June 30, 2024, were \$64,135. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

J. Short-term Debt

During the year, the school department borrowed \$400,000 from the General Fund to provide temporary operating funds for the School Federal Projects Fund. This loan was retired prior to June 30, 2024, as required by state statutes. Short-term debt activity for the year ended June 30, 2024, was as follows:

	Balance 7-1-23	Issued	Paid	Balance 6-30-24
Revenue Anticipation Notes	\$ 0	\$ 400,000	\$ (400,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Obion County and the discretely presented Obion County School Department are exposed to various risks related to general liability, property, casualty, workers' compensation, health, and accident. Obion County decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. Obion County and the school department joined 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. Obion County and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of TN-RMT provides for it to be self-sustaining through member premiums.

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

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

B. Accounting Change

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

within the reporting entity.

C. Contingent Liabilities

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

The county and school department are involved in several pending lawsuits. Management estimates that any potential claims not covered by insurance resulting from such litigation should not materially affect the financial statements.

D. Joint Ventures

The Twenty-seventh Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-seventh Judicial District, Obion and Weakley counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within the judicial district. Obion 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.

Obion County is a participant with Dyer and Lake counties in a multi-county entity known as the Northwest Tennessee Regional Port Authority. This entity was created to operate and maintain a port to be located in Lake County on the Mississippi River. A board is appointed by the participating counties with the mayors of each county serving as ex-officio members. The board comprises eight members, four of whom are appointed by the Lake County Commission, two by the Obion County Commission, and two by the Dyer County Commission. Obion County has control over budgeting and financing the joint venture only to the extent of representation by the two board members appointed. Their administrative office can be contacted at P.O. Box 267, Dyersburg, TN 38025.

Pursuant to a formal agreement between Obion and Weakley counties, a joint venture for the creation and operation of the Everett-Obion Regional Airport was established December 1, 2006. The agreement between Obion and Weakley counties states that the land and other capital assets, including improvements, will be owned by Obion County; however, the funding of airport operations will be jointly funded and managed by both counties. Obion County appropriated \$20,000 to the Everett-Obion Regional Airport during the year.

The Obion County Public Library is jointly owned by Obion County and Union City and is operated by an appointed board. The board comprises seven members, four of whom are appointed by the Obion County Commission. The remaining three members are appointed by Union City. Obion County has control over budgeting and financing the joint venture only to the extent of representation by the four board members appointed. Obion County contributed \$464,091 to the operations of the library during the year ended June 30, 2024.

Complete financial statements for the Twenty-seventh Judicial District Drug Task Force, Everett-Obion Regional Airport, and the Obion County Public Library can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Twenty-seventh Judicial District
P.O. Box 746
Union City, TN 38281

Everett-Obion Regional Airport
1489 Airport Circle
Union City, TN 38261

Obion County Public Library
1221 E. Reelfoot Ave.
Union City, TN 38261

E. Jointly Governed Organization

The West Tennessee Railroad Authority (WTRA) was created by Gibson County in conjunction with the counties of Chester, Madison, McNairy, Obion, and Weakley. The WTRA's board includes the county mayors of Chester, Gibson, Madison, McNairy, Obion, and Weakley counties, and one at-large member from each of these areas. However, the counties do not have any ongoing financial interest or responsibility for the entity.

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Obion County, the Obion County Nursing Home (Enterprise Fund), and non-certified employees of the discretely presented Obion County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 50.95 percent, employees of the Obion County Nursing Home comprised 14.16 percent, and the non-certified employees of the discretely presented school department comprised 34.89 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.

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	290
Inactive Employees Entitled to But Not Yet Receiving Benefits	422
Active Employees	403
 Total	 <u>1,115</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. Obion 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 Obion County was \$956,255 based on a rate of 5.76 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Obion 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)

Obion 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

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

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

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

Asset Class	Long-term Expected Real Rate of Return	Percentage 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 Obion 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	\$ 38,122,380	\$ 39,618,353	\$ (1,495,973)
Changes for the Year:			
Service Cost	\$ 1,093,275	\$ 0	\$ 1,093,275
Interest	2,573,819	0	2,573,819
Differences Between Expected and Actual Experience	1,125,832	0	1,125,832
Contributions-Employer	0	856,336	(856,336)
Contributions-Employees	0	747,395	(747,395)
Net Investment Income	0	2,642,622	(2,642,622)
Benefit Payments, Including Refunds of Employee Contributions	(2,170,016)	(2,170,016)	0
Administrative Expense	0	(42,772)	42,772
Net Changes	\$ 2,622,910	\$ 2,033,565	\$ 589,345
Balance, June 30, 2023	\$ 40,745,290	\$ 41,651,918	\$ (906,628)

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

		Plan	Net
	Total Pension Liability	Fiduciary Net Position	Pension Liability (Asset)
Primary Government	50.95%	\$ 20,759,725	\$ 21,221,613 \$ (461,888)
Nursing Home	14.16%	5,769,533	5,897,951 (128,418)
School Department	34.89%	14,216,032	14,532,354 (316,322)
Total		\$ 40,745,290	\$ 41,651,918 \$ (906,628)

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

	1%	Current	1%
	Decrease	Discount	Increase
Obion County	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 3,958,430	\$ (906,628)	\$ (4,988,952)

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, Obion County recognized pension expense (negative pension expense) of \$1,026,282.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Obion 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	\$ 964,719	\$ 76,701
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	306,479	0
Changes in Assumptions	665,603	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	956,255	N/A
 Total	 \$ 2,893,056	 \$ 76,701

(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	\$ 1,480,115	\$ 39,076
Nursing Home (Enterprise Fund)	395,038	10,864
School Department	<u>1,017,903</u>	<u>26,761</u>
Total	<u><u>\$ 2,893,056</u></u>	<u><u>\$ 76,701</u></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	\$ 717,074
2026	(20,704)
2027	1,161,515
2028	2,215
2029	0
Thereafter	0

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

Discretely Presented Obion County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, Employees of Obion County, the Obion County Nursing Home (Enterprise Fund), and non-certified employees of the discretely presented Obion County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 50.95 percent, employees of the Obion County Nursing Home comprised 14.16 percent, and the non-certified employees of the discretely presented school department comprised 34.89 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Obion 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 \$185,384, which is 2.95 percent of covered payroll. In addition, employer contributions of \$58,852, 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 (\$114,245) 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 .269425 percent. The proportion as of June 30, 2022, was .267093 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense of \$141,820.

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	\$ 3,848	\$ 66,682
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	29,046	0
Changes in Assumptions	85,952	0
Changes in Proportion of Net Pension Liability (Asset)	2,672	34,634
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	185,384	N/A
 Total	 \$ 306,902	 \$ 101,316

The school department's employer contributions of \$185,384, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending <u>June 30</u>	<u>Amount</u>
2025	\$ (3,300)
2026	(7,527)
2027	37,281
2028	(709)
2029	(531)
Thereafter	(5,012)

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	Current Discount Rate	1% Decrease	1% Increase
	6.75%	5.75%	7.75%
Net Pension Liability (Asset)	\$ 525,523	\$ (114,245)	\$ (574,826)

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

General Information About the Pension Plan

Plan Description. Teachers of the Obion 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 Obion County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$769,077 which is 6.81 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). On June 30, 2024, the school department reported a liability (asset) of (\$4,092,261) 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 .347104 percent. The proportion measured on June 30, 2022, was .359093 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized (negative pension expense) of \$1,072,930.

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	\$ 974,985	\$ 189,908
Changes in Assumptions	1,333,371	0
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	710,028	0
Changes in Proportion of Net Pension Liability (Asset)	180,757	49,643
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	769,077	N/A
 Total	 \$ 3,968,218	 \$ 239,551

The school department's employer contributions of \$769,077 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	\$ 1,000,451
2026	(528,410)
2027	2,481,986
2028	5,563
2029	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 8,913,230	\$ (4,092,261)	\$ (14,909,163)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$400,483 and teachers made no contributions to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Retirees of Obion County and the Obion County Nursing Home are provided healthcare under a Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the Obion County School Department may then join the Tennessee Plan – Medicare (TNM) which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

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

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

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

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

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

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

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

Local Government OPEB Plan (Primary Government)

Plan Description. Employees of Obion County and the Obion County Nursing Home are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits Provided. Obion County and the Obion County Nursing Home offer the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment

benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Obion County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees Currently Receiving Benefit Payments	0
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	<u>184</u>
 Total	 <u>184</u>

An insurance committee, created in accordance with Section 8-27-701, TCA, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county and nursing home paid \$710 to the LGP for OPEB benefits as they came due.

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

	Total OPEB Liability
Balance July 1, 2022	<u>\$ 156,807</u>
Changes for the Year:	
Service Cost	\$ 22,191
Interest	6,319
Difference between	
Expected and Actuarial	
Experience	(29,696)
Changes in Assumption	
and Other Inputs	55,241
Benefit Payments	(998)
Net Changes	<u>\$ 53,057</u>
 Balance June 30, 2023	 <u>\$ 209,864</u>

Allocation of the Total OPEB Liability

		Total OPEB Liability
Primary Government	67.61%	\$ 141,879
Nursing Home	32.39%	<u>67,985</u>
Total		<u>\$ 209,864</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the county and nursing home recognized OPEB expense (negative OPEB expense) of (\$6,347). On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 20,765	\$ 152,000
Changes of Assumptions	68,319	108,453
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2023	<u>710</u>	0
Total	<u>\$ 89,794</u>	<u>\$ 260,453</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.

Allocation of Deferred Outflows or Resources and Deferred Inflows of Resources

	Deferred Outflows	Deferred Inflows
Primary Government	\$ 60,706	\$ 176,081
Nursing Home	<u>29,088</u>	84,372
Total	<u>\$ 89,794</u>	<u>\$ 260,453</u>

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	Total Amount
2025	\$ (34,857)
2026	(34,857)
2027	(36,961)
2028	(34,394)
2029	(23,604)
Thereafter	(6,696)

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

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

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	2.65%	3.65%	4.65%
Total OPEB Liability	\$ 227,293	\$ 209,864	\$ 193,656

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%
Total OPEB Liability	\$ 186,442	\$ 209,864	\$ 237,360

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

Plan Description. Employees of the Obion 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 Obion 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 Section 8-27-301, TCA, 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 Obion County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

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

Inactive Employees Currently Receiving Benefit Payments	16
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	1
Active Employees Eligible For Benefits	<u>293</u>
 Total	 <u>310</u>

A state insurance committee, created in accordance with Section 8-27-301, TCA, 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 \$108,641 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability			
	Obion County	State of	Total OPEB	
	School Department	TN	Liability	
	60.614%	39.386%		
Balance July 1, 2022	\$ 3,141,385	\$ 1,861,012	\$ 5,002,397	
Changes for the Year:				
Service Cost	\$ 144,687	\$ 94,014	\$ 238,701	
Interest	110,282	71,658	181,940	
Difference between				
Expected and				
Actuarial Experience	(58,612)	(38,085)	(96,697)	
Changes in Assumption	252,324	163,953	416,277	
Benefit Payments	(124,173)	(80,685)	(204,858)	
Changes in Proportion	(109,211)	109,211	0	
Net Changes	\$ 215,296	\$ 320,067	\$ 535,363	
Balance June 30, 2023	\$ 3,356,681	\$ 2,181,079	\$ 5,537,760	

The Obion 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 Obion County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$220,982 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Obion County School Department's proportionate share of the collective OPEB liability was 60.614 percent and the State of Tennessee's share was 39.386 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 \$486,129, 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	\$ 207,609	\$ 367,481
Changes of Assumptions	764,057	358,277
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	43,196	226,234
Benefits Paid After the Measurement Date of June 30, 2023	108,641	0
Total	\$ 1,123,503	\$ 951,992

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	\$ 10,178
2026	10,178
2027	10,178
2028	19,134
2029	26,358
Thereafter	(13,156)

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 3,610,600	\$ 3,356,681	\$ 3,113,779
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate

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

Proportionate Share of the Collective Total OPEB Liability	\$ 2,997,865	\$ 3,356,681	\$ 3,771,487
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H. Purchasing Laws

Office of County Mayor

Purchasing procedures for the Office of County Mayor are governed by the provisions of the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, Tennessee Code Annotated (TCA), which provide for all purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Highway Superintendent

Purchasing procedures for the highway department are governed by provisions of the Uniform Road Law, Section 54-7-113, TCA, which provides for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Obion County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, TCA, which provides for the 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 that competitive bids be solicited through newspaper advertisement on all purchases exceeding \$25,000.

VI. OTHER NOTES – OBION COUNTY NURSING HOME (ENTERPRISE FUND)

A. *Summary of Significant Accounting Policies*

1. **Reporting Entity**

The Obion County Nursing Home is an enterprise fund of Obion County, Tennessee.

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

The Obion County Nursing Home accounts for its financial position and results of operations in accordance with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Generally accepted accounting principles for proprietary fund types are those applicable to similar businesses in the private sector and are reported using the economic resources measurement focus, which reports all inflows, outflows, and balances affecting or reflecting an entity's net position. Proprietary fund types are accounted for on the accrual basis, whereby income is recognized as it is earned, and expenses are recognized as they are incurred, whether or not cash is received or paid out at that time.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the nursing home are charges for patient services. Operating expenses are those expenses that are essential to the primary operations of the fund and include depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The nursing home's board of directors approves a non-appropriatory budget annually as a management tool. Proprietary funds are not required to adopt annual budgets.

3. **Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position**

a. **Cash and Investments**

The nursing home's cash on hand and in bank is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of inception.

State statutes authorize the nursing home to invest in certificates of deposit; obligations of the U.S. Treasury, agencies, and instrumentalities; obligations by the U.S. government or its agencies; repurchase agreements as approved by the state Comptroller's Office; and the state's local government investment pool.

b. **Accounts Receivable**

An allowance for doubtful accounts has been recorded to properly reflect accounts receivable at its estimated realizable value. Accounts receivable in the Statement of Net Position is reported net of the balance in the allowance account as of June 30, 2024, which was \$527,000.

c. Inventory

On June 30, 2024, inventory was counted and valued at the lower of average cost or net realizable value.

d. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

e. Capital Assets

Capital assets are stated at cost, with the exception of the original building, which is recorded at estimated cost. The original building had an estimated cost of \$93,392, which was fully depreciated. The nursing home has defined capital assets as assets with an initial, individual cost of more than \$3,000. Depreciation of capital assets is computed using the straight-line method over the estimated useful lives of the assets, which range from five to 20 years.

f. Compensated Absences

Accumulated unpaid annual and sick leave are accrued at the end of each fiscal year. As of June 30, 2024, annual leave and sick leave totaled \$138,282 and \$260,684, respectively, for a total accrual of \$398,966. All accrued leave has been reported as a current liability in the Statement of Net Position.

g. 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 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) until then. The nursing home has items related to pensions and other postemployment benefits that qualify for reporting in this category as of June 30, 2024. See the related disclosures in Note VI.C. for the details concerning these balances.

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 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 then. The nursing home has items related to pensions and other postemployment benefits that qualify for reporting in this category. See the related disclosures in Note VI.C. for the items that comprise this financial statement element.

h. Pensions

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 Public Employee Pension Plan administered by the Tennessee Consolidated Retirement System (TCRS) and additions to/deductions from the plan's 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 Public Employee Pension Plan. Investments are reported at fair value.

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

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Local Government OPEB Plan administered by the Tennessee Department of Finance and Administration, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the state. For this purpose, benefits are recognized when due and payable in accordance with the benefit terms of the Local Government OPEB Plan.

j. **Net Position Flow Assumption**

Sometimes the nursing home will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the nursing home's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

B. Detailed Notes

1. Deposits and Investments

As of June 30, 2024, all deposits for the nursing home were in interest-bearing checking accounts. There were no investments held by the nursing home at year end.

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the nursing home's deposits may not be returned to it. The nursing home's policies limit deposits and investments to those instruments allowed by applicable state laws as described in Note VI.A.3.a. As of June 30, 2024, all bank deposits were fully insured and collateralized.

2. Capital Assets

Capital assets activity during the year was as follows:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Construction in Progress	\$ 19,900	\$ 0	\$ (19,900)	\$ 0
Total Capital Assets Not Depreciated	\$ 19,900	\$ 0	\$ (19,900)	\$ 0
Capital Assets Depreciated:				
Land Improvements	\$ 60,605	\$ 0	\$ 0	\$ 60,605
Buildings and Improvements	1,360,890	7,645	0	1,368,535
Furniture and Equipment	265,959	0	0	265,959
Departmental Equipment	286,937	15,157	0	302,094
Other Capital Assets	140,796	0	0	140,796
Total Capital Assets Depreciated	\$ 2,115,187	\$ 22,802	\$ 0	\$ 2,137,989
Less Accumulated Depreciation For:				
Land Improvements	\$ 24,299	\$ 2,393	\$ 0	\$ 26,692
Buildings and Improvements	1,131,872	31,160	0	1,163,032
Furniture and Equipment	215,414	8,422	0	223,836
Departmental Equipment	239,784	8,805	0	248,589
Other Capital Assets	109,368	10,809	0	120,177
Total Accumulated Depreciation	\$ 1,720,737	\$ 61,589	\$ 0	\$ 1,782,326
Total Capital Assets Depreciated, Net	\$ 394,450	\$ (38,787)	\$ 0	\$ 355,663
Capital Assets, Net	\$ 414,350	\$ (38,787)	\$ (19,900)	\$ 355,663

Depreciation expense was \$61,589 for the year ended June 30, 2024.

C. Other Information

1. Pension Plan

Plan Description. Employees of Obion County Nursing Home, an enterprise fund of Obion County, Tennessee, are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The nursing home employees comprised 14.16 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 at age 55 and vested. 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.

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. Obion 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, employer contributions for Obion County Nursing Home were \$120,704 based on a rate of 5.76 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Obion County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (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.

Information about Collective Net Pension Liability

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.

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

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

The actuarial assumptions used in the June 30, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June

30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the three 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 Obion County Nursing Home 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 Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the nursing home's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the nursing home's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

Obion County Nursing Home's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 560,686	\$ (128,418)	\$ (706,653)

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

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

Pension Liability (Asset). The nursing home's proportion of the net pension asset as of June 30, 2023, was based on the nursing home's proportion of contributions relative to all contributions made under Obion County's plan. At the June 30, 2023, measurement date, the nursing home's proportion was 14.16 percent. The proportion as of June 30, 2022, was 12.42 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the Obion County Nursing Home recognized pension expense (negative pension expense) of \$381.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the Obion County Nursing Home 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	\$ 136,645	\$ 10,864
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	43,411	0
Change in assumptions	94,278	0
Changes in Proportion of Net Pension Liability (Asset)	13,832	32,831
Contributions Subsequent to the Measurement Date of June 30, 2023	120,704	N/A
 Total	 \$ 408,870	 \$ 43,695

The amount shown above for contributions subsequent to the measurement date will be recognized as a reduction (increase) in net pension liability (asset) in the following measurement period. Other amounts reported as deferred outflows of resources, with the exception of contributions after the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense in the subsequent fiscal periods:

Year Ending June 30	Amount
2025	\$ 94,244
2026	(2,721)
2027	152,657
2028	291

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

2. *Other Postemployment Benefits*

Plan Description. Employees of Obion County Nursing Home are provided with pre-65 retiree health insurance benefits through Obion County's participation in the closed Local Government OPEB Plan (LGP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multiple employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). All eligible pre-65 retired employees and disability participants of local governments who choose coverage participate in the LGP.

The Tennessee Department of Finance and Administration issues a publicly available financial report that can be obtained by writing to Tennessee Department of Financial and Administration, 312 Rosa L. Parks Avenue, Nashville, Tennessee 37243, or it may be found at the Tennessee Department of Finance and Administration website at www.tn.gov.

Benefits Provided. Obion County Nursing Home offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Obion County Nursing Home does not directly subsidize their pre-65 retiree insurance premiums and, therefore, are only subject to the implicit subsidy. The LGP is funded on a pay-as-you-go basis, and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

An insurance committee created in accordance with Section 8-27-701, TCA, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, Obion County Nursing Home paid \$230 to the LGP for OPEB benefits as they came due.

Total OPEB Liability OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

On June 30, 2024, Obion County Nursing Home reported a liability of \$67,985 for its proportionate share of Obion County's total OPEB liability. The total OPEB liability was measured as of June 30, 2023, determined by an actuarial valuation as of that date. Obion County Nursing Home's proportion of the total OPEB liability was based on the number of employees in each entity compared to the total number of employees in Obion County's census data. On June 30, 2023, Obion County Nursing Home's proportion was 32.39 percent. Their proportion on June 30, 2022, was 23 percent.

For the year ended June 30, 2024, Obion County Nursing Home recognized OPEB expense of \$13,497.

On June 30, 2024, Obion County Nursing Home reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,726	\$ 49,239
Change in Assumptions	22,132	35,133
Changes in Proportion and Differences Between Actual Payments and Proportionate Share of Payments	44,067	2,332
Contributions Subsequent to the Measurement Date of June 30, 2023	<u>230</u>	0
 Total	 <u>\$ 73,155</u>	 <u>\$ 86,704</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	Amount
2025	\$ (2,794)
2026	(2,794)
2027	(2,963)
2028	(2,800)
2029	(1,892)
Thereafter	(536)

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

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 3.44% to 8.72% Based on Age, Including Inflation, Averaging 4%
Healthcare Cost Trend Rates	
Pre-65 rates in 2024	10.3%, decreasing annually over eleven years to an ultimate rate of 4.5%
Post-65 rates in 2024	12.4%, decreasing annually over eleven years to an ultimate rate of 4.5%
Retiree's Share of Benefit- Related Costs	Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation, a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2023, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to 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 General Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables for non-teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally from 2010 with MP-2020. Post-retirement tables for teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 19 to load for males and a 18% load for females, projected generationally from 2010 with MP-2020. 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-2020

Discount Rate. The discount rate used to measure the total OPEB liability was 3.65 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds prevailing on the measurement date with an average rating of AA/Aa, as shown on the Bond Buyer 20-year Municipal GO AA index.

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.

Sensitivity of Obion County Nursing Home's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate. The following presents Obion County Nursing Home's proportionate share of the total OPEB liability, as well as what the proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current discount rate:

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	2.65%	3.65%	4.65%
Proportionate Share of the Collective Total OPEB Liability	\$ 73,630	\$ 67,985	\$ 62,734

Sensitivity of Obion County Nursing Home's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents Obion County Nursing Home's proportionate share of the total OPEB liability, as well as what the proportionate share of the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Decrease	1%
	Rate	Increase	
	9.3 to 3.5%	10.3 to 4.5%	11.3 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	\$ 60,397	\$ 67,985	\$ 76,891

3. Risk Management

The nursing home purchases commercial insurance for general liability, property and automobile coverage, and fidelity position bonds. Employee health and accident insurance is purchased through the county's commercial insurance policy. Settled claims have not exceeded this commercial coverage in the past three fiscal years. The nursing home carries its workers' compensation coverage through the Tennessee Health Care Association (THCA), a self-insured trust fund established to be self-sustaining through member premiums. All members of the THCA must be approved for coverage and are jointly and severally liable for all claims of the association.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

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

Primary Government

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 740,405	\$ 767,064	\$ 754,101	\$ 838,246	\$ 825,229	\$ 851,092	\$ 849,431	\$ 851,018	\$ 963,904	\$ 1,093,275
Interest	1,814,383	1,882,009	1,966,027	2,066,532	2,153,153	2,225,250	2,290,541	2,379,296	2,460,933	2,573,819
Differences Between Actual and Expected Experience	(340,205)	(84,495)	99,255	(145,456)	(266,122)	(314,966)	49,865	(306,810)	240,689	1,125,832
Changes in Assumptions	0	0	0	1,052,859	0	0	0	2,662,409	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,296,482)	(1,382,645)	(1,480,106)	(1,646,830)	(1,661,686)	(1,825,684)	(1,892,618)	(2,041,801)	(2,075,018)	(2,170,016)
Net Change in Total Pension Liability	\$ 918,101	\$ 1,181,933	\$ 1,339,277	\$ 2,165,351	\$ 1,050,574	\$ 935,692	\$ 1,297,219	\$ 3,544,112	\$ 1,590,508	\$ 2,622,910
Total Pension Liability, Beginning	\$ 24,099,613	\$ 25,017,714	\$ 26,199,647	\$ 27,538,924	\$ 29,704,275	\$ 30,754,849	\$ 31,690,541	\$ 32,987,760	\$ 36,531,872	\$ 38,122,380
Total Pension Liability, Ending (a)	\$ 25,017,714	\$ 26,199,647	\$ 27,538,924	\$ 29,704,275	\$ 30,754,849	\$ 31,690,541	\$ 32,987,760	\$ 36,531,872	\$ 38,122,380	\$ 40,745,290
Plan Fiduciary Net Position										
Contributions - Employer	\$ 656,331	\$ 639,778	\$ 625,101	\$ 764,612	\$ 759,357	\$ 770,923	\$ 781,976	\$ 819,784	\$ 889,607	\$ 856,336
Contributions - Employee	509,826	514,367	506,143	530,998	524,802	640,430	556,086	588,250	628,532	747,395
Net Investment Income	3,640,606	783,557	687,794	2,971,442	2,388,667	2,288,594	1,612,404	8,640,214	(1,587,756)	2,642,622
Benefit Payments, Including Refunds of Employee Contributions	(1,296,482)	(1,382,645)	(1,480,106)	(1,646,830)	(1,661,686)	(1,825,684)	(1,892,618)	(2,041,801)	(2,075,018)	(2,170,016)
Administrative Expense	(14,773)	(19,957)	(28,631)	(31,163)	(34,932)	(32,618)	(32,670)	(32,436)	(37,362)	(42,772)
Other	0	0	4,670	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,495,508	\$ 535,100	\$ 314,971	\$ 2,589,059	\$ 1,976,208	\$ 1,841,645	\$ 1,025,178	\$ 7,974,011	\$ (2,181,997)	\$ 2,033,565
Plan Fiduciary Net Position, Beginning	\$ 22,048,670	\$ 25,544,178	\$ 26,079,278	\$ 26,394,249	\$ 28,983,308	\$ 30,959,516	\$ 32,801,161	\$ 33,826,339	\$ 41,800,350	\$ 39,618,353
Plan Fiduciary Net Position, Ending (b)	\$ 25,544,178	\$ 26,079,278	\$ 26,394,249	\$ 28,983,308	\$ 30,959,516	\$ 32,801,161	\$ 33,826,339	\$ 41,800,350	\$ 39,618,353	\$ 41,651,918
Net Pension Liability (Asset), Ending (a - b)	\$ (526,464)	\$ 120,369	\$ 1,144,675	\$ 720,967	\$ (204,667)	\$ (1,110,620)	\$ (838,579)	\$ (5,268,478)	\$ (1,495,973)	\$ (906,628)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.10%	99.54%	95.84%	97.57%	100.67%	103.50%	102.54%	114.42%	103.92%	102.23%
Covered Payroll	\$ 10,223,211	\$ 10,252,583	\$ 10,018,715	\$ 10,281,227	\$ 10,488,347	\$ 10,648,091	\$ 11,060,468	\$ 11,595,452	\$ 12,570,994	\$ 14,866,941
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(5.15)%	1.17%	11.43%	7.01%	(1.95)%	(10.43)%	(7.58)%	(45.44)%	(11.9)%	(6.1)%

Note: The agent plan is a single plan under one account with the Tennessee Consolidated Retirement System. The plan covers employees of the primary government, the Obion County Nursing Home, and noncertified employees of the discretely presented school department.

Exhibit F-2

OBION COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Public

Employee Pension Plan of TCRS

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 639,778	\$ 625,101	\$ 641,549	\$ 759,357	\$ 770,923	\$ 781,976	\$ 819,784	\$ 889,607	\$ 658,605	\$ 735,478
Less: Contributions in Relation to the Actuarially Determined Contribution	(639,778)	(625,101)	(764,612)	(759,357)	(770,923)	(781,976)	(819,784)	(889,607)	(856,336)	(956,255)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (123,063)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (197,731)	\$ (220,777)
Covered Payroll	\$ 10,252,583	\$ 10,018,715	\$ 10,281,227	\$ 10,488,347	\$ 10,648,091	\$ 11,060,468	\$ 11,595,452	\$ 12,570,994	\$ 14,866,941	\$ 16,602,208
Contributions as a Percentage of Covered Payroll	6.24%	6.24%	7.44%	7.24%	7.24%	7.07%	7.07%	7.08%	5.76%	5.76%

Note: The agent plan is a single plan under one account with the Tennessee Consolidated Retirement System. The plan covers employees of the primary government, the Obion County Nursing Home, and noncertified employees of the discretely presented school department.

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

Discretely Presented Obion County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 16,192	\$ 37,914	\$ 53,544	\$ 27,058	\$ 39,432	\$ 54,040	\$ 69,822	\$ 91,679	\$ 153,803	\$ 185,384
Less: Contributions in Relation to the Contractually Required Contribution	(16,192)	(37,914)	(53,544)	(66,369)	(39,432)	(54,040)	(69,822)	(91,679)	(153,803)	(185,384)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (39,311)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 404,806	\$ 947,869	\$ 1,328,869	\$ 1,659,206	\$ 2,032,556	\$ 2,662,063	\$ 3,456,522	\$ 4,561,166	\$ 5,358,991	\$ 6,284,202
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.03%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%

Note: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

Exhibit F-4

OBION COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Teacher

Legacy Pension Plan of TCRS

Discretely Presented Obion County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,211,251	\$ 1,161,083	\$ 1,166,422	\$ 1,135,009	\$ 1,252,864	\$ 1,238,948	\$ 1,193,004	\$ 1,217,206	\$ 978,814	\$ 769,077
Less: Contributions in Relation to the Contractually Required Contribution	(1,211,251)	(1,161,083)	(1,166,422)	(1,135,009)	(1,252,864)	(1,238,948)	(1,193,004)	(1,217,206)	(978,814)	(769,077)
Contribution Deficiency (Excess)	\$ 0	0								
Covered Payroll	\$ 13,398,880	\$ 12,843,839	\$ 12,912,635	\$ 12,500,079	\$ 11,977,655	\$ 11,655,873	\$ 11,616,853	\$ 11,819,031	\$ 11,263,669	\$ 11,287,411
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.03%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%

Exhibit F-5

OBION COUNTY, TENNESSEE

Schedule of Proportionate Share of the Net Pension Asset

in the Teacher Retirement Plan of TCRS

Discretely Presented Obion 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)	0.194831%	0.215420%	0.203948%	0.189867%	0.192076%	0.210954%	0.239502%	0.267093%	0.269425%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (7,838)	\$ (22,426)	\$ (53,810)	\$ (86,110)	\$ (108,424)	\$ (119,957)	\$ (259,432)	\$ (80,909)	\$ (114,245)
Covered Payroll	\$ 404,806	\$ 947,869	\$ 1,328,869	\$ 1,659,206	\$ 2,032,556	\$ 2,662,063	\$ 3,456,522	\$ 4,561,166	\$ 5,358,991
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.05)%	(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.

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

Discretely Presented Obion 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)	0.355417%	0.357921%	0.355805%	0.365009%	0.356975%	0.357207%	0.350189%	0.353924%	0.359093%	0.347104%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (57,754)	\$ 146,617	\$ 2,223,582	\$ (119,425)	\$ (1,256,164)	\$ (3,672,732)	\$ (2,670,451)	\$ (15,265,597)	\$ (4,403,937)	\$ (4,092,261)
Covered Payroll	\$ 13,950,084	\$ 13,398,880	\$ 12,843,839	\$ 12,912,635	\$ 12,500,079	\$ 11,977,655	\$ 11,655,873	\$ 11,616,853	\$ 11,819,031	\$ 11,263,669
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094247%	17.31%	(0.92)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.26)%	(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%

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

Primary Government

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 30,318	\$ 29,759	\$ 32,050	\$ 30,499	\$ 40,478	\$ 32,521	\$ 22,191
Interest	8,787	11,199	7,339	9,266	8,198	6,410	6,319
Differences Between Actual and Expected Experience	0	(155,462)	13,996	33,762	(30,919)	(65,210)	(29,696)
Changes in Assumptions or Other Inputs	(15,450)	8,103	12,580	27,252	(77,185)	(77,690)	55,241
Benefit Payments	(8,765)	(10,162)	(5,348)	(945)	(6,665)	(6,909)	(998)
Net Change in Total OPEB Liability	\$ 14,890	\$ (116,563)	\$ 60,617	\$ 99,834	\$ (66,093)	\$ (110,878)	\$ 53,057
Total OPEB Liability, Beginning	275,000	289,890	173,327	233,944	333,778	267,685	156,807
Total OPEB Liability, Ending	\$ 289,890	\$ 173,327	\$ 233,944	\$ 333,778	\$ 267,685	\$ 156,807	\$ 209,864
Covered Employee Payroll	\$ 4,973,086	\$ 5,472,179	\$ 6,022,208	\$ 6,470,949	\$ 8,339,118	\$ 9,723,684	\$ 10,663,169
Net OPEB Liability as a Percentage of Covered Employee Payroll	5.83%	3.17%	3.88%	5.16%	3.21%	1.61%	1.97%

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.

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

Discretely Presented Obion County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 239,048	\$ 220,693	\$ 194,191	\$ 182,741	\$ 240,104	\$ 310,210	\$ 238,701
Interest	125,822	149,268	129,193	136,410	101,948	124,304	181,940
Differences Between Actual and Expected Experience	0	(798,437)	571,497	93,922	45,752	(240,853)	(96,697)
Changes in Assumptions or Other Inputs	(188,405)	108,922	(309,745)	480,521	903,240	(522,066)	416,277
Benefit Payments	(266,633)	(281,698)	(276,794)	(235,183)	(212,460)	(226,367)	(204,858)
Net Change in Total OPEB Liability	\$ (90,168)	\$ (601,252)	\$ 308,342	\$ 658,411	\$ 1,078,584	\$ (554,772)	\$ 535,363
Total OPEB Liability, Beginning	4,203,252	4,113,084	3,511,832	3,820,174	4,478,585	5,557,169	5,002,397
Total OPEB Liability, Ending	<u>\$ 4,113,084</u>	<u>\$ 3,511,832</u>	<u>\$ 3,820,174</u>	<u>\$ 4,478,585</u>	<u>\$ 5,557,169</u>	<u>\$ 5,002,397</u>	<u>\$ 5,537,760</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability							
Employer Proportionate Share of the Total OPEB Liability	\$ 1,418,759	\$ 1,199,034	\$ 1,333,362	\$ 1,482,823	\$ 1,946,582	\$ 1,861,012	\$ 2,181,079
	2,694,325	2,312,798	2,486,812	2,995,762	3,610,587	3,141,385	3,356,681
Covered Employee Payroll	\$ 16,642,803	\$ 16,117,119	\$ 15,773,231	\$ 15,762,103	\$ 16,199,286	\$ 16,490,451	\$ 17,226,450
Net OPEB Liability as a Percentage of Covered Employee Payroll	16.19%	14.35%	15.77%	19.01%	22.29%	19.05%	19.49%

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.

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased 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.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Obion County's waste tire disposal operations and recycling center.

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

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

Exhibit G-1

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

	Special Revenue Funds				
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees		Total Nonmajor Governmental Funds
ASSETS					
Cash	\$ 100	\$ 0	\$ 7,296	\$ 7,396	
Equity in Pooled Cash and Investments	405,203	50,176	0	455,379	
Accounts Receivable	0	0	62	62	
Due from Other Funds	3,492	0	0	3,492	
Total Assets	\$ 408,795	\$ 50,176	\$ 7,358	\$ 466,329	
LIABILITIES					
Due to Other Funds	\$ 0	\$ 0	\$ 7,358	\$ 7,358	
Advances Payable to Other Funds	405,000	0	0	405,000	
Total Liabilities	\$ 405,000	\$ 0	\$ 7,358	\$ 412,358	
FUND BALANCES					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 50,176	\$ 0	\$ 50,176	
Committed:					
Committed for Public Health and Welfare	3,795	0	0	3,795	
Total Fund Balances	\$ 3,795	\$ 50,176	\$ 0	\$ 53,971	
Total Liabilities and Fund Balances	\$ 408,795	\$ 50,176	\$ 7,358	\$ 466,329	

Exhibit G-2

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	
Revenues				
Fines, Forfeitures, and Penalties	\$ 0	\$ 5,747	\$ 0	\$ 5,747
Charges for Current Services	33,220	0	315	33,535
Other Local Revenues	72,586	550	0	73,136
State of Tennessee	19,820	0	0	19,820
Other Governments and Citizens Groups	279,145	0	0	279,145
Total Revenues	\$ 404,771	\$ 6,297	\$ 315	\$ 411,383
Expenditures				
Current:				
Administration of Justice	\$ 0	\$ 0	\$ 315	\$ 315
Public Safety	0	5,790	0	5,790
Public Health and Welfare	846,334	0	0	846,334
Debt Service:				
Interest on Debt	15,750	0	0	15,750
Total Expenditures	\$ 862,084	\$ 5,790	\$ 315	\$ 868,189
Excess (Deficiency) of Revenues Over Expenditures	\$ (457,313)	\$ 507	\$ 0	\$ (456,806)
Net Change in Fund Balances	\$ (457,313)	\$ 507	\$ 0	\$ (456,806)
Fund Balance, July 1, 2023	461,108	49,669	0	510,777
Fund Balance, June 30, 2024	\$ 3,795	\$ 50,176	\$ 0	\$ 53,971

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

Solid Waste/Sanitation Fund

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Charges for Current Services	\$ 33,220	\$ 40,000	\$ 40,000	\$ (6,780)
Other Local Revenues	72,586	53,100	53,100	19,486
State of Tennessee	19,820	173,800	173,800	(153,980)
Other Governments and Citizens Groups	279,145	275,000	275,000	4,145
Total Revenues	<u>\$ 404,771</u>	<u>\$ 541,900</u>	<u>\$ 541,900</u>	<u>\$ (137,129)</u>
Expenditures				
Public Health and Welfare				
Sanitation Education/Information	\$ 43,574	\$ 48,800	\$ 48,800	\$ 5,226
Recycling Center	802,760	400,698	850,698	47,938
Principal on Debt				
General Government	0	0	45,000	45,000
Interest on Debt				
General Government	15,750	0	15,750	0
Total Expenditures	<u>\$ 862,084</u>	<u>\$ 449,498</u>	<u>\$ 960,248</u>	<u>\$ 98,164</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (457,313)</u>	<u>\$ 92,402</u>	<u>\$ (418,348)</u>	<u>\$ (38,965)</u>
Net Change in Fund Balance				
Fund Balance, July 1, 2023	\$ 461,108	461,108	461,108	0
Fund Balance, June 30, 2024	<u>\$ 3,795</u>	<u>\$ 553,510</u>	<u>\$ 42,760</u>	<u>\$ (38,965)</u>

OBION 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	\$ 5,747	\$ 44,500	\$ 44,500	\$ (38,753)
Other Local Revenues	550	0	0	550
State of Tennessee	0	1	1	(1)
Federal Government	0	1	1	(1)
Total Revenues	\$ 6,297	\$ 44,502	\$ 44,502	\$ (38,205)
Expenditures				
Public Safety				
Drug Enforcement	\$ 5,790	\$ 55,500	\$ 55,500	\$ 49,710
Total Expenditures	\$ 5,790	\$ 55,500	\$ 55,500	\$ 49,710
Excess (Deficiency) of Revenues Over Expenditures	\$ 507	\$ (10,998)	\$ (10,998)	\$ 11,505
Other Financing Sources (Uses)				
Insurance Recovery	\$ 0	\$ 1	\$ 1	\$ (1)
Total Other Financing Sources	\$ 0	\$ 1	\$ 1	\$ (1)
Net Change in Fund Balance	\$ 507	\$ (10,997)	\$ (10,997)	\$ 11,504
Fund Balance, July 1, 2023	49,669	79,105	79,105	(29,436)
Fund Balance, June 30, 2024	<u>\$ 50,176</u>	<u>\$ 68,108</u>	<u>\$ 68,108</u>	<u>\$ (17,932)</u>

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

Exhibit H

OBION COUNTY, TENNESSEE

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 1,740,459	\$ 1,668,292	\$ 1,668,292	\$ 72,167
Other Governments and Citizens Groups	245,448	245,448	245,448	0
Total Revenues	<u>\$ 1,985,907</u>	<u>\$ 1,913,740</u>	<u>\$ 1,913,740</u>	<u>\$ 72,167</u>
Expenditures				
Principal on Debt				
General Government	\$ 2,447,905	\$ 1,500,000	\$ 2,477,905	\$ 30,000
Highways and Streets	0	200,000	200,000	200,000
Education	205,142	653,484	631,142	426,000
Interest on Debt				
General Government	340	100	1,000	660
Highways and Streets	96,000	96,000	96,000	0
Education	244,546	222,204	244,546	0
Other Debt Service				
General Government	33,438	40,100	40,100	6,662
Total Expenditures	<u>\$ 3,027,371</u>	<u>\$ 2,711,888</u>	<u>\$ 3,690,693</u>	<u>\$ 663,322</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,041,464)</u>	<u>\$ (798,148)</u>	<u>\$ (1,776,953)</u>	<u>\$ 735,489</u>
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 5,000	\$ 5,000	\$ (5,000)
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ (5,000)</u>
Net Change in Fund Balance	<u>\$ (1,041,464)</u>	<u>\$ (793,148)</u>	<u>\$ (1,771,953)</u>	<u>\$ 730,489</u>
Fund Balance, July 1, 2023	<u>(788,101)</u>	<u>(1,445,421)</u>	<u>(1,445,421)</u>	<u>657,320</u>
Fund Balance, June 30, 2024	<u>\$ (1,829,565)</u>	<u>\$ (2,238,569)</u>	<u>\$ (3,217,374)</u>	<u>\$ 1,387,809</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.

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for property tax collections received by the county trustee on behalf of the town of Woodland Mills. These collections are remitted monthly to the municipality.

Special School District Fund – The Special School District Fund is used to account for the collection of property taxes, which are held in trust for the Kenton Special School District.

City School ADA - Union City Fund – The City School ADA - Union City Fund is used to account for the city school system's share of education revenues collected by the county, which must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school system on a monthly basis.

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

Exhibit I-1

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

	Custodial Funds						Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	City School ADA - Union City	Constitu - tional Officers - Custodial	Judicial District Drug	
ASSETS							
Cash	\$ 0	\$ 0	\$ 0	\$ 3,820,034	\$ 0	\$ 0	\$ 3,820,034
Equity in Pooled Cash and Investments	0	174	1,820	38,977	0	60,632	101,603
Accounts Receivable	0	0	0	0	21,140	0	21,140
Due from Other Governments	1,072,221	0	0	428,971	0	0	1,501,192
Property Taxes Receivable	0	0	0	2,005,433	0	0	2,005,433
Allowance for Uncollectible Property Taxes	0	0	0	(29,356)	0	0	(29,356)
Notes Receivable - Long-term	0	0	0	0	198,368	0	198,368
Total Assets	\$ 1,072,221	\$ 174	\$ 1,820	\$ 2,444,025	\$ 4,039,542	\$ 60,632	\$ 7,618,414
LIABILITIES							
Due to Other Taxing Units	\$ 1,072,221	\$ 174	\$ 1,820	\$ 521,152	\$ 0	\$ 0	\$ 1,595,367
Total Liabilities	\$ 1,072,221	\$ 174	\$ 1,820	\$ 521,152	\$ 0	\$ 0	\$ 1,595,367
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 1,922,873	\$ 0	\$ 0	\$ 1,922,873
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 1,922,873	\$ 0	\$ 0	\$ 1,922,873
NET POSITION							
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 4,039,542	\$ 60,632	\$ 0	\$ 4,100,174
Total Net Position	\$ 0	\$ 0	\$ 0	\$ 4,039,542	\$ 60,632	\$ 0	\$ 4,100,174

Exhibit I-2

OBION COUNTY, TENNESSEE

Combining Statement of Changes in Net Position

Custodial Funds

For the Year Ended June 30, 2024

	Custodial Funds						Constitu - tional Officers - Custodial Judicial District Drug	Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	City School ADA - Union City	0	0		
Additions								
Sales Tax Collections for Other Governments	\$ 6,377,755	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,377,755
Property Tax Collections for Other Governments	0	49,977	0	0	0	0	0	49,977
ADA - Educational Funds Collected for Cities	0	0	81,354	5,146,650	0	0	0	5,228,004
Fines/Fees and Other Collections	0	0	0	0	14,522,849	0	0	14,522,849
Drug Task Force Collections	0	0	0	0	0	62,076	62,076	
Total Additions	\$ 6,377,755	\$ 49,977	\$ 81,354	\$ 5,146,650	\$ 14,522,849	\$ 62,076	\$ 26,240,661	
Deductions								
Payment of Sales Tax Collections for Other Governments	\$ 6,377,755	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,377,755
Payment of Property Tax Collections for Other Governments	0	49,977	0	0	0	0	0	49,977
Payments to City School Systems	0	0	81,354	5,146,650	0	0	0	5,228,004
Payments to State	0	0	0	0	6,000,877	0	0	6,000,877
Payments to Cities, Individuals, and Others	0	0	0	0	7,804,251	0	0	7,804,251
Payment of Drug Task Force Expenses	0	0	0	0	0	101,893	101,893	
Total Deductions	\$ 6,377,755	\$ 49,977	\$ 81,354	\$ 5,146,650	\$ 13,805,128	\$ 101,893	\$ 25,562,757	
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ 0	\$ 717,721	\$ (39,817)	\$ 677,904	
Net Position July 1, 2023	0	0	0	0	3,321,821	100,449	3,422,270	
Net Position June 30, 2024	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,039,542	\$ 60,632	\$ 4,100,174	

OBION COUNTY SCHOOL DEPARTMENT

This section presents combining and individual fund financial statements for the Obion 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.

OBION COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Obion County School Department

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	Total	Governmental Activities
Governmental Activities:						
Instruction	\$ 26,917,763	\$ 24,834	\$ 2,312,086	\$ 240,032	\$ (24,340,811)	
Support Services	11,301,165	37,574	5,167,707	177,430		(5,918,454)
Operation of Non-instructional Services	5,259,503	337,581	4,634,914	0		(287,008)
Total Governmental Activities	<u>\$ 43,478,431</u>	<u>\$ 399,989</u>	<u>\$ 12,114,707</u>	<u>\$ 417,462</u>	<u>\$ (30,546,273)</u>	
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 4,608,434	
Local Option Sales Taxes					4,640,081	
Business Tax					106,815	
Other Local Taxes					3,516	
Grants and Contributions Not Restricted to Specific Programs					23,226,297	
Miscellaneous					<u>148,227</u>	
Total General Revenues					<u>\$ 32,733,370</u>	
Change in Net Position					\$ 2,187,097	
Net Position, July 1, 2023					<u>34,804,307</u>	
Net Position, June 30, 2024					<u>\$ 36,991,404</u>	

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

Discretely Presented Obion County School Department

June 30, 2024

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Governmental Funds	
ASSETS					
Cash	\$ 0	\$ 0	\$ 856,658	\$ 856,658	
Equity in Pooled Cash and Investments	4,567,092	362,050	753,767	5,682,909	
Due from Other Governments	2,050,270	1,512,228	22,350	3,584,848	
Due from Other Funds	125,616	89,817	0	215,433	
Property Taxes Receivable	3,741,501	0	0	3,741,501	
Allowance for Uncollectible Property Taxes	(58,073)	0	0	(58,073)	
Restricted Assets	415,237	0	0	415,237	
Total Assets	\$ 10,841,643	\$ 1,964,095	\$ 1,632,775	\$ 14,438,513	
LIABILITIES					
Accounts Payable	\$ 10,747	\$ 357,850	\$ 0	\$ 368,597	
Payroll Deductions Payable	0	1,550	0	1,550	
Contracts Payable	0	0	561	561	
Due to Other Funds	89,817	117,174	8,442	215,433	
Total Liabilities	\$ 100,564	\$ 476,574	\$ 9,003	\$ 586,141	
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 3,559,624	\$ 0	\$ 0	\$ 3,559,624	
Deferred Delinquent Property Taxes	111,205	0	0	111,205	
Other Deferred/Unavailable Revenue	393,344	0	0	393,344	
Total Deferred Inflows of Resources	\$ 4,064,173	\$ 0	\$ 0	\$ 4,064,173	
FUND BALANCES					
Restricted:					
Restricted for Education	\$ 15,902	\$ 0	\$ 856,353	\$ 872,255	
Restricted for Operation of Non-instructional Services	0	0	767,419	767,419	
Restricted for Hybrid Retirement Stabilization Funds	415,237	0	0	415,237	
Committed:					
Committed for Education	1,781,711	0	0	1,781,711	
Assigned:					
Assigned for Education	349,718	1,487,521	0	1,837,239	
Unassigned	4,114,338	0	0	4,114,338	
Total Fund Balances	\$ 6,676,906	\$ 1,487,521	\$ 1,623,772	\$ 9,788,199	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,841,643	\$ 1,964,095	\$ 1,632,775	\$ 14,438,513	

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

Discretely Presented Obion County School Department

June 30, 2024

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)	\$ 9,788,199
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 946,031
Add: construction in progress	1,042,733
Add: buildings and improvements net of accumulated depreciation	11,351,107
Add: infrastructure net of accumulated depreciation	2,874,373
Add: other capital assets net of accumulated depreciation	<u>4,292,972</u>
	20,507,216
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: net OPEB liability	\$ (3,356,681)
Less: compensated absences payable	<u>(71,613)</u>
	(3,428,294)
(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	\$ 5,293,023
Less: deferred inflows of resources related to pensions	(367,628)
Add: deferred outflows of resources related to OPEB	1,123,503
Less: deferred inflows of resources related to OPEB	<u>(951,992)</u>
	5,096,906
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.	
Add: net pension asset - agent plan	\$ 316,322
Add: net pension asset - teacher retirement plan	114,245
Add: net pension asset - teacher legacy pension plan	<u>4,092,261</u>
	4,522,828
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.	
	<u>504,549</u>
Net position of governmental activities (Exhibit A)	\$ <u>36,991,404</u>

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

	Major Funds		Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds		
Revenues					
Local Taxes	\$ 9,491,857	\$ 0	\$ 0	\$ 9,491,857	
Licenses and Permits	5,858	0	0	5,858	
Charges for Current Services	125,563	0	275,349	400,912	
Other Local Revenues	198,709	0	1,402,349	1,601,058	
State of Tennessee	25,345,273	0	16,321	25,361,594	
Federal Government	1,414,411	6,283,408	2,064,624	9,762,443	
Other Governments and Citizens Groups	264,292	0	0	264,292	
Total Revenues	<u>\$ 36,845,963</u>	<u>\$ 6,283,408</u>	<u>\$ 3,758,643</u>	<u>\$ 46,888,014</u>	
Expenditures					
Current:					
Instruction	\$ 20,682,443	\$ 3,758,028	\$ 0	\$ 24,440,471	
Support Services	13,181,164	1,267,382	0	14,448,546	
Operation of Non-Instructional Services	793,956	305,695	4,044,500	5,144,151	
Capital Outlay	1,599,658	123,094	0	1,722,752	
Debt Service:					
Interest on Debt	1,680	0	0	1,680	
Other Debt Service	245,448	0	0	245,448	
Total Expenditures	<u>\$ 36,504,349</u>	<u>\$ 5,454,199</u>	<u>\$ 4,044,500</u>	<u>\$ 46,003,048</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 341,614</u>	<u>\$ 829,209</u>	<u>\$ (285,857)</u>	<u>\$ 884,966</u>	
Other Financing Sources (Uses)					
Insurance Recovery	\$ 1,353,990	\$ 0	\$ 0	\$ 1,353,990	
Total Other Financing Sources (Uses)	<u>\$ 1,353,990</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,353,990</u>	
Net Change in Fund Balances	\$ 1,695,604	\$ 829,209	\$ (285,857)	\$ 2,238,956	
Fund Balance, July 1, 2023	4,981,302	658,312	1,909,629	7,549,243	
Fund Balance, June 30, 2024	<u>\$ 6,676,906</u>	<u>\$ 1,487,521</u>	<u>\$ 1,623,772</u>	<u>\$ 9,788,199</u>	

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

Discretely Presented Obion County School Department

For the Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds (Exhibit J-4)	\$ 2,238,956
(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	\$ 4,029,399
Less: current-year depreciation expense	<u>(2,267,408)</u> 1,761,991
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 504,549
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(1,883,882)</u> (1,379,333)
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in net OPEB liability	\$ (215,296)
Change in deferred outflows related to OPEB	2,918
Change in deferred inflows related to OPEB	55,872
Change in net pension asset - agent plan	(201,433)
Change in net pension asset - teacher retirement plan	33,336
Change in net pension asset - teacher legacy pension plan	(311,676)
Change in deferred outflows related to pensions	(385,605)
Change in deferred inflows related to pensions	593,409
Change in compensated absences payable	<u>(6,042)</u> (434,517)
Change in net position of governmental activities (Exhibit B)	<u>\$ 2,187,097</u>

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

Discretely Presented Obion County School Department

June 30, 2024

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School		
ASSETS				
LIABILITIES				
Cash	\$ 305	\$ 856,353	\$ 856,658	
Equity in Pooled Cash and Investments	753,767	0	753,767	
Due from Other Governments	22,350	0	22,350	
Total Assets	\$ 776,422	\$ 856,353	\$ 1,632,775	
FUND BALANCES				
Contracts Payable	\$ 561	\$ 0	\$ 561	
Due to Other Funds	8,442	0	8,442	
Total Liabilities	\$ 9,003	\$ 0	\$ 9,003	
Restricted:				
Restricted for Education	\$ 0	\$ 856,353	\$ 856,353	
Restricted for Operation of Non-instructional Services	767,419	0	767,419	
Total Fund Balances	\$ 767,419	\$ 856,353	\$ 1,623,772	
Total Liabilities and Fund Balances	\$ 776,422	\$ 856,353	\$ 1,632,775	

Exhibit J-7

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

	Special Revenue Funds			
	Central Cafeteria	Internal School	Nonmajor Governmental Funds	Total
Revenues				
Charges for Current Services	\$ 275,349	\$ 0	\$ 275,349	
Other Local Revenues	39,319	1,363,030	1,402,349	
State of Tennessee	16,321	0	16,321	
Federal Government	2,064,624	0	2,064,624	
Total Revenues	<u>\$ 2,395,613</u>	<u>\$ 1,363,030</u>	<u>\$ 3,758,643</u>	
Expenditures				
Current:				
Operation of Non-Instructional Services	\$ 2,727,212	\$ 1,317,288	\$ 4,044,500	
Total Expenditures	<u>\$ 2,727,212</u>	<u>\$ 1,317,288</u>	<u>\$ 4,044,500</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (331,599)</u>	<u>\$ 45,742</u>	<u>\$ (285,857)</u>	
Net Change in Fund Balances	<u>\$ (331,599)</u>	<u>\$ 45,742</u>	<u>\$ (285,857)</u>	
Fund Balance, July 1, 2023	<u>1,099,018</u>	<u>810,611</u>	<u>1,909,629</u>	
Fund Balance, June 30, 2024	<u>\$ 767,419</u>	<u>\$ 856,353</u>	<u>\$ 1,623,772</u>	

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

Discretely Presented Obion 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	\$ 9,491,857	\$ 0	\$ 0	\$ 9,491,857	\$ 9,237,000	\$ 9,237,000	\$ 254,857
Licenses and Permits	5,858	0	0	5,858	1,800	1,800	4,058
Charges for Current Services	125,563	0	0	125,563	126,200	163,774	(38,211)
Other Local Revenues	198,709	0	0	198,709	37,701	64,611	134,098
State of Tennessee	25,345,273	0	0	25,345,273	23,660,188	27,852,846	(2,507,573)
Federal Government	1,414,411	0	0	1,414,411	0	0	1,414,411
Other Governments and Citizens Groups	264,292	0	0	264,292	0	240,032	24,260
Total Revenues	\$ 36,845,963	\$ 0	\$ 0	\$ 36,845,963	\$ 33,062,889	\$ 37,560,063	\$ (714,100)
Expenditures							
Instruction							
Regular Instruction Program	\$ 14,773,435	\$ (18,053)	\$ 2,141	\$ 14,757,523	\$ 15,348,400	\$ 15,196,249	\$ 438,726
Alternative Instruction Program	80,776	0	0	80,776	113,545	113,545	32,769
Special Education Program	2,410,548	0	0	2,410,548	2,437,834	2,482,834	72,286
Career and Technical Education Program	3,327,829	(617)	0	3,327,212	1,175,050	4,683,770	1,356,558
Student Body Education Program	89,855	0	0	89,855	92,140	92,140	2,285
Support Services							
Attendance	78,525	0	0	78,525	93,660	93,660	15,135
Health Services	593,216	(1,434)	0	591,782	575,083	635,083	43,301
Other Student Support	1,060,723	(49)	0	1,060,674	787,325	1,155,137	94,463
Regular Instruction Program	980,174	(475)	0	979,699	1,054,200	1,066,200	86,501
Alternative Instruction Program	57,186	0	0	57,186	60,532	60,532	3,346
Special Education Program	234,768	0	0	234,768	244,702	244,702	9,934
Career and Technical Education Program	62,893	0	0	62,893	70,432	104,032	41,139
Technology	483,366	0	0	483,366	563,202	563,202	79,836
Other Programs	64,135	0	0	64,135	0	64,135	0
Board of Education	685,990	(194)	0	685,796	706,121	719,121	33,325
Director of Schools	273,056	0	0	273,056	290,072	290,072	17,016

(Continued)

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

Discretely Presented Obion 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.)							
Office of the Principal	\$ 2,023,810	\$ 0	\$ 0	\$ 2,023,810	\$ 2,049,630	\$ 2,067,818	\$ 44,008
Fiscal Services	236,297	0	0	236,297	242,520	242,520	6,223
Operation of Plant	2,712,332	0	0	2,712,332	2,995,795	2,995,795	283,463
Maintenance of Plant	1,408,310	(4,101)	0	1,404,209	1,182,858	1,479,212	75,003
Transportation	2,226,383	(12,443)	0	2,213,940	2,137,214	2,532,914	318,974
Operation of Non-Instructional Services							
Food Service	3,904	0	0	3,904	0	10,000	6,096
Community Services	311,314	(198)	0	311,116	408,850	408,850	97,734
Early Childhood Education	478,738	(3,972)	0	474,766	495,300	495,300	20,534
Capital Outlay							
Regular Capital Outlay	1,599,658	(213,130)	347,577	1,734,105	504,000	1,814,339	80,234
Interest on Debt							
Education	1,680	0	0	1,680	2,000	2,000	320
Other Debt Service							
Education	245,448	0	0	245,448	245,448	245,448	0
Total Expenditures	\$ 36,504,349	\$ (254,666)	\$ 349,718	\$ 36,599,401	\$ 33,875,913	\$ 39,858,610	\$ 3,259,209
Excess (Deficiency) of Revenues Over Expenditures	\$ 341,614	\$ 254,666	\$ (349,718)	\$ 246,562	\$ (813,024)	\$ (2,298,547)	\$ 2,545,109
Other Financing Sources (Uses)							
Insurance Recovery	\$ 1,353,990	\$ 0	\$ 0	\$ 1,353,990	\$ 0	\$ 1,485,523	\$ (131,533)
Transfers In	0	0	0	0	410,000	410,000	(410,000)
Transfers Out	0	0	0	0	(400,000)	(400,000)	400,000
Total Other Financing Sources	\$ 1,353,990	\$ 0	\$ 0	\$ 1,353,990	\$ 10,000	\$ 1,495,523	\$ (141,533)
Net Change in Fund Balance	\$ 1,695,604	\$ 254,666	\$ (349,718)	\$ 1,600,552	\$ (803,024)	\$ (803,024)	\$ 2,403,576
Fund Balance, July 1, 2023	4,981,302	(254,666)	0	4,726,636	4,606,057	4,606,057	120,579
Fund Balance, June 30, 2024	\$ 6,676,906	\$ 0	\$ (349,718)	\$ 6,327,188	\$ 3,803,033	\$ 3,803,033	\$ 2,524,155

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

Discretely Presented Obion County School Department

School Federal Projects Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
			Original	Final	Original	Final	
Revenues							
Federal Government	\$ 6,283,408	\$ 0	\$ 6,283,408	\$ 5,441,439	\$ 5,892,053	\$ 391,355	
Total Revenues	<u>\$ 6,283,408</u>	<u>\$ 0</u>	<u>\$ 6,283,408</u>	<u>\$ 5,441,439</u>	<u>\$ 5,892,053</u>	<u>\$ 391,355</u>	
Expenditures							
Instruction							
Regular Instruction Program	\$ 3,004,496	\$ (19,319)	\$ 2,985,177	\$ 2,762,813	\$ 3,213,130	\$ 227,953	
Special Education Program	665,712	(14,560)	651,152	784,328	789,337	138,185	
Career and Technical Education Program	87,820	(5,498)	82,322	80,587	81,041	(1,281)	
Support Services							
Health Services	35,881	(10,348)	25,533	25,533	25,533	0	
Other Student Support	111,783	0	111,783	128,272	126,342	14,559	
Regular Instruction Program	552,499	0	552,499	691,680	685,740	133,241	
Special Education Program	227,060	(101)	226,959	290,740	293,740	66,781	
Career and Technical Education Program	3,077	0	3,077	2,555	2,555	(522)	
Technology	48,076	0	48,076	47,761	48,103	27	
Director of Schools	4,578	0	4,578	4,654	4,654	76	
Office of the Principal	31,369	0	31,369	34,055	34,055	2,686	
Operation of Plant	1,126	0	1,126	1,134	1,134	8	
Transportation	251,933	0	251,933	270,597	269,959	18,026	
Operation of Non-Instructional Services							
Food Service	18,559	0	18,559	19,559	19,559	1,000	
Community Services	287,136	(1,859)	285,277	291,786	291,786	6,509	
Capital Outlay							
Regular Capital Outlay	123,094	(117,778)	5,316	5,385	5,385	69	
Total Expenditures	<u>\$ 5,454,199</u>	<u>\$ (169,463)</u>	<u>\$ 5,284,736</u>	<u>\$ 5,441,439</u>	<u>\$ 5,892,053</u>	<u>\$ 607,317</u>	
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 829,209	\$ 169,463	\$ 998,672	\$ 0	\$ 0	\$ 998,672	
Net Change in Fund Balance	\$ 829,209	\$ 169,463	\$ 998,672	\$ 0	\$ 0	\$ 998,672	
Fund Balance, July 1, 2023	<u>\$ 658,312</u>	<u>\$ (169,463)</u>	<u>\$ 488,849</u>	<u>\$ 658,312</u>	<u>\$ 658,312</u>	<u>\$ (169,463)</u>	
Fund Balance, June 30, 2024	<u><u>\$ 1,487,521</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,487,521</u></u>	<u><u>\$ 658,312</u></u>	<u><u>\$ 658,312</u></u>	<u><u>\$ 829,209</u></u>	

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Charges for Current Services	\$ 275,349	\$ 504,000	\$ 504,000	\$ (228,651)
Other Local Revenues	39,319	28,000	28,000	11,319
State of Tennessee	16,321	18,000	18,000	(1,679)
Federal Government	2,064,624	2,189,921	2,189,921	(125,297)
Total Revenues	\$ 2,395,613	\$ 2,739,921	\$ 2,739,921	\$ (344,308)
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 2,727,212	\$ 2,814,921	\$ 2,814,921	\$ 87,709
Total Expenditures	\$ 2,727,212	\$ 2,814,921	\$ 2,814,921	\$ 87,709
Excess (Deficiency) of Revenues Over Expenditures	\$ (331,599)	\$ (75,000)	\$ (75,000)	\$ (256,599)
Net Change in Fund Balance	\$ (331,599)	\$ (75,000)	\$ (75,000)	\$ (256,599)
Fund Balance, July 1, 2023	1,099,018	1,075,930	1,075,930	23,088
Fund Balance, June 30, 2024	\$ 767,419	\$ 1,000,930	\$ 1,000,930	\$ (233,511)

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original		Date	Last		Paid and/or		
	Amount	Interest	of	Maturity	Outstanding	Issued	Matured	
	of Issue	Rate	Issue	Date	7-1-23	During Period	During Period	Outstanding 6-30-24
PRIMARY GOVERNMENT								
NOTES PAYABLE								
Payable through General Debt Service Fund								
Capital Outlay Note, Series 2024	\$ 2,447,905	5 %	6-11-24	6-12-24	\$ 0	\$ 2,447,905	\$ 2,447,905	\$ 0
Total Notes Payable						\$ 0	\$ 2,447,905	\$ 2,447,905
OTHER LOAN PAYABLE								
Payable through General Debt Service Fund								
Energy Efficient School Loan	3,752,585	0.5	4-19-21	3-31-39	\$ 3,695,891	\$ 0	\$ 205,142	\$ 3,490,749
Total Other Loan Payable						\$ 3,695,891	\$ 0	\$ 205,142

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

Year Ending June 30	Other Loan		
	Principal	Interest	Total
2025	\$ 228,624	\$ 16,824	\$ 245,448
2026	229,764	15,684	245,448
2027	230,916	14,532	245,448
2028	232,080	13,368	245,448
2029	233,232	12,216	245,448
2030	234,408	11,040	245,448
2031	235,584	9,864	245,448
2032	236,760	8,688	245,448
2033	237,948	7,500	245,448
2034	239,136	6,312	245,448
2035	240,336	5,112	245,448
2036	241,548	3,900	245,448
2037	242,748	2,700	245,448
2038	243,972	1,476	245,448
2039	183,693	312	184,005
Total	\$ 3,490,749	\$ 129,528	\$ 3,620,277

Exhibit K-3

OBION COUNTY, TENNESSEE**Schedule of Notes Receivable****June 30, 2024**

Description	Debtor	Original Amount of Issue	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-24
Constitutional Officers - Custodial Fund Clerk and Master						
Ellen Wade Wiley Scholarship Loan Notes	Various Students	Various	Various	Various	0%	\$ 198,368
Total Constitutional Officers - Custodial Fund						\$ 198,368

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

Primary Government and Discretely Presented Obion County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ 100,000	RLI Insurance Company
Base salary/Total compensation	<u><u>\$ 104,776</u></u>			
Highway Superintendent		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary/Total compensation	<u><u>\$ 99,787</u></u>			
Director of Schools		State Board of Education and County Board of Education	100,000	RLI Insurance Company
Base salary	\$ 130,562			
Career Ladder	2,000			
Travel allowance	9,600			
Total compensation	<u><u>\$ 142,162</u></u>			
Trustee		Section 8-24-102, <i>TCA</i>	1,464,657	RLI Insurance Company
Base salary	\$ 90,715			
Certified public administrator supplement	2,000			
Total compensation	<u><u>\$ 92,715</u></u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	50,000	RLI Insurance Company
Base salary/Total compensation	<u><u>\$ 90,715</u></u>			
County Clerk		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary	\$ 90,715			
Certified public administrator supplement	1,000			
Total compensation	<u><u>\$ 91,715</u></u>			
Circuit, General Sessions and Juvenile Courts Clerk		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary/Total compensation	<u><u>\$ 90,715</u></u>			
Clerk and Master		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	120,000	RLI Insurance Company
Base salary	\$ 90,715			
Special commissioner fees	315			
Total compensation	<u><u>\$ 91,030</u></u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary	\$ 90,715			
Certified public administrator supplement	1,000			
Total compensation	<u><u>\$ 91,715</u></u>			
Sheriff		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary	\$ 99,787			
Certified county financial officer supplement	1,000			
Law enforcement training supplement	800			
Total compensation	<u><u>\$ 101,587</u></u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

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

OBION 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	Constitu - tional Officers - Fees	Highway / Public Works
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 3,060,212	\$ 0	\$ 0	\$ 0	\$ 391,702
Current Property Tax - Tax Increment Financing	0	0	0	0	0
Trustee's Collections - Prior Year	76,515	0	0	0	9,674
Circuit Clerk/Clerk and Master Collections - Prior Years	62,788	0	0	0	8,942
Interest and Penalty	8,571	0	0	0	2,031
Payments in-Lieu-of Taxes - Local Utilities	1,801	0	0	0	230
Payments in-Lieu-of Taxes - Other	12,346	0	0	0	1,576
County Local Option Taxes					
Local Option Sales Tax	861,039	0	0	0	0
Hotel/Motel Tax	383,536	0	0	0	0
Wheel Tax	0	0	0	0	1,441,658
Litigation Tax - General	84,802	0	0	0	0
Litigation Tax - Special Purpose	5,125	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Litigation Tax - Courthouse Security	66,224	0	0	0	0
Business Tax	393,364	0	0	0	9,945
Mixed Drink Tax	5,623	0	0	0	0
Mineral Severance Tax	0	0	0	0	18,314
Statutory Local Taxes					
Bank Excise Tax	26,169	0	0	0	3,341
Wholesale Beer Tax	33,116	0	0	0	0
City/School District Property Taxes					
Interest and Penalty	6,023	0	0	0	0
Total Local Taxes	\$ 5,087,254	\$ 0	\$ 0	\$ 0	\$ 1,887,413

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 18,548	\$ 0	\$ 0	\$ 0	0
Permits					
Beer Permits	998	0	0	0	0
Total Licenses and Permits	\$ 19,546	\$ 0	\$ 0	\$ 0	0
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 2,917	\$ 0	\$ 0	\$ 0	0
Officers Costs	4,027	0	0	0	0
Drug Control Fines	1,172	0	1,172	0	0
Drug Court Fees	3,955	0	0	0	0
Jail Fees	4,652	0	0	0	0
DUI Treatment Fines	95	0	0	0	0
Data Entry Fee - Circuit Court	1,318	0	0	0	0
Criminal Court					
DUI Treatment Fines	692	0	0	0	0
General Sessions Court					
Fines	12,446	0	0	0	0
Officers Costs	7,056	0	0	0	0
Drug Control Fines	3,400	0	3,400	0	0
Drug Court Fees	4,460	0	0	0	0
Jail Fees	20,289	0	0	0	0
DUI Treatment Fines	3,473	0	0	0	0
Data Entry Fee - General Sessions Court	9,921	0	0	0	0
Courtroom Security Fee	7	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)					
Juvenile Court					
Fines	\$ 495	\$ 0	\$ 0	\$ 0	0
Officers Costs	1,917	0	0	0	0
Chancery Court					
Officers Costs	13,416	0	0	0	0
Data Entry Fee - Chancery Court	6,734	0	0	0	0
Judicial District Drug Program					
Drug Task Force Forfeitures and Seizures	0	0	1,175	0	0
Total Fines, Forfeitures, and Penalties	\$ 102,442	\$ 0	\$ 5,747	\$ 0	0
Charges for Current Services					
General Service Charges					
Solid Waste Disposal Fee	\$ 0	\$ 721	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	32,499	0	0	0
Work Release Charges for Board	68,712	0	0	0	0
Other General Service Charges	41,335	0	0	0	0
Fees					
Copy Fees	120	0	0	0	0
Archives and Records Management Fee	56,919	0	0	0	0
Greenbelt Late Application Fee	150	0	0	0	0
Telephone Commissions	134,516	0	0	0	0
Vending Machine Collections	159	0	0	0	171
Additional Fees - Titling and Registration	83,337	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	315	0
Data Processing Fee - Register	8,042	0	0	0	0
Data Processing Fee - Sheriff	3,663	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
Charges for Current Services (Cont.)					
Fees (Cont.)					
Sexual Offender Registration Fee - Sheriff	\$ 4,050	\$ 0	\$ 0	\$ 0	0
Data Processing Fee - County Clerk	4,507	0	0	0	0
Vehicle Registration Reinstatement Fees	6,650	0	0	0	0
Total Charges for Current Services	\$ 412,160	\$ 33,220	\$ 0	\$ 315	\$ 171
Other Local Revenues					
Recurring Items					
Investment Income	\$ 1,988,524	\$ 0	\$ 0	\$ 0	0
Lease/Rentals/PPP	31,508	0	0	0	0
Sale of Materials and Supplies	6,422	0	0	0	80,669
Commissary Sales	75,599	0	0	0	0
Sale of Maps	56	0	0	0	0
Sale of Recycled Materials	0	63,486	0	0	0
Miscellaneous Refunds	241,655	88	550	0	319,314
Nonrecurring Items					
Sale of Equipment	0	6,000	0	0	311,667
Contributions and Gifts	0	3,012	0	0	0
Other Local Revenues					
Other Local Revenues	4,184	0	0	0	0
Total Other Local Revenues	\$ 2,347,948	\$ 72,586	\$ 550	\$ 0	\$ 711,650
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 711,586	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	83,323	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
Fees Received From County Officials (Cont.)					
Fees In-Lieu-of Salary (Cont.)					
General Sessions Court Clerk	\$ 256,774	\$ 0	\$ 0	\$ 0	0
Clerk and Master	179,492	0	0	0	0
Juvenile Court Clerk	43,383	0	0	0	0
Register	115,597	0	0	0	0
Sheriff	14,172	0	0	0	0
Trustee	546,910	0	0	0	0
Total Fees Received From County Officials	\$ 1,951,237	\$ 0	\$ 0	\$ 0	0
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	0
Public Safety Grants					
Law Enforcement Training Programs	27,912	0	0	0	0
School Resource Officer Grants	525,000	0	0	0	0
Public Works Grants					
Bridge Program	0	0	0	0	696,420
Litter Program	0	19,820	0	0	0
Other State Revenues					
Beer Tax	18,498	0	0	0	0
Vehicle Certificate of Title Fees	15,266	0	0	0	0
Alcoholic Beverage Tax	98,048	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	132,952	0	0	0	0
State Revenue Sharing - T.V.A.	433,242	0	0	0	9,600
State Revenue Sharing - Telecommunications	35,445	0	0	0	0
State Shared Sports Gaming Privilege Tax	24,367	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Emergency Hospital - Prisoners	\$ 15,963	\$ 0	\$ 0	\$ 0	0
Contracted Prisoner Boarding	613,852	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,692,540
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	10,897
Petroleum Special Tax	0	0	0	0	20,400
Reappraisal Program Reimbursement	81,757	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	411,202	0	0	0	0
Other State Revenues	3,857	0	0	0	0
Total State of Tennessee	\$ 2,461,525	\$ 19,820	\$ 0	\$ 0	\$ 3,429,857
Federal Government					
Federal Through State					
Homeland Security Grants	\$ 79,879	\$ 0	\$ 0	\$ 0	0
American Rescue Plan Act Grant #1	100,000	0	0	0	0
Other Federal through State	920,997	0	0	0	0
Direct Federal Revenue					
Other Direct Federal Revenue	5,800	0	0	0	0
Total Federal Government	\$ 1,106,676	\$ 0	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	\$ 1,512,054	\$ 0	\$ 0	\$ 0	0
Contributions	0	0	0	0	0
Contracted Services	0	279,145	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
Other Governments and Citizens Groups (Cont.)					
Other					
Opioid Settlement Funds - Past Remediation	\$ 71,593	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 1,583,647	\$ 279,145	\$ 0	\$ 0	\$ 0
Total	\$ 15,072,435	\$ 404,771	\$ 6,297	\$ 315	\$ 6,029,091

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
	<u>Total</u>		
Local Taxes			
County Property Taxes			
Current Property Tax	\$ 1,524,107	\$ 4,976,021	
Current Property Tax - Tax Increment Financing	23,660	23,660	
Trustee's Collections - Prior Year	34,499	120,688	
Circuit Clerk/Clerk and Master Collections - Prior Years	44,085	115,815	
Interest and Penalty	6,746	17,348	
Payments in-Lieu-of Taxes - Local Utilities	1,264	3,295	
Payments in-Lieu-of Taxes - Other	5,884	19,806	
County Local Option Taxes			
Local Option Sales Tax	0	861,039	
Hotel/Motel Tax	0	383,536	
Wheel Tax	0	1,441,658	
Litigation Tax - General	0	84,802	
Litigation Tax - Special Purpose	0	5,125	
Litigation Tax - Jail, Workhouse, or Courthouse	26,973	26,973	
Litigation Tax - Courthouse Security	0	66,224	
Business Tax	54,865	458,174	
Mixed Drink Tax	0	5,623	
Mineral Severance Tax	0	18,314	
Statutory Local Taxes			
Bank Excise Tax	18,376	47,886	
Wholesale Beer Tax	0	33,116	
City/School District Property Taxes			
Interest and Penalty	0	6,023	
Total Local Taxes	\$ 1,740,459	\$ 8,715,126	

(Continued)

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

	Debt Service Fund		
	General Debt Service		Total
Licenses and Permits			
Licenses			
Cable TV Franchise	\$ 0	\$ 18,548	
Permits			
Beer Permits	0	998	
Total Licenses and Permits	\$ 0	\$ 19,546	
Fines, Forfeitures, and Penalties			
Circuit Court			
Fines	\$ 0	\$ 2,917	
Officers Costs	0	4,027	
Drug Control Fines	0	2,344	
Drug Court Fees	0	3,955	
Jail Fees	0	4,652	
DUI Treatment Fines	0	95	
Data Entry Fee - Circuit Court	0	1,318	
Criminal Court			
DUI Treatment Fines	0	692	
General Sessions Court			
Fines	0	12,446	
Officers Costs	0	7,056	
Drug Control Fines	0	6,800	
Drug Court Fees	0	4,460	
Jail Fees	0	20,289	
DUI Treatment Fines	0	3,473	
Data Entry Fee - General Sessions Court	0	9,921	
Courtroom Security Fee	0	7	

(Continued)

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

	<u>Debt Service Fund</u>		
	General	Debt	Service
			Total
Fines, Forfeitures, and Penalties (Cont.)			
Juvenile Court			
Fines	\$ 0	\$ 495	
Officers Costs	0	1,917	
Chancery Court			
Officers Costs	0	13,416	
Data Entry Fee - Chancery Court	0	6,734	
Judicial District Drug Program			
Drug Task Force Forfeitures and Seizures	0	1,175	
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 108,189	
Charges for Current Services			
General Service Charges			
Solid Waste Disposal Fee	\$ 0	\$ 721	
Surcharge - Waste Tire Disposal	0	32,499	
Work Release Charges for Board	0	68,712	
Other General Service Charges	0	41,335	
Fees			
Copy Fees	0	120	
Archives and Records Management Fee	0	56,919	
Greenbelt Late Application Fee	0	150	
Telephone Commissions	0	134,516	
Vending Machine Collections	0	330	
Additional Fees - Titling and Registration	0	83,337	
Constitutional Officers' Fees and Commissions	0	315	
Data Processing Fee - Register	0	8,042	
Data Processing Fee - Sheriff	0	3,663	

(Continued)

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

	Debt Service Fund		
	General Debt Service		Total
Charges for Current Services (Cont.)			
Fees (Cont.)			
Sexual Offender Registration Fee - Sheriff	\$ 0	\$ 4,050	
Data Processing Fee - County Clerk	0	4,507	
Vehicle Registration Reinstatement Fees	0	6,650	
Total Charges for Current Services	\$ 0	\$ 445,866	
Other Local Revenues			
Recurring Items			
Investment Income	\$ 0	\$ 1,988,524	
Lease/Rentals/PPP	0	31,508	
Sale of Materials and Supplies	0	87,091	
Commissary Sales	0	75,599	
Sale of Maps	0	56	
Sale of Recycled Materials	0	63,486	
Miscellaneous Refunds	0	561,607	
Nonrecurring Items			
Sale of Equipment	0	317,667	
Contributions and Gifts	0	3,012	
Other Local Revenues			
Other Local Revenues	0	4,184	
Total Other Local Revenues	\$ 0	\$ 3,132,734	
Fees Received From County Officials			
Fees In-Lieu-of Salary			
County Clerk	\$ 0	\$ 711,586	
Circuit Court Clerk	0	83,323	

(Continued)

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

	<u>Debt Service Fund</u>		
	General Debt Service		Total
Fees Received From County Officials (Cont.)			
Fees In-Lieu-of Salary (Cont.)			
General Sessions Court Clerk	\$	0	\$ 256,774
Clerk and Master		0	179,492
Juvenile Court Clerk		0	43,383
Register		0	115,597
Sheriff		0	14,172
Trustee		0	546,910
Total Fees Received From County Officials	\$	0	\$ 1,951,237
State of Tennessee			
General Government Grants			
Juvenile Services Program	\$	0	\$ 9,000
Public Safety Grants			
Law Enforcement Training Programs		0	27,912
School Resource Officer Grants		0	525,000
Public Works Grants			
Bridge Program		0	696,420
Litter Program		0	19,820
Other State Revenues			
Beer Tax		0	18,498
Vehicle Certificate of Title Fees		0	15,266
Alcoholic Beverage Tax		0	98,048
Opioid Settlement Funds - TN Abatement Council		0	132,952
State Revenue Sharing - T.V.A.		0	442,842
State Revenue Sharing - Telecommunications		0	35,445
State Shared Sports Gaming Privilege Tax		0	24,367

(Continued)

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

	Debt Service Fund		
	General Debt Service		Total
State of Tennessee (Cont.)			
Other State Revenues (Cont.)			
Emergency Hospital - Prisoners	\$ 0	\$ 15,963	
Contracted Prisoner Boarding	0	613,852	
Gasoline and Motor Fuel Tax	0	2,692,540	
Hybrid/Electric Vehicle Registration Fee	0	10,897	
Petroleum Special Tax	0	20,400	
Reappraisal Program Reimbursement	0	81,757	
Registrar's Salary Supplement	0	15,164	
Other State Grants	0	411,202	
Other State Revenues	0	3,857	
Total State of Tennessee	\$ 0	\$ 5,911,202	
Federal Government			
Federal Through State			
Homeland Security Grants	\$ 0	\$ 79,879	
American Rescue Plan Act Grant #1	0	100,000	
Other Federal through State	0	920,997	
Direct Federal Revenue			
Other Direct Federal Revenue	0	5,800	
Total Federal Government	\$ 0	\$ 1,106,676	
Other Governments and Citizens Groups			
Other Governments			
Prisoner Board	\$ 0	\$ 1,512,054	
Contributions	245,448	245,448	
Contracted Services	0	279,145	

(Continued)

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

	Debt Service Fund		
	General	Debt	Service
			Total
Other Governments and Citizens Groups (Cont.)			
Other			
Opioid Settlement Funds - Past Remediation	\$ 0	\$ 71,593	
Total Other Governments and Citizens Groups	\$ 245,448	\$ 2,108,240	
Total	\$ 1,985,907	\$ 23,498,816	

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

Discretely Presented Obion 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	\$ 4,391,759	\$ 0	\$ 0	\$ 0	\$ 4,391,759	
Trustee's Collections - Prior Year	108,823	0	0	0	108,823	
Circuit Clerk/Clerk and Master Collections - Prior Years	89,770	0	0	0	89,770	
Interest and Penalty	22,264	0	0	0	22,264	
Payments in-Lieu-of Taxes - Local Utilities	2,587	0	0	0	2,587	
Payments in-Lieu-of Taxes - Other	17,733	0	0	0	17,733	
County Local Option Taxes						
Local Option Sales Tax	4,704,868	0	0	0	4,704,868	
Business Tax	111,257	0	0	0	111,257	
Mixed Drink Tax	3,634	0	0	0	3,634	
Statutory Local Taxes						
Bank Excise Tax	39,162	0	0	0	39,162	
Total Local Taxes	<u>\$ 9,491,857</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,491,857</u>	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 5,858	\$ 0	\$ 0	\$ 0	\$ 5,858	
Total Licenses and Permits	<u>\$ 5,858</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,858</u>	
Charges for Current Services						
Fees						
Vending Machine Collections	\$ 923	\$ 0	\$ 0	\$ 0	\$ 923	
Education Charges						
Lunch Payments - Children	0	0	134,750	0	134,750	

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Charges for Current Services (Cont.)					
Education Charges (Cont.)					
Lunch Payments - Adults	\$ 0	\$ 85,116	\$ 0	\$ 85,116	
A la Carte Sales	0	0	50,707	0	50,707
Contract for Instructional Services with Other LEA's	37,574	0	0	0	37,574
Receipts from Individual Schools	62,232	0	4,776	0	67,008
Other Charges for Services	24,834	0	0	0	24,834
Total Charges for Current Services	\$ 125,563	\$ 0	\$ 275,349	\$ 0	\$ 400,912
Other Local Revenues					
Recurring Items					
Investment Income	\$ 34,578	\$ 0	\$ 38,612	\$ 0	\$ 73,190
Lease/Rentals/PPP	1	0	0	0	1
Sale of Materials and Supplies	2,031	0	0	0	2,031
Miscellaneous Refunds	100,740	0	707	0	101,447
Nonrecurring Items					
Sale of Equipment	17,630	0	0	0	17,630
Damages Recovered from Individuals	135	0	0	0	135
Contributions and Gifts	43,594	0	0	0	43,594
Other Local Revenues					
Other Local Revenues	0	0	0	1,363,030	1,363,030
Total Other Local Revenues	\$ 198,709	\$ 0	\$ 39,319	\$ 1,363,030	\$ 1,601,058
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	\$ 64,135	\$ 0	\$ 0	\$ 0	\$ 64,135

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
State of Tennessee (Cont.)						
State Education Funds						
Tennessee Investment in Student Achievement	\$ 22,646,203	\$ 0	\$ 0	\$ 0	\$ 22,646,203	
Basic Education Program	41,160	0	0	0	41,160	
Early Childhood Education	563,279	0	0	0	563,279	
School Food Service	0	0	16,321	0	16,321	
Driver Education	9,420	0	0	0	9,420	
Coordinated School Health	27,485	0	0	0	27,485	
Career Ladder Program	47,487	0	0	0	47,487	
Other Vocational	584,761	0	0	0	584,761	
Other State Revenues						
State Revenue Sharing - T.V.A.	430,000	0	0	0	430,000	
Other State Grants	748,763	0	0	0	748,763	
Safe Schools	80,566	0	0	0	80,566	
Other State Revenues	102,014	0	0	0	102,014	
Total State of Tennessee	<u>\$ 25,345,273</u>	<u>\$ 0</u>	<u>\$ 16,321</u>	<u>\$ 0</u>	<u>\$ 25,361,594</u>	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,146,448	\$ 0	\$ 1,146,448	
USDA - Commodities	0	0	163,755	0	163,755	
Breakfast	0	0	619,908	0	619,908	
USDA - Other	0	0	134,513	0	134,513	
Vocational Education - Basic Grants to States	0	175,913	0	0	175,913	
Title I Grants to Local Education Agencies	0	778,249	0	0	778,249	
Special Education - Grants to States	0	995,610	0	0	995,610	

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Federal Government (Cont.)						
Federal Through State (Cont.)						
Special Education Preschool Grants	\$ 0	\$ 76,818	\$ 0	\$ 0	\$ 76,818	
English Language Acquisition Grants	0	18,742	0	0	18,742	
Rural Education	0	3,427	0	0	3,427	
21st Century Community Learning Centers	0	327,292	0	0	327,292	
Eisenhower Professional Development State Grants	0	164,016	0	0	164,016	
COVID-19 Grant B	0	119,601	0	0	119,601	
American Rescue Plan Act Grant #1	1,249,523	3,411,039	0	0	4,660,562	
American Rescue Plan Act Grant #4	0	12,371	0	0	12,371	
Other Federal through State	164,888	22,900	0	0	187,788	
Direct Federal Revenue						
Other Direct Federal Revenue	0	177,430	0	0	177,430	
Total Federal Government	<u>\$ 1,414,411</u>	<u>\$ 6,283,408</u>	<u>\$ 2,064,624</u>	<u>\$ 0</u>	<u>\$ 9,762,443</u>	
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 240,032	\$ 0	\$ 0	\$ 0	\$ 240,032	
Other						
Other	24,260	0	0	0	24,260	
Total Other Governments and Citizens Groups	<u>\$ 264,292</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 264,292</u>	
Total	<u>\$ 36,845,963</u>	<u>\$ 6,283,408</u>	<u>\$ 2,395,613</u>	<u>\$ 1,363,030</u>	<u>\$ 46,888,014</u>	

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

General Fund

General Government

County Commission

Other Salaries and Wages	\$ 1,500
Board and Committee Members Fees	39,800
Audit Services	13,238
Dues and Memberships	1,700
Legal Services	11,738
Legal Notices, Recording, and Court Costs	22,533
Postal Charges	1,836
Printing, Stationery, and Forms	479
Travel	36,375
Office Supplies	624
Other Charges	28
Total County Commission	\$ 129,851

Board of Equalization

Board and Committee Members Fees	\$ 1,020
Total Board of Equalization	1,020

Beer Board

Board and Committee Members Fees	\$ 1,000
Legal Notices, Recording, and Court Costs	195
Total Beer Board	1,195

Budget and Finance Committee

Board and Committee Members Fees	\$ 10,100
Total Budget and Finance Committee	10,100

Other Boards and Committees

Board and Committee Members Fees	\$ 2,500
Total Other Boards and Committees	2,500

County Mayor/Executive

County Official/Administrative Officer	\$ 104,776
Assistant(s)	165,645
Dues and Memberships	1,930
Freight Expenses	93
Legal Notices, Recording, and Court Costs	572
Maintenance Agreements	25,962
Postal Charges	1,638
Printing, Stationery, and Forms	1,145
Travel	8,396
Data Processing Supplies	2,081
Duplicating Supplies	218
Office Supplies	1,220
Premiums on Corporate Surety Bonds	197
Data Processing Equipment	312
Furniture and Fixtures	539
Total County Mayor/Executive	314,724

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	81,644
Deputy(ies)		82,142
Election Commission		2,714
Election Workers		12,205
Communication		1,989
Data Processing Services		3,530
Freight Expenses		536
Janitorial Services		2,400
Legal Notices, Recording, and Court Costs		3,703
Maintenance Agreements		30,006
Pest Control		313
Postal Charges		3,594
Printing, Stationery, and Forms		493
Rentals		452
Travel		3,737
Other Contracted Services		2,236
Custodial Supplies		686
Data Processing Supplies		269
Duplicating Supplies		122
Office Supplies		2,446
Utilities		4,258
Vehicle and Equipment Insurance		1,000
Data Processing Equipment		2,403
Voting Machines		<u>252,759</u>
Total Election Commission	\$	495,637

Register of Deeds

County Official/Administrative Officer	\$	90,715
Deputy(ies)		81,166
Part-time Personnel		4,755
Dues and Memberships		859
Maintenance Agreements		9,466
Maintenance and Repair Services - Office Equipment		238
Postal Charges		258
Printing, Stationery, and Forms		432
Rentals		538
Travel		3,112
Duplicating Supplies		190
Office Supplies		484
Premiums on Corporate Surety Bonds		197
Data Processing Equipment		182
Office Equipment		<u>185</u>
Total Register of Deeds		192,777

County Buildings

Custodial Personnel	\$	68,160
Educational Incentive - Other County Employees		11,000

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Communication	\$ 22,954
Data Processing Services	5,405
Freight Expenses	261
Janitorial Services	6,708
Licenses	175
Maintenance and Repair Services - Buildings	43,542
Maintenance and Repair Services - Equipment	3,253
Pest Control	1,204
Other Contracted Services	23,511
Custodial Supplies	11,623
Drugs and Medical Supplies	540
Food Supplies	2,606
Utilities	62,825
Premiums on Corporate Surety Bonds	746
Other Charges	843,382
Building Improvements	214,054
Furniture and Fixtures	3,315
Heating and Air Conditioning Equipment	56,686
Other Capital Outlay	<u>146,769</u>
Total County Buildings	\$ 1,528,719

Preservation of Records

Maintenance and Repair Services - Records	\$ <u>47,865</u>
Total Preservation of Records	47,865

Finance

Property Assessor's Office

County Official/Administrative Officer	\$ 90,715
Deputy(ies)	131,300
Audit Services	41,715
Communication	260
Contracts with Government Agencies	192
Data Processing Services	18,567
Dues and Memberships	1,731
Maintenance Agreements	648
Postal Charges	5,507
Printing, Stationery, and Forms	1,637
Travel	6,216
Other Contracted Services	19,221
Data Processing Supplies	2,107
Duplicating Supplies	264
Office Supplies	118
Furniture and Fixtures	<u>180</u>
Total Property Assessor's Office	320,378

County Trustee's Office

County Official/Administrative Officer	\$ 90,715
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(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Deputy(ies)	\$ 95,000
Part-time Personnel	3,518
Dues and Memberships	1,184
Legal Notices, Recording, and Court Costs	483
Maintenance Agreements	13,306
Postal Charges	7,989
Printing, Stationery, and Forms	6,917
Travel	3,545
Data Processing Supplies	509
Duplicating Supplies	178
Office Supplies	155
Data Processing Equipment	532
Office Equipment	825
Total County Trustee's Office	\$ 224,856

County Clerk's Office

County Official/Administrative Officer	\$ 90,715
Deputy(ies)	329,623
Overtime Pay	122
Communication	308
Data Processing Services	587
Dues and Memberships	1,009
Freight Expenses	211
Maintenance Agreements	24,126
Postal Charges	10,953
Printing, Stationery, and Forms	2,183
Travel	4,161
Data Processing Supplies	4,241
Duplicating Supplies	1,718
Office Supplies	720
Premiums on Corporate Surety Bonds	197
Other Charges	4,616
Data Processing Equipment	992
Office Equipment	3,851
Total County Clerk's Office	480,333

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 90,715
Judge(s)	128,718
Deputy(ies)	458,384
Board and Committee Members Fees	150
Jury and Witness Expense	4,458
Other Per Diem and Fees	14,400
Bank Charges	47
Data Processing Services	2,460
Dues and Memberships	900

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Freight Expenses	\$ 369
Legal Notices, Recording, and Court Costs	302
Maintenance Agreements	27,321
Maintenance and Repair Services - Equipment	475
Postal Charges	2,632
Printing, Stationery, and Forms	5,005
Travel	4,656
Data Processing Supplies	1,230
Duplicating Supplies	1,651
Office Supplies	1,531
Premiums on Corporate Surety Bonds	263
Other Charges	15,951
Data Processing Equipment	5,731
Furniture and Fixtures	400
Office Equipment	2,116
Total Circuit Court	\$ 769,865

Chancery Court

County Official/Administrative Officer	\$ 90,715
Deputy(ies)	130,173
Bank Charges	67
Dues and Memberships	944
Freight Expenses	259
Maintenance Agreements	13,793
Maintenance and Repair Services - Office Equipment	255
Postal Charges	4,505
Printing, Stationery, and Forms	810
Travel	2,424
Other Contracted Services	1,654
Data Processing Supplies	469
Duplicating Supplies	408
Library Books/Media	346
Office Supplies	1,304
Premiums on Corporate Surety Bonds	442
Data Processing Equipment	4,997
Furniture and Fixtures	122
Office Equipment	100
Total Chancery Court	253,787

Juvenile Court

Judge(s)	\$ 64,877
Youth Service Officer(s)	106,984
Contracts with Private Agencies	3,781
Dues and Memberships	410
Freight Expenses	237
Maintenance and Repair Services - Equipment	515
Postal Charges	558

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Printing, Stationery, and Forms	\$	154
Travel		2,229
Data Processing Supplies		142
Drugs and Medical Supplies		185
Duplicating Supplies		179
Library Books/Media		447
Office Supplies		77
Data Processing Equipment		47
Total Juvenile Court	\$	180,822

Courtroom Security

Guards	\$	106,461
Attendants		167,836
Overtime Pay		20,235
In-service Training		3,200
Maintenance and Repair Services - Equipment		50
Other Charges		93,434
Communication Equipment		2,183
Furniture and Fixtures		233
Law Enforcement Equipment		1,988
Total Courtroom Security	\$	395,620

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	99,787
Dispatchers/Radio Operators		397,888
Clerical Personnel		151,528
Part-time Personnel		31,930
School Resource Officer		488,220
Overtime Pay		141,405
Other Salaries and Wages		1,215,880
In-service Training		24,800
Communication		29,925
Contracts with Government Agencies		1,270
Contracts with Private Agencies		2,818
Data Processing Services		2,044
Dues and Memberships		2,100
Evaluation and Testing		750
Freight Expenses		320
Maintenance Agreements		2,293
Maintenance and Repair Services - Buildings		6,189
Maintenance and Repair Services - Equipment		3,762
Maintenance and Repair Services - Vehicles		56,485
Postal Charges		1,075
Printing, Stationery, and Forms		2,217
Travel		17,063
Veterinary Services		4,049

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Contracted Services	\$ 33,184
Animal Food and Supplies	4,929
Data Processing Supplies	3,521
Duplicating Supplies	1,042
Gasoline	120,402
Law Enforcement Supplies	5,965
Office Supplies	1,212
Tires and Tubes	10,395
Uniforms	20,952
Other Supplies and Materials	34,095
Premiums on Corporate Surety Bonds	798
Vehicle and Equipment Insurance	39,100
Other Charges	137,954
Communication Equipment	10,774
Data Processing Equipment	60
Furniture and Fixtures	254
Law Enforcement Equipment	30,830
Motor Vehicles	<u>456,562</u>
Total Sheriff's Department	\$ 3,595,827

Jail

Medical Personnel	\$ 62,942
Guards	1,077,280
Cafeteria Personnel	48,611
Maintenance Personnel	55,442
Part-time Personnel	7,123
Overtime Pay	72,831
Contracts with Government Agencies	2,010
Contracts with Other Public Agencies	47,145
Evaluation and Testing	150
Freight Expenses	381
Maintenance and Repair Services - Buildings	61,502
Maintenance and Repair Services - Equipment	6,341
Maintenance and Repair Services - Office Equipment	3,554
Medical and Dental Services	343,657
Pest Control	768
Postal Charges	476
Printing, Stationery, and Forms	1,548
Transportation - Other than Students	3,193
Travel	4,661
Custodial Supplies	33,509
Data Processing Supplies	3,296
Duplicating Supplies	1,848
Fertilizer, Lime, and Seed	305
Food Supplies	206,107
Office Supplies	543
Prisoners Clothing	6,191

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Uniforms	\$ 8,952
Utilities	96,387
Other Supplies and Materials	10,705
Building and Contents Insurance	36,948
Other Charges	161,775
Communication Equipment	133
Data Processing Equipment	940
Food Service Equipment	304
Furniture and Fixtures	11,986
Law Enforcement Equipment	439
Total Jail	\$ 2,379,983

Rural Fire Protection

Contributions	\$ 37,000
Total Rural Fire Protection	37,000

Rescue Squad

Contributions	\$ 26,000
Total Rescue Squad	26,000

Other Emergency Management

Supervisor/Director	\$ 73,714
Communication	1,855
Maintenance and Repair Services - Buildings	610
Maintenance and Repair Services - Vehicles	325
Rentals	18,077
Travel	1,695
Data Processing Supplies	21
Gasoline	3,018
Office Supplies	37
Other Charges	409
Data Processing Equipment	50
Other Equipment	562
Total Other Emergency Management	100,373

County Coroner/Medical Examiner

Other Per Diem and Fees	\$ 2,800
Contracts with Government Agencies	27,660
Transportation - Other than Students	5,794
Total County Coroner/Medical Examiner	36,254

Public Safety Grants Program

Other Equipment	\$ 25,463
Total Public Safety Grants Program	25,463

(Continued)

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Communication	\$ 7,144
Contracts with Private Agencies	682
Dues and Memberships	375
Janitorial Services	13,040
Legal Notices, Recording, and Court Costs	328
Maintenance and Repair Services - Buildings	2,422
Maintenance and Repair Services - Equipment	684
Pest Control	336
Postal Charges	388
Printing, Stationery, and Forms	403
Other Contracted Services	2,133
Custodial Supplies	1,179
Food Supplies	764
Instructional Supplies and Materials	59
Office Supplies	1,013
Utilities	15,899
Other Charges	772
Building Improvements	8,102
Total Local Health Center	\$ 55,723

Alcohol and Drug Programs

Drug Treatment	\$ 20,830
Total Alcohol and Drug Programs	20,830

Other Local Health Services

Contributions	\$ 3,609
Total Other Local Health Services	3,609

Appropriation to State

Contracts with Government Agencies	\$ 74,583
Total Appropriation to State	74,583

Social, Cultural, and Recreational Services

Senior Citizens Assistance	
Contributions	\$ 32,000
Total Senior Citizens Assistance	32,000

Libraries

Contributions	\$ 464,091
Total Libraries	464,091

Agriculture and Natural Resources

Agricultural Extension Service	
Salary Supplements	\$ 82,719
Social Security	7,435
Pensions	15,762
Employee and Dependent Insurance	23,064

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Communication	\$ 2,293
Data Processing Services	1,001
Dues and Memberships	670
Janitorial Services	2,400
Pest Control	498
Travel	847
Other Contracted Services	4,919
Custodial Supplies	385
Office Supplies	414
Utilities	3,564
Workers' Compensation Insurance	180
Total Agricultural Extension Service	\$ 146,151

Soil Conservation

Secretary(ies)	\$ 37,876
Total Soil Conservation	37,876

Flood Control

Contributions	\$ 26,460
Total Flood Control	26,460

Other Operations

Tourism

Board and Committee Members Fees	\$ 4,400
Contributions	220,600
Remittance of Revenue Collected	20,000
Total Tourism	245,000

Industrial Development

Contributions	\$ 25,000
Dues and Memberships	8,731
Total Industrial Development	33,731

Airport

Contributions	\$ 20,000
Total Airport	20,000

Veterans' Services

Contributions	\$ 24,495
Matching Share	449
Total Veterans' Services	24,944

Other Charges

Dues and Memberships	\$ 626
Legal Services	60,475
Water and Sewer	70,235
Boiler Insurance	7,500

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Other Charges (Cont.)

Building and Contents Insurance	\$ 44,671
Liability Insurance	177,558
Refunds	202,381
Trustee's Commission	122,331
Vehicle and Equipment Insurance	53,253
Data Processing Equipment	17,272
Other Equipment	<u>20,237</u>
Total Other Charges	\$ 776,539

Contributions to Other Agencies

Contributions	\$ 93,000
Dues and Memberships	<u>2,320</u>
Total Contributions to Other Agencies	95,320

Employee Benefits

Social Security	\$ 493,526
Pensions	375,634
Employee and Dependent Insurance	531,419
Life Insurance	3,822
Unemployment Compensation	3,188
Workers' Compensation Insurance	<u>139,544</u>
Total Employee Benefits	1,547,133

Miscellaneous

Longevity Pay	\$ 26,650
Other Salaries and Wages	<u>60,102</u>
Total Miscellaneous	86,752

Capital Projects

Other General Government Projects

Building Improvements	\$ 32,022
Other Construction	<u>542,557</u>
Total Other General Government Projects	<u>574,579</u>

Total General Fund

\$ 15,816,270

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Education/Information

Foremen	\$ 15,713
Social Security	1,126
Unemployment Compensation	42
Advertising	13,963
Maintenance and Repair Services - Vehicles	3,115
Gasoline	2,604
Other Supplies and Materials	5,511
Workers' Compensation Insurance	<u>1,500</u>
Total Sanitation Education/Information	\$ 43,574

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center

Supervisor/Director	\$ 61,511
Attendants	74,597
Part-time Personnel	20,397
Longevity Pay	1,600
Board and Committee Members Fees	4,900
Social Security	12,428
Pensions	7,932
Employee and Dependent Insurance	6,508
Life Insurance	90
Unemployment Compensation	83
Communication	404
Contracts with Private Agencies	3,761
Data Processing Services	684
Dues and Memberships	150
Freight Expenses	183
Maintenance and Repair Services - Buildings	1,672
Maintenance and Repair Services - Equipment	942
Maintenance and Repair Services - Vehicles	2,494
Other Contracted Services	3,222
Custodial Supplies	322
Data Processing Supplies	2,038
Equipment and Machinery Parts	4,403
Fuel Oil	15,040
Office Supplies	56
Utilities	4,913
Other Supplies and Materials	1,055
Building and Contents Insurance	1,200
Trustee's Commission	332
Vehicle and Equipment Insurance	900
Workers' Compensation Insurance	5,251
Building Improvements	438,551
Maintenance Equipment	<u>125,141</u>
Total Recycling Center	\$ 802,760

Interest on Debt

General Government

Interest on Other Loans	\$ 15,750
Total General Government	<u>15,750</u>

Total Solid Waste/Sanitation Fund

\$ 862,084

Drug Control Fund

Public Safety

Drug Enforcement

Dues and Memberships	\$ 450
Animal Food and Supplies	3,253
Law Enforcement Supplies	2,031
Trustee's Commission	56
Total Drug Enforcement	<u>\$ 5,790</u>

Total Drug Control Fund

5,790

(Continued)

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

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$ 315
Total Chancery Court	<u>\$ 315</u>

Total Constitutional Officers - Fees Fund

\$ 315

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 99,787
Secretary(ies)	102,146
Communication	5,525
Data Processing Services	10,776
Dues and Memberships	3,480
Postal Charges	407
Printing, Stationery, and Forms	1,264
Travel	2,581
Electricity	17,559
Natural Gas	1,891
Office Supplies	9,728
Water and Sewer	<u>3,458</u>
Total Administration	\$ 258,602

Highway and Bridge Maintenance

Foremen	\$ 251,582
Equipment Operators	242,848
Truck Drivers	219,237
Laborers	622,543
Asphalt	88,509
Asphalt - Cold Mix	14,884
Asphalt - Liquid	144,134
Concrete	54,278
Crushed Stone	266,090
General Construction Materials	23,607
Pipe - Metal	169,158
Road Signs	11,596
Wood Products	<u>14,641</u>
Total Highway and Bridge Maintenance	2,123,107

Operation and Maintenance of Equipment

Mechanic(s)	\$ 96,847
Janitorial Services	4,647
Diesel Fuel	152,576
Equipment and Machinery Parts	155,122
Garage Supplies	21,795
Gasoline	38,093
Lubricants	6,391
Small Tools	1,000
Tires and Tubes	<u>37,800</u>
Total Operation and Maintenance of Equipment	514,271

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Asphalt Plant Operations

Electricity	\$ 20,753
Propane Gas	42,218
Sand	31,801
Total Asphalt Plant Operations	\$ 94,772

Other Charges

Building and Contents Insurance	\$ 18,512
Liability Insurance	30,050
Premiums on Corporate Surety Bonds	1,243
Trustee's Commission	50,295
Vehicle and Equipment Insurance	52,253
Workers' Compensation Insurance	72,342
Other Charges	23,453
Total Other Charges	248,148

Employee Benefits

Social Security	\$ 121,698
Pensions	93,832
Employee and Dependent Insurance	174,363
Unemployment Compensation	814
Total Employee Benefits	390,707

Capital Outlay

Engineering Services	\$ 127,286
Other Contracted Services	103,000
Bridge Construction	559,356
Communication Equipment	18,162
Data Processing Equipment	482
Highway Equipment	774,397
Office Equipment	964
Total Capital Outlay	1,583,647

Total Highway/Public Works Fund

\$ 5,213,254

General Debt Service Fund

Principal on Debt

General Government

Principal on Notes	\$ 2,447,905
Total General Government	\$ 2,447,905

Education

Principal on Other Loans	\$ 205,142
Total Education	205,142

Interest on Debt

General Government

Interest on Notes	\$ 340
Total General Government	340

(Continued)

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)	
Highways and Streets	
Interest on Notes	\$ 96,000
Total Highways and Streets	\$ 96,000
Education	
Interest on Bonds	\$ 204,240
Interest on Other Loans	<u>40,306</u>
Total Education	244,546
Other Debt Service	
General Government	
Trustee's Commission	\$ 33,438
Total General Government	<u>33,438</u>
Total General Debt Service Fund	\$ 3,027,371
Total Governmental Funds - Primary Government	<u>\$ 24,925,084</u>

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

Discretely Presented Obion County School Department

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

Instruction

Regular Instruction Program

Teachers	\$ 10,293,617
Career Ladder Program	24,368
Homebound Teachers	15,252
Educational Assistants	243,375
Bonus Payments	13,000
Certified Substitute Teachers	16,340
Non-certified Substitute Teachers	116,655
Social Security	607,169
Pensions	723,420
Life Insurance	7,788
Medical Insurance	1,355,997
Unemployment Compensation	8,102
Employer Medicare	141,986
Lease/SBITA Payments	28,212
Licenses	6,694
Maintenance and Repair Services - Equipment	10,856
Travel	12,232
Instructional Supplies and Materials	357,100
Textbooks - Bound	263,038
Other Supplies and Materials	72
TISA - On-behalf Payments	37,574
Regular Instruction Equipment	490,588
Total Regular Instruction Program	\$ 14,773,435

Alternative Instruction Program

Teachers	\$ 49,181
Educational Assistants	17,700
Social Security	3,989
Pensions	2,082
Life Insurance	61
Medical Insurance	5,259
Employer Medicare	933
Drugs and Medical Supplies	59
Instructional Supplies and Materials	1,434
Other Supplies and Materials	78
Total Alternative Instruction Program	\$ 80,776

Special Education Program

Teachers	\$ 1,293,939
Career Ladder Program	2,500
Homebound Teachers	7,511
Educational Assistants	299,246
Speech Pathologist	228,940
Certified Substitute Teachers	120
Non-certified Substitute Teachers	10,450
Social Security	101,953

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Pensions	\$ 129,517
Life Insurance	1,502
Medical Insurance	241,742
Unemployment Compensation	500
Employer Medicare	23,844
Contracts with Private Agencies	65,766
Maintenance and Repair Services - Equipment	67
Instructional Supplies and Materials	2,951
Total Special Education Program	\$ 2,410,548

Career and Technical Education Program

Teachers	\$ 1,106,185
Guidance Personnel	42,594
Certified Substitute Teachers	3,040
Non-certified Substitute Teachers	11,355
Social Security	67,885
Pensions	95,692
Life Insurance	804
Medical Insurance	137,061
Unemployment Compensation	250
Employer Medicare	15,876
Maintenance and Repair Services - Equipment	3,017
Other Contracted Services	24,500
Instructional Supplies and Materials	724,788
Textbooks - Bound	17,314
Software	366,750
Other Supplies and Materials	908
In Service/Staff Development	100
Other Charges	160
Vocational Instruction Equipment	709,550
Total Career and Technical Education Program	3,327,829

Student Body Education Program

Paraprofessionals	\$ 34,000
Social Security	2,200
Employer Medicare	550
Rentals	3,600
Travel	11,216
Drugs and Medical Supplies	6,774
Instructional Supplies and Materials	28,515
Other Equipment	3,000
Total Student Body Education Program	89,855

Support Services

Attendance

Supervisor/Director	\$ 7,770
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(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Data Processing Personnel	\$ 43,250
Social Security	3,030
Pensions	3,453
Life Insurance	24
Medical Insurance	10,476
Employer Medicare	709
Licenses	6,694
Instructional Supplies and Materials	250
Office Supplies	121
In Service/Staff Development	2,489
Attendance Equipment	259
Total Attendance	\$ 78,525

Health Services

Supervisor/Director	\$ 55,013
Medical Personnel	286,688
Other Salaries and Wages	86,714
Social Security	26,244
Pensions	27,301
Life Insurance	360
Medical Insurance	39,656
Employer Medicare	6,115
Communication	765
Other Contracted Services	1,641
Drugs and Medical Supplies	12,225
Food Supplies	2,990
Other Supplies and Materials	32,867
Medical Claims	14,487
In Service/Staff Development	50
Other Charges	100
Total Health Services	593,216

Other Student Support

Career Ladder Program	\$ 1,000
Guidance Personnel	465,777
Social Security	27,771
Pensions	34,976
Life Insurance	307
Medical Insurance	24,159
Unemployment Compensation	125
Employer Medicare	6,495
Contracts with Government Agencies	107,559
Evaluation and Testing	52,889
Internet Connectivity	240,032
Instructional Supplies and Materials	1,124
Other Supplies and Materials	49

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

In Service/Staff Development	\$ 37,637
Other Charges	9,373
Other Equipment	<u>51,450</u>
Total Other Student Support	\$ 1,060,723

Regular Instruction Program

Supervisor/Director	\$ 311,519
Career Ladder Program	2,000
Librarians	414,968
Social Security	41,130
Pensions	50,663
Life Insurance	399
Medical Insurance	89,738
Unemployment Compensation	400
Employer Medicare	9,619
Printing, Stationery, and Forms	2,437
Travel	3,762
Library Books/Media	40,066
Periodicals	1,684
In Service/Staff Development	<u>11,789</u>
Total Regular Instruction Program	980,174

Alternative Instruction Program

Supervisor/Director	\$ 42,200
Social Security	2,481
Pensions	2,877
Life Insurance	19
Medical Insurance	9,029
Employer Medicare	<u>580</u>
Total Alternative Instruction Program	57,186

Special Education Program

Supervisor/Director	\$ 87,506
Other Salaries and Wages	76,356
Social Security	8,815
Pensions	11,159
Life Insurance	77
Medical Insurance	22,847
Employer Medicare	2,062
Travel	4,209
Other Contracted Services	16,933
Other Supplies and Materials	138
In Service/Staff Development	4,122
Other Equipment	<u>544</u>
Total Special Education Program	234,768

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$ 41,892
Social Security	2,456
Pensions	2,850
Life Insurance	19
Medical Insurance	9,029
Employer Medicare	574
In Service/Staff Development	5,074
Other Equipment	999
Total Career and Technical Education Program	\$ 62,893

Technology

Supervisor/Director	\$ 121,636
Other Salaries and Wages	42,980
Social Security	9,091
Pensions	9,145
Life Insurance	111
Medical Insurance	36,010
Employer Medicare	2,126
Communication	480
Internet Connectivity	49,956
Other Contracted Services	9,290
Software	190,413
Other Supplies and Materials	5,662
In Service/Staff Development	3,244
Other Equipment	3,222
Total Technology	483,366

Other Programs

On-behalf Payments to OPEB	\$ 64,135
Total Other Programs	64,135

Board of Education

Other Salaries and Wages	\$ 44,658
Board and Committee Members Fees	12,800
Social Security	3,406
Pensions	3,573
Life Insurance	1,080
Medical Insurance	5,906
Employer Medicare	797
Advertising	27,163
Audit Services	16,500
Dues and Memberships	6,692
Legal Services	11,461
Printing, Stationery, and Forms	291
Travel	2,105
Maintenance and Repair Services - Records	3,500

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Liability Insurance	\$ 59,885
Premiums on Corporate Surety Bonds	36,560
Trustee's Commission	194,796
Workers' Compensation Insurance	218,651
In Service/Staff Development	11,612
Refund to Applicant for Criminal Investigation	2,643
Other Charges	21,911

Total Board of Education

\$ 685,990

Director of Schools

County Official/Administrative Officer	\$ 130,562
Career Ladder Program	2,000
Secretary(ies)	47,101
Social Security	11,424
Pensions	12,340
Life Insurance	113
Medical Insurance	34,481
Dental Insurance	1,379
Unemployment Compensation	50
Employer Medicare	2,672
Other Fringe Benefits	243
Communication	4,721
Dues and Memberships	7,211
Lease/SBITA Payments	3,012
Postal Charges	3,193
Travel	9,600
Office Supplies	941
In Service/Staff Development	2,013

Total Director of Schools

273,056

Office of the Principal

Principals	\$ 597,857
Career Ladder Program	6,000
Accountants/Bookkeepers	156,126
Assistant Principals	564,679
Secretary(ies)	238,443
Social Security	88,125
Pensions	102,396
Life Insurance	1,031
Medical Insurance	205,855
Unemployment Compensation	400
Employer Medicare	20,610
Communication	33,514
Dues and Memberships	3,150
Maintenance Agreements	2,800
Travel	1,517

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Data Processing Supplies	\$ 308
In Service/Staff Development	999
Total Office of the Principal	\$ 2,023,810

Fiscal Services

Supervisor/Director	\$ 67,550
Accountants/Bookkeepers	74,144
Social Security	8,225
Pensions	8,162
Life Insurance	96
Medical Insurance	20,367
Unemployment Compensation	60
Employer Medicare	1,924
Maintenance Agreements	24,020
Other Contracted Services	13,535
Office Supplies	6,522
Administration Equipment	11,692
Total Fiscal Services	236,297

Operation of Plant

Custodial Personnel	\$ 1,093,066
Social Security	63,858
Pensions	60,343
Life Insurance	1,338
Medical Insurance	148,272
Unemployment Compensation	500
Employer Medicare	14,934
Laundry Service	361
Maintenance and Repair Services - Equipment	1,351
Pest Control	7,318
Disposal Fees	5,750
Other Contracted Services	2,128
Custodial Supplies	111,895
Electricity	725,685
Natural Gas	133,565
Small Tools	2,269
Water and Sewer	84,050
Boiler Insurance	5,948
Building and Contents Insurance	247,129
Plant Operation Equipment	2,572
Total Operation of Plant	2,712,332

Maintenance of Plant

Supervisor/Director	\$ 66,400
Secretary(ies)	34,320
Maintenance Personnel	431,483

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Social Security	\$ 31,185
Pensions	30,772
Life Insurance	454
Medical Insurance	91,887
Unemployment Compensation	200
Employer Medicare	7,293
Communication	295
Maintenance Agreements	8,502
Maintenance and Repair Services - Buildings	487,282
Maintenance and Repair Services - Equipment	15,700
Postal Charges	66
Rentals	300
Travel	304
Permits	255
Other Contracted Services	87,073
Fertilizer, Lime, and Seed	5,594
Office Supplies	2,153
Propane Gas	102
Small Tools	6,814
Gravel and Chert	4,031
Chemicals	600
Other Supplies and Materials	1,534
Administration Equipment	12,285
Maintenance Equipment	78,393
Other Equipment	3,033
Total Maintenance of Plant	\$ 1,408,310

Transportation

Supervisor/Director	\$ 66,810
Mechanic(s)	166,060
Bus Drivers	644,038
Secretary(ies)	29,968
Social Security	52,665
Pensions	47,785
Life Insurance	1,154
Medical Insurance	110,784
Unemployment Compensation	298
Employer Medicare	12,412
Communication	1,453
Laundry Service	4,177
Licenses	225
Maintenance and Repair Services - Equipment	400
Maintenance and Repair Services - Vehicles	26,638
Medical and Dental Services	9,524
Rentals	3,629
Diesel Fuel	238,383

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Garage Supplies	\$ 1,539
Gasoline	67,071
Lubricants	20,343
Office Supplies	4,035
Small Tools	5,441
Tires and Tubes	34,894
Vehicle Parts	85,400
Other Supplies and Materials	1,803
Vehicle and Equipment Insurance	59,229
In Service/Staff Development	4,845
Other Charges	620
Transportation Equipment	524,760
Total Transportation	\$ 2,226,383

Operation of Non-Instructional Services

Food Service

Food Supplies	\$ 3,904
Total Food Service	3,904

Community Services

Supervisor/Director	\$ 21,498
Teachers	238,878
Social Security	16,316
Pensions	10,028
Employer Medicare	3,816
Travel	949
Other Contracted Services	104
Food Supplies	284
Instructional Supplies and Materials	13,765
In Service/Staff Development	5,039
Other Charges	260
Regular Instruction Equipment	377
Total Community Services	311,314

Early Childhood Education

Teachers	\$ 253,004
Educational Assistants	109,946
Certified Substitute Teachers	240
Non-certified Substitute Teachers	4,060
Social Security	21,321
Pensions	26,276
Life Insurance	367
Medical Insurance	37,672
Unemployment Compensation	300
Employer Medicare	4,986
Food Supplies	4,110

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Instructional Supplies and Materials	\$ 11,476
In Service/Staff Development	344
Other Charges	<u>4,636</u>
Total Early Childhood Education	\$ 478,738

Capital Outlay

Regular Capital Outlay

Custodial Supplies	\$ 118
Building Improvements	1,576,185
Site Development	<u>23,355</u>
Total Regular Capital Outlay	1,599,658

Interest on Debt

Education

Interest on Other Loans	\$ 19,644
Total Education	19,644

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 227,484
Total Education	<u>227,484</u>

Total General Purpose School Fund

\$ 36,504,349

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 822,956
Educational Assistants	418,268
Bonus Payments	7,500
Other Salaries and Wages	46,483
Certified Substitute Teachers	360
Non-certified Substitute Teachers	6,955
Social Security	76,799
Pensions	91,009
Life Insurance	1,159
Medical Insurance	145,205
Unemployment Compensation	978
Employer Medicare	17,962
Instructional Supplies and Materials	168,281
Software	42,180
Other Supplies and Materials	29,693
Other Charges	280
Regular Instruction Equipment	<u>1,128,428</u>
Total Regular Instruction Program	\$ 3,004,496

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 74,065
Educational Assistants	361,068
Longevity Pay	450
Other Salaries and Wages	38,800
Certified Substitute Teachers	240
Non-certified Substitute Teachers	290
Social Security	27,137
Pensions	26,497
Life Insurance	642
Medical Insurance	85,509
Unemployment Compensation	558
Employer Medicare	6,347
Maintenance and Repair Services - Equipment	710
Instructional Supplies and Materials	8,028
Other Supplies and Materials	18,796
Special Education Equipment	16,575
Total Special Education Program	\$ 665,712

Career and Technical Education Program

Other Salaries and Wages	\$ 134
Maintenance and Repair Services - Equipment	2,550
Instructional Supplies and Materials	20,469
In Service/Staff Development	1,600
Other Charges	1,550
Vocational Instruction Equipment	61,517
Total Career and Technical Education Program	87,820

Support Services

Health Services

Other Salaries and Wages	\$ 13,300
Social Security	825
Pensions	766
Employer Medicare	193
Drugs and Medical Supplies	1,890
Other Supplies and Materials	18,907
Total Health Services	35,881

Other Student Support

Social Workers	\$ 63,195
Other Salaries and Wages	2,958
Social Security	2,047
Pensions	3,040
Life Insurance	35
Medical Insurance	10,154
Employer Medicare	479
Travel	10,225

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Other Supplies and Materials	\$ 5,267
In Service/Staff Development	7,878
Other Charges	<u>6,505</u>
Total Other Student Support	\$ 111,783

Regular Instruction Program

Supervisor/Director	\$ 77,873
Other Salaries and Wages	269,782
Social Security	20,799
Pensions	24,284
Life Insurance	156
Medical Insurance	44,812
Unemployment Compensation	93
Employer Medicare	4,864
Travel	1,788
Other Contracted Services	71,250
Software	7,500
Other Supplies and Materials	10,135
In Service/Staff Development	12,042
Other Equipment	<u>7,121</u>
Total Regular Instruction Program	552,499

Special Education Program

Psychological Personnel	\$ 71,017
Social Security	3,936
Pensions	5,750
Life Insurance	38
Medical Insurance	10,553
Unemployment Compensation	27
Employer Medicare	921
Contracts with Private Agencies	91,891
Evaluation and Testing	7,486
Travel	854
Other Supplies and Materials	28,000
In Service/Staff Development	<u>6,587</u>
Total Special Education Program	227,060

Career and Technical Education Program

In Service/Staff Development	\$ 3,077
Total Career and Technical Education Program	3,077

Technology

Other Salaries and Wages	\$ 36,880
Social Security	2,111
Pensions	2,124
Life Insurance	38

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Medical Insurance	\$ 6,429
Employer Medicare	494
Total Technology	\$ 48,076

Director of Schools

Other Salaries and Wages	\$ 4,000
Social Security	248
Pensions	272
Employer Medicare	58
Total Director of Schools	\$ 4,578

Office of the Principal

Secretary(ies)	\$ 14,000
Bonus Payments	7,624
Other Salaries and Wages	6,000
Social Security	1,728
Pensions	1,613
Employer Medicare	404
Total Office of the Principal	\$ 31,369

Operation of Plant

Custodial Personnel	\$ 1,000
Social Security	62
Pensions	50
Employer Medicare	14
Total Operation of Plant	\$ 1,126

Transportation

Bus Drivers	\$ 99,818
Other Salaries and Wages	56,906
Social Security	8,943
Pensions	4,361
Life Insurance	276
Unemployment Compensation	28
Employer Medicare	2,239
Transportation Equipment	79,362
Total Transportation	\$ 251,933

Operation of Non-Instructional Services

Food Service

Other Salaries and Wages	\$ 16,364
Social Security	1,015
Pensions	943
Employer Medicare	237
Total Food Service	\$ 18,559

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services

Supervisor/Director	\$ 15,780
Teachers	229,704
Educational Assistants	434
Social Security	15,246
Pensions	9,409
Unemployment Compensation	231
Employer Medicare	3,566
Travel	841
Other Contracted Services	395
Instructional Supplies and Materials	5,762
Other Supplies and Materials	784
In Service/Staff Development	2,851
Other Charges	2,133
Total Community Services	\$ 287,136

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 121,794
Site Development	1,300
Total Regular Capital Outlay	\$ 123,094

Total School Federal Projects Fund

\$ 5,454,199

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 82,508
Clerical Personnel	17,237
Cafeteria Personnel	899,522
In-service Training	58
Social Security	58,328
Pensions	51,824
Life Insurance	1,668
Medical Insurance	133,203
Unemployment Compensation	1,078
Employer Medicare	13,641
Advertising	143
Audit Services	3,000
Communication	4
Dues and Memberships	4,148
Maintenance Agreements	4,995
Maintenance and Repair Services - Equipment	46,017
Pest Control	2,168
Postal Charges	503
Transportation - Other than Students	5,010
Travel	72

(Continued)

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

Discretely Presented Obion County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Disposal Fees	\$ 23,412
Permits	560
Other Contracted Services	2,197
Custodial Supplies	29,315
Food Preparation Supplies	83,240
Food Supplies	1,046,966
Office Supplies	5,713
USDA - Commodities	163,755
Other Supplies and Materials	919
Liability Insurance	94
Trustee's Commission	4
In Service/Staff Development	632
Refund to Applicant for Criminal Investigation	409
Food Service Equipment	44,869
Total Food Service	<u>\$ 2,727,212</u>

Total Central Cafeteria Fund \$ 2,727,212

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,317,288
Total Community Services	<u>\$ 1,317,288</u>

Total Internal School Fund 1,317,288Total Governmental Funds - Obion County School Department \$ 46,003,048

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***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Obion County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Obion County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated January 23, 2025. Our report includes references to other auditors who audited the financial statements of the Obion County Nursing Home and the Internal School Fund of the Obion County School Department (a discretely presented component unit) as described in our report on Obion County's financial statements. This report does not include the results of the other auditors' 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 Obion County's internal control over financial reporting (internal control) as a basis for determining 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 Obion County's internal control. Accordingly, we do not express an opinion on the effectiveness of Obion 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 did identify the following deficiency in internal control, described

in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2024-002(A-C,E).

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Obion 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(D).

Obion County's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on Obion County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Obion 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 result 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 Obion 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

January 23, 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

Obion County Mayor and
Board of County Commissioners
Obion 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 Obion 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 Obion County's major federal programs for the year ended June 30, 2024. Obion 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, Obion 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 Obion 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 Obion 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 Obion 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 Obion 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 Obion 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 Obion 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 Obion 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 Obion County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Obion County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Obion County's basic financial statements. We issued our report thereon dated January 23, 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

January 23, 2025

JEM/gc

OBION COUNTY, TENNESSEE, AND THE OBION COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)

For the Year-Ended June 30, 2024

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 619,908
National School Lunch Program	10.555	N/A	1,273,875 (9)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	163,755 (9)
Total U.S. Department of Agriculture			\$ 2,060,794
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	(5)	\$ 530,905
Total U.S. Department of Housing and Urban Development			\$ 530,905
U.S. Department of Justice:			
Direct Program:			
STOP School Violence	16.839	N/A	\$ 177,780
Total U.S. Department of Justice			\$ 177,780
U.S. Department of Transportation:			
Passed-through State Department of Safety and Homeland Security:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	\$ 27,970
Total U.S. Department of Transportation			\$ 27,970
U.S. Department of the Treasury:			
Passed-through State Department of Education:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds(ARP)	21.027	N/A	\$ 164,888
Direct Program:			
COVID 19 - Local Assistance and Tribal Consistency Fund (ARP)	21.032	N/A	100,000
Total U.S. Department of the Treasury			\$ 264,888
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 770,790
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	960,952 (9)
COVID 19 - Special Education - Grants to States (ARP)	84.027X	N/A	15,100 (9)
Special Education - Preschool Grants	84.173	N/A	41,675 (9)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173X	N/A	4,723 (9)
Career and Technical Education - Basic Grants to States	84.048	N/A	108,865
Twenty-first Century Community Learning Centers	84.287	N/A	280,892
English Language Acquisition State Grants	84.365	N/A	11,658
Supporting Effective Instruction State Grants	84.367	N/A	171,912
Student Support and Academic Enrichment Program	84.424	N/A	8,182
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	187,673 (9)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	3,969,378 (9)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	12,332 (9)
Total U.S. Department of Education			\$ 6,544,132

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2018 HAVA Election Security Grants	90.404	30501-01623-66	\$ 206,728
Total U.S. Election Assistance Commission			<u>\$ 206,728</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	34349-07723	\$ 155,394 (9)
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	N/A	1,890 (9)
COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A	21,867
Total U.S. Department of Health and Human Services			<u>\$ 179,151</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(7)	\$ 67,620
Homeland Security Grant Program	97.067	34101-2522	<u>\$ 12,259</u>
Total U.S. Department of Homeland Security			<u>\$ 79,879</u>
Total Expenditures of Federal Grants			<u>\$ 10,072,227</u>
State Grants		Contract Number	
Evidence-Based Programming Project - State Office of Criminal Justice Programs	N/A	(8)	\$ 116,790
VCIF, Formula Based Grant - State Office of Criminal Justice Programs	N/A	(8)	87,041
Courtroom Security Grant - State Administrative Office of the Courts	N/A	(8)	95,618
Juvenile Court State Supplement Funds - State Commission on Children and Youth	N/A	(8)	9,000
Coordinated School Health - State Department of Education	N/A	N/A	27,485
Early Childhood Education - State Department of Education	N/A	N/A	563,279
Innovative School Models - State Department of Education	N/A	N/A	584,761
Lottery for Education: Afterschool Program (LEAPS) - State Department of Education	N/A	N/A	346,721
Public School Safety Grant - State Department of Education	N/A	N/A	14,016
Safe School - State Department of Education	N/A	N/A	66,550
COVID 19 - Summer Learning Camps - State Department of Education	N/A	N/A	351,553
COVID 19 - Summer Learning Camps Transportation - State Department of Education	N/A	N/A	48,689
PPP Election - State Department of Finance and Administration	N/A	(8)	29,843
Transportation of Mental Health Patients - State Department of Finance and Administration	N/A	(8)	23,817
Statewide School Resource Officer Grant - State Department of Safety and Homeland Security	N/A	34901-01482	525,000
Litter Grant - State Department of Transportation	N/A	(8)	19,820
FY24 Training Equipment Grant - Tennessee Corrections Institute	N/A	31609-0120	16,738
2018 HAVA Election Security Grants - Tennessee Secretary of State	N/A	30501-01623-66	<u>41,355</u>
Total State Grants			<u>\$ 2,968,076</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) Obion County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) No amounts (\$0) were passed-through to subrecipients.

(4) Child Nutrition Cluster total \$2,057,538; Highway Safety Cluster total \$27,970; Special Education Cluster total \$1,022,450.

(5) 33004-16223: \$22,167; 33004-16323: \$39,416; 33004-34222: \$469,322.

(6) Z23THS210: \$12,972; Z24THS220: \$14,998.

(7) 34101-39023: \$35,420; 34101-23624: \$32,200.

(8) Information not available.

(9) Total for ALN 10.555 is \$1,437,630; Total for ALN 84.027 is \$976,052; Total for ALN 84.173 is \$46,398;

Total for ALN 84.425 is \$4,169,383; Total for ALN 93.323 is \$157,284.

OBION 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 uncorrected. Presented below are financial statement findings along with their current status from the Annual Financial Report for Obion 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
OFFICE OF COUNTY MAYOR					
2023	212	2023-001	Appropriations exceeded estimated available funds in the Drug Control Fund.	N/A	Corrected
OFFICE OF HIGHWAY SUPERINTENDENT					
2023	212	2023-002	General ledger payroll deduction accounts were not reconciled with payroll reports and payments in the Highway/Public Works Fund.	N/A	Corrected
OFFICE OF DIRECTOR OF SCHOOLS					
2023	213	2023-003	The General Purpose School and School Federal Projects funds required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2023	214	2023-004	Accounting records for capital assets were not closed and available for audit by August 31, 2023.	N/A	Corrected
2023	214	2023-005	General ledger cash accounts were not reconciled with county trustee reports monthly.	N/A	Corrected
2023	215	2023-006	The office had deficiencies in budget operations.	N/A	Corrected
2023	216	2023-007	Duties were not segregated adequately.	N/A	Corrected
OFFICE OF SHERIFF					
2023	217	2023-008	The office had accounting deficiencies.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2023	217	2023-009	The commissary software did not generate sequential receipt numbers.	N/A	Corrected
2023	218	2023-010	Receipts did not post to the activity log maintained in the commissary software.	N/A	Corrected
2023	219	2023-011	The office did not review a list of voided transactions.	N/A	Corrected

Prior-year Federal Awards Findings

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

OBION 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 Obion 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 Listing Number: 84.425	COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs.	\$750,000
9. Auditee qualified as low-risk auditee?	NO

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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 the 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 DIRECTOR OF SCHOOLS

FINDING 2024-001

THE SCHOOL DEPARTMENT EMPLOYED A CONTRACTOR WITHOUT REQUIRING ADEQUATE BONDS IN ACCORDANCE WITH STATE STATUTE

(Noncompliance –Under *Government Auditing Standards*)

During the year, the school department employed a contractor for three roofing projects totaling \$1,233,866; however, the contractor did not provide appropriate bonds for the projects. Section 12-4-201, *Tennessee Code Annotated*, requires contractors to provide appropriate bonds, which shall be no less than twenty-five (25%) percent of the contract price, for all contracts that exceed \$100,000. The use of a contractor that was not adequately bonded placed the school department at risk of significant financial loss. This deficiency was the result of a lack of management oversight and the failure to follow state statutes.

RECOMMENDATION

The school department should ensure that contractors provide appropriate bonds and should only employ adequately bonded contractors for construction projects exceeding \$100,000, as required by state statute.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with the audit finding. In the future, we will obtain a bond when employing contractors on projects that exceed \$100,000.

OFFICE OF SHERIFF

FINDING 2024-002

THE OFFICE HAD ACCOUNTING DEFICIENCIES

(A., B., C., and E. – Internal Control – Significant Deficiency Under *Government Auditing Standards*; D. – Noncompliance Under *Government Auditing Standards*)

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies can be attributed to a lack of understanding of internal controls, generally accepted accounting principles, state statutes, and sound business practices. The deficiencies noted in Parts C. and D. of this finding are also the result of management's failure to correct the finding noted in the prior-year audit report and management's failure to implement their corrective action plan.

- A. The official cash journal was not properly maintained. When auditors requested the cash journal during May, 2024, the cash journal contained numerous errors and appeared to have pages missing. Amounts were not properly posted, columns were not always totaled, and

ending balances were not carried forward. The official cash journal is the primary cash control record of the office that summarizes financial operations; therefore, the proper maintenance of the cash journal on a current basis is necessary for the official to determine the financial position of the office. The failure to properly maintain accounting records also increases the risks of fraud and abuse.

- B. The annual financial report did not properly reflect the operations of the office. Receipts and disbursements were understated on the annual financial report by \$718,202 and \$628,674, respectively, primarily due to errors in reporting commissary activity. Additionally, beginning balances and ending balances in the annual financial report were not correct and did not agree with the cash journal or reconciled bank statements. These amounts were determined by substantive testing and alternative auditing procedures and have been properly included in the financial statements in this report.
- C. Receipts were not always issued at the time of collection. In some instances, deposits slips were dated prior to the corresponding receipts. The practice of issuing receipts after the actual date of collection increases the risk that collections will not be accounted for properly.
- D. Some funds were not deposited within three days of collection as required by Section 5-8-207, *Tennessee Code Annotated*. During the period tested, 48 of 142 receipts were held from four to nine business days after the receipts were issued before being deposited to the office bank account. This delay in depositing was in addition to the time period noted in Part C. of this finding. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation.
- E. Duties were not segregated adequately among the official and employees in the Office of Sheriff. The employees responsible for maintaining accounting records were also involved in receiving, depositing, and/or disbursing funds. Sound business practices dictate that management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions.

RECOMMENDATION

The official cash journal should be properly maintained on a current basis. The annual financial report should accurately reflect the operations of the sheriff's department. Receipts should be issued at the time of collection and deposited within three days, as required by state statute. The official should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – SHERIFF

I concur with the finding. I will stress to the bookkeeper the importance of maintaining the accounting records correctly. I will also contact CTAS and have some remedial training done for the existing bookkeeper and a second person that can fill in when our main bookkeeper is absent from work. We made some improvements during the prior audit, but we failed to maintain that progress. We will continue to work to correct the deficiencies noted in the audit 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.

OBION 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 DIRECTOR OF SCHOOLS

2024-001	The school department employed a contractor without requiring adequate bonds in accordance with state statute.	194
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OFFICE OF SHERIFF

2024-002	The office had accounting deficiencies.	195
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OBION COUNTY
BOARD OF EDUCATION

1700 N. Fifth St.
Union City, Tennessee 38261
(731)885-9743 FAX (731)885-4902

Members of the Board of Education:
FRITZ FUSSELL, Chairman
KEISHA HOOPER, Vice Chairman
BARRY ADAMS, Chair Pro Tem

MR. TIM WATKINS
DIRECTOR OF SCHOOLS

CHRIS AKIN
TIM BRITT
JARED POORE
SHANNON HOGG

Corrective Action Plan

FINDING

THE SCHOOL DEPARTMENT EMPLOYED A CONTRACTOR
WITHOUT REQUIRING ADEQUATE BONDS IN ACCORDANCE
WITH STATE STATUTE

Response and Corrective Action Plan Prepared by:

Tim Watkins, Director of Schools

Person Responsible for Implementing the Corrective Action:

Tim Watkins, Director of Schools

Anticipated Completion Date of Corrective Action:

Immediately

Repeat Finding:

No

Reason Corrective Action was not Take in the Prior Year:

N/A

Planned Corrective Action:

In the future, we will obtain a bond when employing contractors on projects that exceed \$100,000.



Signature



Obion County Sheriff's Department

1 LAW LANE

• UNION CITY, TENNESSEE 38261

• 731-885-5832

KARL JACKSON
SHERIFF

Corrective Action Plan

FINDING:

THE OFFICE HAD ACCOUNTING DEFICIENCIES

Response and Corrective Action Plan Prepared by:

Karl Jackson, Sheriff

Person Responsible for Implementing the Corrective Action:

Karl Jackson, Sheriff

Anticipated Completion Date of Corrective Action:

June 30, 2025

Repeat Finding:

Yes – Parts C. and D. only

Reason Corrective Action was Not Taken in the Prior Year:

We failed to issue receipts timely and didn't deposit within 3 days of collection in all instances.

Planned Corrective Action:

The bookkeeper will be reminded of the importance of maintaining the cash journal correctly and on a current basis. We will work to correct the errors noted on the annual financial report. Receipts will be issued at the time of collection and deposited within 3 days of collection. We will work to segregate duties within the office.



Karl Jackson, Sheriff

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 Obion County.

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

Obion 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. 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.